

## What is the Economic Espionage Act?

*The Economic Espionage Act of 1996 (EEA) made it a criminal offence to steal trade secrets, defined as “all forms and types of financial, business, scientific, technical, economic or engineering information” that the owner has taken reasonable measures to keep secret and that is not known to the public. The legislation applies to information in any form.*

### **Who is affected?**

*The law punishes any individual or organization that knowingly steals, copies, receives, buys or possesses trade secrets or conspires to do so in the United States. Those convicted are subject to severe penalties, up to \$500,000 or 15 years in prison or both for individuals and fines of up to \$10 million for organizations.*

### **What does EEA have to do with information management?**

*While the EEA is intended to protect trade secrets from falling into the wrong hands, it is important for companies to understand that for the EEA to apply, they must be able to show that they took “reasonable measures” to protect the information. This is covered in Section 1839 (3):*

*Sec. 1839. Definitions – (3) the term ‘trade secret’ means all forms and types of financial, business, scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or codes, whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing if – (A) the owner thereof has taken reasonable measures to keep such information secret; and (B) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by, the public.*

*Companies with document management systems that consider the creation, use, storage and destruction of documents not only reduce their risk of a security breach but are also better able to show that they have protected trade secrets should a breach occur.*

### **What do companies have to do to comply with EEA?**

*There are no compliance requirements and therefore no penalties for non-compliance. If a company wants to prosecute an identity thief under the EEA, the company must report its suspicions to the FBI.*

### **How can we help?**

*Reduce the risk of your company’s information falling into the wrong hands by using Shred-it’s document destruction services.*

*Shred-it’s document shredding technology assures that all your confidential materials are destroyed completely. Upon completion of our service, Shred-it provides a Certificate of Destruction – your record of the secure destruction process. For peace of mind, contact Shred-it today at 1 800 69-Shred.*

For more information:

Economic Espionage Act – [www.econometricspionage.com/EEA.html](http://www.econometricspionage.com/EEA.html)

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