

MAINTAINING CONFIDENTIALITY OF TRADE SECRETS AND OTHER PROPRIETARY INFORMATION

We are passionate about protecting and educating our clients and offer checklists and worksheets to assist you, as well as articles that are frequently written about topics pertinent to you. *Below please find a checklist for maintaining the confidentiality of your trade secrets and other proprietary information.* Staying educated to be on top of developing issues relevant to estate planning, business, including employment laws, asset protection, and intellectual property protection is a central mission of our practice.

Further Protection

If your business's products are likely targets for international counterfeiters (popular or high demand products), consider applying to record your trademark registration with **U.S. Customs and Border Protection**.

Recording your trademark registration helps CBP detain and seize imported goods if they violate your recorded trademark.

Ask us how.

Policing Your Mark

A strong trademark has substantial value. This value can be compromised. *Proactive trademark watching and policing is one of the most important ways to protect your brand.* Our firm offers **trademark watch services** and we also recommending setting up **Google Alerts** for your brand(s). *Ask us how.*

GENERAL PROTECTIVE MEASURES CHECKLIST:

1. ___ Nondisclosure and invention agreements should be executed with employees upon hire, and with co-venturers, licensees, and customers when first doing business with them. Such agreements are essential to demonstrate the employer's reasonable efforts to safeguard confidential information, processes, or devices.
2. ___ Noncompetition agreements should be executed by employees precluding them from working directly or indirectly with any competitor of the company for a reasonable scope and duration.
3. ___ Employment agreements should include provisions whereby the employee assigns to the company ownership in all inventions, proprietary information and/or work product that the employee may create, develop, or enhance pursuant to his or her employment with the company.
4. ___ Employees should receive specific written reminders that certain data, projects, or processes to which they are privy or have access are confidential and are covered by an obligation of nondisclosure.
5. ___ Documents containing confidential information should be designated as "confidential" and kept in locked files.
6. ___ Burn boxes should be used to destroy confidential records.
7. ___ Access to areas in which trade secrets or other confidential information could be visually revealed should be restricted through the use of: ___ Lobby monitoring; ___ Visitor sign-ins, badges, and escort requirements; ___ Limitations on plant tours; and ___ Nondisclosure Agreements for persons on facility tours or other persons entering such areas.
8. ___ Areas in which trade secrets or other confidential information could be visually revealed should be designated as such.
9. ___ Publications and speeches by employees should be reviewed and edited, where necessary, to prevent disclosure and personal use of confidential information.
10. ___ Confidential documents should be circulated only on a carefully considered "need-to-know" basis and the recipients should be subject to a confidentiality agreement or confidentiality obligations sufficient to protect the disclosed information.

Tamara L. Harper, a Professional Corporation. *"Navigating You To Safe Harbors."* **805-409-0530**

Navigating entrepreneurs and businesses to safe harbors through the maze of business and employment laws, intellectual property protection, asset protection, legacy and estate planning and trust administration.

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11. __ Require third parties who are provided confidential information to immediately notify the company in the event of any unauthorized disclosure or dissemination of confidential information and to take all available measures to stop any further breaches and to recapture the unauthorized disclosures.
12. __ Exit interviews should be conducted with employees to review what trade secrets and other confidential information may be within the employee's possession and to admonish against their unauthorized use and disclosure. Employees should also be required to return all confidential records before they leave the company.
13. __ When an employee covered by a confidentiality obligation leaves the company for a new job, a letter should be sent to the new employer, informing it of the employee's continuing obligation not to use or disclose trade secrets or other proprietary information. When appropriate, this letter should also inform the new employer that if the new employer utilizes or allows the employee to utilize any confidential information it will be joined as a defendant in litigation aimed at preventing disclosure or use of the confidential information, as well potential claims for interference with its contractual relationship with the former employee and misappropriation of the company's proprietary information.
14. __ As a matter of policy, bring legal actions against former employees and others who engage in the unauthorized use or disclosure of trade secrets.

SPECIAL MEASURES DESIGNED TO PROTECT COMPUTER SOFTWARE CHECKLIST:

“YOUR TRADEMARK IS ONE OF YOUR MOST VALUABLE ASSETS. IT DRIVES PRODUCT RECOGNITION, CUSTOMER LOYALTY AND BRAND RECOGNITION.”

1. __ License (rather than sell) software;
2. __ Require customers to execute nondisclosure agreements for all materials issued and to establish and follow procedures for maintaining the confidentiality of the materials;
3. __ Require customers to maintain adequate security systems that will sufficiently protect the software programs.
4. __ Furnish customers with object programs geared to their particular use;
5. __ Restrict access to databases through the use of passwords, and guard against the indiscriminate circulation of passwords;
6. __ Feed fictitious compilations of data into databases, so that misappropriation may be readily identified;
7. __ Place notices on software programs and data displays as well as on accompanying documentation and manuals warning against disclosure, copying and other misuse;
8. __ Require the employees of customers to keep work inventories, inventor's notebooks, or similar records, as appropriate.

SPECIAL MEASURES DESIGNED TO PROTECT RESEARCH & DEVELOPMENT OR MANUFACTURING ACTIVITIES CHECKLIST:

1. __ Use unnamed or coded ingredients in manufacturing processes;
2. __ Divide secret processes into steps and segregate the various departments that work on each step;
3. __ Destroy old lab samples and prototypes.

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MISCELLANEOUS PROTECTIONS CHECKLIST:

1. __ Caution employees about the extent to which they may discuss their work with prospective and future employers;
2. __ Require consultants to sign nondisclosure agreements and advise them not to discuss their work with others;
3. __ Caution customers not to disclose their account with the company's competitors;
4. __ Require vendors to sign nondisclosure agreements and advise them not to discuss the company's account with others;
5. __ Be wary of phony bid requests and other unwarranted or suspicious attempts to gain access to company information or premises;
6. __ Monitor advertisements and other publications in trade journals to avoid disclosure of the company's customers, marketing *plans*, and research and development activities;
7. __ Scrutinize government filings and indicate, where appropriate, that the information furnished contains trade secrets or confidential data. Become familiar and fully comply with the agency's procedures for protecting confidential information from disclosure under the Freedom of Information Act;
8. __ Caution the company's trade show representatives not to disclose confidential information.

I appreciate your referrals and your business and look forward to working with you and showing you ways to protect and maximize your wealth and discuss protecting your intellectual property and business as well as your personal assets!

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