



## **17 Ways to Protect Company Trade Secrets**

1. Specifically identify each piece of information you wish to protect as a trade secret.
2. Do not be overly inclusive or overly broad in choosing which information to protect; that would trivialize and undermine the protection of your true trade secrets.
3. Label as confidential all documents that contain or reflect trade secret information and treat them as such. Limit copies and, where appropriate, register document numbers; then require that such information be returned either when a task is completed or on demand.
4. Limit access to those employees who need to know.
5. Instruct employees who work with company information as to which is considered a trade secret and how they should treat it.
6. Have all employees who will be exposed to or using the information sign confidentiality agreements.
7. Implement security measures, such as secure zones, badges, security guards, passwords and locked cabinets. Limit access to your company's facilities through tours or other public disclosures. Make visitors sign in and out, wear badges and, if appropriate, sign confidentiality agreements (examples: any consultant, prospective purchaser or joint venturer). Prohibit cameras and other recorders where trade secrets are kept.
8. Be careful about information on computer disks or hard drives. Make sure the information is available only by using a password given only to appropriate personnel and changed frequently. Remember: Email may last forever and be redistributed, and there is no security on the internet.
9. Include a confidentiality provision in all contracts with outside entities, including temporary workers, distributors, joint-venture partners, licensees, vendors and customers.
10. Be careful that the information you are trying to protect is not unwittingly disclosed in advertising or marketing and through training materials, professional publications and presentations at trade shows or conferences.
11. Conduct periodic trade secret audits to check for leaks.
12. If you outsource any of your product/technology assembly, require strict vendor confidentiality agreements, use different vendors for various components and do not disclose either how the parts relate or any final product information.
13. Be aware that outside the United States trade secret protection varies widely, from some to none.



14. Establish and update written policies and manuals for protecting your intellectual property, including trade secrets. Require your employees to read, understand and comply with these policies.
15. Hold periodic training sessions to remind employees of these rules and to note and correct careless practices.
16. Correct, censure, reprimand and/or discipline any employee who violates these policies.
17. Hold exit audits with departing employees to obtain the return of all secret information and an acknowledgment that they will comply with nondisclosure or other obligations. **Note:** You can base certain severance payments or benefits on the condition of continued compliance.