

October 7, 2015

The Honorable Orrin Hatch
U.S. Senate
Washington, DC 20510

The Honorable Chris Coons
U.S. Senate
Washington, DC 20510

The Honorable Doug Collins
U.S. House of Representatives
Washington, DC 20515

The Honorable Jerry Nadler
U.S. House of Representatives
Washington, DC 20515

Dear Senator Hatch, Senator Coons, Congressman Collins, and Congressman Nadler:

On behalf of the Semiconductor Industry Association (SIA), I am writing to express our support for the Defend Trade Secrets Act of 2015 (S. 1890; H.R. 3326).

The U.S. semiconductor industry supports the strong protection of all forms of intellectual property, including trade secrets. Our industry invests 18 percent of revenue on average on research and development – the highest of any U.S. industry. Protecting the valuable intellectual property that results from this significant investment is critical to our industry's continued success.

In the semiconductor industry, trade secrets include essential intellectual property such as manufacturing processes and techniques, circuit designs, software source code, and business strategies and customer lists. The ability to protect these types of trade secrets has contributed to advances in semiconductor design and manufacturing that have helped enable technological advancements in sectors throughout the economy.

Unfortunately, existing laws are inadequate to address the theft of trade secrets in today's environment. Federal law currently provides criminal sanctions for trade secret misappropriation, but owners of trade secrets currently lack a federal civil remedy for the theft of their trade secrets. State laws provide a civil remedy, but the state courts lack the authority to act effectively against trade secret theft that crosses state and national borders.

The Defend Trade Secrets Act would strengthen the protection of trade secrets by providing for a federal civil cause of action. The bills would provide a consistent, harmonized legal framework and help avoid the commercial injury, diminished competitiveness, and loss of employment that can occur when trade secrets are stolen.

We appreciate your leadership in introducing this bipartisan legislation that will strengthen U.S. competitiveness and innovation.

Sincerely,

