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BOOK REVIEWS

LITIGATING INTERNATIONAL COMMERCIAL DISPUTES. Lawrence W. Newman & David Zaslowsky. Connecticut, U.S.A.: Quorum Books, 1996. Pp. xliii, 383. $50.00 (hardcover).

Reviewed by Jerry W. Markham[†]

International litigation is a growth business. One needs to look no further than North Carolina to see why increasingly more commercial disputes involve international parties. Exports from the Raleigh area alone increased almost twenty percent in 1995 to over two billion dollars.[1] The Charlotte area contributed a like amount.[2] Commercial activities that have traditionally been rife with litigation are also becoming more international in nature.[3]

International litigation was once an arcane topic that was only vaguely defined in the literature. It was historically a specialty practiced by a few members of the bar at larger firms in New York, Chicago and Washington. The massive growth of international trade and financial transactions, however, has given rise to an increased number of commercial disputes that require the application of international litigation skills by a growing number of practitioners. Undoubtedly, North Carolina businesses involved in the exploding growth of international transactions will be calling on

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1 *See* Joel Obermayer, *Triangle No. 2 in State Exports*, NEWS & OBSERVER, Oct. 24, 1996, at C10.

2 *See id.*

3 Securities transactions are responsible for large amounts of civil litigation. That business has also "gone international." Merrill Lynch, for example, is receiving about thirty percent of its operating income from international business and expects that figure to increase to about fifty percent in the next few years. *See* Patrick McGeehan, *Merrill Will Break Mold With CEO*, WALL ST. J., Oct. 29, 1996, at C1.

their North Carolina lawyers to resolve their transnational disputes.

The increased amount of international litigation has led many law schools, including those at the University of North Carolina and Duke University, to establish courses or seminars on the subject. Consequently, several case books have been offered for teaching these courses.[4] Missing from the field has been a manual or hornbook that could be used as a ready reference, and guide, for understanding issues commonly encountered by international litigators. That gap has now been filled by *Litigating International Commercial Disputes*.[5]

The authors, who are both partners at Baker & McKenzie, begin their manual with an overview of differences in procedures between the United States and those of other countries. A critical difference is, of course, that most foreign courts do not allow discovery or may severely limit its availability. The authors also note another sometimes significant distinction: Witness preparation is severely restricted in some foreign countries. Preparing for testimony is the obligation of a lawyer representing a witness in the United States, but such activity is considered improper in some foreign countries.

There are other procedural differences encountered in international litigation. The authors, for example, describe prejudgment attachment procedures used in the United States and those available abroad. They correctly note that the Mareva injunction[6] in England, and other Commonwealth countries, is becoming a popular method for obtaining leverage over international defendants who may conceal their assets or flee those jurisdictions.

The authors also review jurisdictional requirements where foreign parties are being brought into the United States courts. Chapter Three is devoted to personal jurisdiction and Chapter Four

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[4] *See, e.g.*, ANDREAS F. LOWENFELD, INTERNATIONAL LITIGATION AND ARBITRATION (West Pub. Co. 1993); GARY BORN, INTERNATIONAL CIVIL LITIGATION IN UNITED STATES COURTS (Kluer L. Int'l 3d ed. 1996); RUSSELL J. WEINTRAUB, INTERNATIONAL LITIGATION AND ARBITRATION (Carolina Academic Press 1994).

[5] LAWRENCE W. NEWMAN AND DAVID ZASLOWSKY, LITIGATING INTERNATIONAL COMMERCIAL DISPUTES (West Pub. Co. 1996).

[6] Mareva Compania Naviera S.A. v. Int'l Bulkcarriers S.A., [1975] 2 Lloyd's Rep. 509 (enjoining defendant enjoined from removing assets from the court's jurisdiction pending a trial on plaintiff's claims).

to subject matter jurisdiction. These chapters examine long-arm statutes, the minimum contacts analysis, and such niceties as "tag" jurisdiction. In addition, the authors have conveniently summarized some of the leading cases on these issues.[7] Subject matter issues such as those encountered under the Foreign Trade Antitrust Improvement Act,[8] and the federal securities laws are also defined.[9] The book then examines service of process in international litigation and the methods for obtaining service over foreign defendants. Waiver of service provisions are reviewed, and the use of the Hague Convention for service is described. This agreement provides a somewhat formal, but generally effective, service mechanism. Under the Hague Convention, a Central Authority in each signatory country receives and handles service requests from other signatories. More restrictive and time consuming methods must be employed in nations that do not subscribe to the Hague Convention.[10] One key point, noted by the authors, is that counsel should make sure they meet the service requirements of the foreign state where the judgment will be enforced, as well as the requirements of the forum state.

In addition, *Litigating International Commercial Disputes* addresses enforcement of forum selection agreements and choice of law clauses. These clauses often play a key role in the outcome and location of litigation or arbitration. Such clauses are, for the most part, presumptively enforceable for international commercial

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[7] *See, e.g.*, World-Wide Volkswagen Corp. v. Woodson, 444 U.S. 286 (1980); Asahi Metal Indus. Co. v. Super. Ct. Cal., 480 U.S. 102 (1987); Burger King v. Rudzewicz, 471 U.S. 462 (1985).

[8] Pub. L. No. 97-290, 96 Stat. 1246 (1982).

[9] The authors discuss the recent Second Circuit decision in Itoba v. Lep Group PLC, 54 F.3d 118 (2d Cir. 1995), *cert. denied*, _ U.S. _ (1996). There, the court found subject matter jurisdiction over a foreign company on the basis of its SEC filings for American Depository Shares even though the alleged wrongful conduct involved purchases abroad by a foreign party. *Id.*

[10] The reviewer was counsel in a case where it took an extended period of time, and much effort, to perfect service over a Brazilian defendant. Delays were encountered in processing service in the Brazilian courts that were resolved only after protests by the United States Department of State. The defendant also appealed to the Brazilian Supreme Court over the service and protested to the Brazilian legislature. *See generally* ACLI Int'l Commodity Services, Inc. v. Banque Populaire Suisse, 110 F.R.D. 278, 281 (S.D.N.Y. 1986).

claims,[11] particularly where arbitration is sought.[12] The authors also note that New York has special legislation that recognizes choice of law and forum clauses for large commercial disputes even where the parties have little contact with that state.

Chapter Seven addresses issues involving forum non conveniens motions. This has become the motion of choice by many defendants in international disputes since the Second Circuit's decision in *In re Union Carbide Corp. Gas Plant Disaster at Bhopal.*[13] There, the Second Circuit Court dismissed the action on forum non conveniens grounds, provided certain conditions were met that assured the availability of the action in a more convenient forum. The imposition of these conditions appears to have eased the traditional presumption given to a plaintiff's selection of forum.[14] Comity, a more elusive concept for denying jurisdiction, is also considered by the authors. In brief, cases may be dismissed on grounds of international comity where it would be more appropriate for the case to be heard in another country.

The manual also reviews the act of state doctrine,[15] with all of its complexities and conflicts.[16] Fortunately, most international litigants are not facing too many expropriation issues today. Of course, that happy circumstance is always subject to change. Other issues commonly encountered in litigation with foreign sovereigns are examined such as the Hickenlooper Amendment that sought to limit the act of state doctrine,[17] along with the commercial exception

[11] *See* M/S Bremen v. Zapata Off-Shore Co., 407 U.S. 1 (1972).

[12] *See* Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, Inc., 473 U.S. 614 (1985).

[13] 809 F.2d 195 (2d Cir. 1987), *cert. denied, sub nom.,* Executive Committee Members v. Union of India and Union Carbide Corp., 484 U.S. 871 (1987).

[14] *See* ACLI Int'l Commodity Services, Inc. v. Banque Populaire Suisse, 550 F. Supp. 144 (S.D.N.Y. 1986) (denying forum non conveniens motion), 652 F. Supp 1289 (S.D.N.Y. 1987) (reversing prior decision and granting forum non conveniens motion), *aff'd,* 838 F.2d 1202 (2d Cir. 1987). *See generally* Fustok v. Banque Populaire Suisse, 546 F. Supp. 506 (S.D.N.Y. 1982).

[15] The act of state doctrine precludes courts from determining the validity of the acts of a foreign state. Banco Nacional de Cuba v. Sabbatino, 376 U.S. 398 (1964).

[16] *Cf.* W.S. Kirkpatrick & Co., Inc. v. Environmental Tectonics Corp., 493 U.S. 400 (1990).

[17] Foreign Assistance Act, 22 U.S.C. § 2370 (1965).

in the Foreign Sovereign Immunities Act.[18]

The authors discuss the use of some peculiar devices in the international litigation arena such as anti-suit injunctions. Such injunctions are designed to prevent a party from filing a countersuit abroad in order to frustrate an action in the United States. The manual also examines the legal standards applied to the enforcement of foreign judgments and orders, which is often a critical factor in international litigation. Of importance here is the authors' description of the Uniform Foreign Money-Judgments Recognition Act.[19] The authors also discuss currency conversion issues in enforcing a foreign judgment.

Chapter Eleven of the manual describes methods for obtaining evidence abroad that will be used in a United States judicial proceeding. In this area, the book is somewhat weak. It does not fully explain the intricacies of taking depositions abroad and the difficulties of dealing with civil law court systems that do not always allow lawyers to participate in the interrogation of witnesses. Still, the basics are there. In addition, the authors cover "reverse discovery" by showing how evidence may be obtained in the United States for use in proceedings abroad.

A matter of some concern in gathering evidence abroad are foreign blocking statutes that bar information gathering except through the country's own judicial or administrative processes. This manual warns lawyers of the dangers of taking depositions in foreign countries with such blocking statutes—i.e., such activity may be a violation of foreign law unless done through the procedures permitted by the country in question. This may require use of Hague Convention procedures or other methodologies authorized by the foreign state.

The authors also address some of the problems that may be encountered in the presentation of evidence in United States courts that is obtained abroad. For example, some of the difficulties in using interpreters for testimony and documents are described. Proving up foreign law, when at issue in a case, is discussed. The

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[18] Foreign Sovereignty Immunities Act, 28 U.S.C. § 1604 (1976).

[19] 13 U.L.A. 263 (1986). *See also* Uniform Enforcement of Foreign Judgments Act, 13 U.L.A. 150 (1986) (procedural mechanism for recognizing judgments from other states).

manual also considers the use of international arbitration. This is an especially important chapter since many international disputes are now being submitted to arbitration. Finally, the manual contains several helpful indexes such as the Hague Service Convention.[20]

Conclusion

This manual should be on the shelf of any litigator who has even a passing relation with international litigation. The topics considered in the manual coincide nicely with the actual issues that will be encountered in international litigation. Those topics also track the content of most international litigation courses in the law schools. For that reason, the manual can also be used as a study guide for students, as well as a practitioner's reference.

A word of caution is in order, however. This manual is not a "how-to" book or an exposition on the ins and outs of international litigation. Rather, it is more in the form of a hornbook that addresses issues and considerations that are most commonly encountered in litigation involving international parties. The manual, for that reason, is most valuable to the litigator. It provides the litigator with a quick reference and analysis of international litigation issues that can be used to avoid pitfalls or provide a basis for further research.

There is very little surplusage in the manual. In fact, it should not be viewed to be an in-depth treatment of any of the topics it covers. Although the key cases are identified and dangers are noted, the manual will not prepare you for all of the surprises that you may encounter in international litigation. For instance, being informed by your Parisian counsel as you walk into the court room that French lawyers are not allowed to speak in court may come as a shock. The inability to cross-examine a witness effectively in a civil law country can also be extremely frustrating. The delays and niceties of dealing with interpreters and document translations cannot adequately be described in a book. These things must be experienced. Even so, *Litigating International Commercial Disputes* helps make the entire process much more understandable.

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[20] Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters, Nov. 15, 1965, 20 U.S.T 361, T.I.A.S. No. 6638, 658 U.N.T.S. 163.

PROTECTING TRADE SECRETS UNDER THE UNIFORM TRADE SECRETS ACT: PRACTICAL ADVICE FOR EXECUTIVES. Michael Craig Budden. Connecticut, U.S.A.: Quorum Books, 1996. Pp. x, 162. $55.00 (hardcover).

Reviewed by Roy E. Thoman†

Michael Craig Budden, Professor of Marketing at Auburn University, Montgomery, Alabama, has authored numerous articles and monographs, most of which have dealt with legal issues affecting business. In writing this book on trade secrets, he has contributed a concise, readable, significant, and timely addition to a topic of growing importance.

Firms have in their possession valuable information, often referred to as "trade secrets," that provides them with competitive advantages. A trade secret can range in complexity from a food recipe to an intricate manufacturing process. Reports of theft or misappropriation of trade secrets are rising, costing businesses billions of dollars yearly.

Executives need to discern which information in their possession falls into the category of a trade secret, and then proceed with a plan to guard the information. Any such plan must consider the provisions of the Uniform Trade Secrets Act (UTSA).

The National Conference of Commissioners on Uniform State Laws approved the UTSA in 1979; it was subsequently amended by the commissioners in 1985. To date, the UTSA has been enacted as state law in 40 states, with the remaining states expected to sign on soon. The purpose of the UTSA is to provide executives with a framework for protecting their trade secrets, as well as remedies should they be victimized by trade secrets

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violations. Executives wishing protection under the UTSA need to be aware of the existence of trade secrets in their companies, make provisions for security, and implement monitoring plans to maintain security. A principal objective of Budden's book is to facilitate managerial efforts to develop a strategic plan to protect a firm's trade secrets.

Under the UTSA, three basic elements determine the existence of a trade secret. First, the information should have independent economic value, either actual or potential; if the information lacks economic value, it cannot be classified as a trade secret. Second, the information must not be casually or generally known, and it must not be of such type as to be readily established by proper (legal) means. If information is generally known, it by definition cannot be secret. Third, to be classified as a protectable trade secret, the firm must engage in reasonable efforts to maintain secrecy. The expectation is that if a firm has valuable, secret information that gives it some competitive advantage, actions will be taken to guard the information and protect its secrecy. If it is established that a trade secret does not exist, then it is impossible to conclude that a misappropriation has occurred.

Misappropriation takes place through the disclosure or use of a trade secret without the express or implied consent of the owner. The definition of misappropriation includes the acquisition of a trade secret by someone who knows, or has reason to know, that the trade secret was acquired by improper means. This issue was addressed by the Supreme Court of Alabama in the case *of Imed Corporation v. Systems Engineering Associates.*[1] The court concurred with Systems Engineering Associates' contention that a person can be held liable under Alabama's codification of the UTSA if the person knew or should have known at the time the information was acquired that it had been misappropriated by a third person.

Summarizing various cases presented, the UTSA allows for damages, injunctive relief, and, in certain cases, punitive damages and payment of attorney fees. Punitive damages and payment of attorney fees may be imposed in those situations involving willful and malicious misappropriation of trade secrets. Courts may

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[1] 602 So.2d 344 (Ala. 1992).

impose royalties when confronted with situations where damage assessment through other means is difficult or impossible.

Chapter 3 is titled "Establishing a Climate of Confidentiality." Executives need to create a milieu of confidentiality to establish evidence of reasonable, constructive efforts to guard proprietary property. It is recommended that rules be in place requiring that both prospective and current employees sign an agreement acknowledging the confidentiality, value, and ownership of information classified as trade secrets.

The departure of employees and the alleged use of proprietary information obtained during the period of employment by former employees in new businesses have led to a number of cases centering on the misappropriation of trade secrets. Sometimes, courts have decided to enjoin the use, or continued disclosure, of the information when it has been ascertained to be a trade secret and acquired in an unauthorized manner. It is important to note that the UTSA exists to promote innovation in commerce through extending legal protection of proprietary property rights that are not covered by patent or copyright laws.

On the other hand, various state and federal laws embody the concept that restraint of trade must be avoided. Montana provides an example of a rather strict approach that commerce should be encouraged and not constrained. The state's laws prohibit unreasonable agreements that forbid persons from pursuing lawful trade. In the case *of State Medical Oxygen and Supply, Inc. v. American Medical Oxygen Company,*[2] one of the issues decided was the reasonableness of an employment agreement centering on the requirement that employees not reveal or otherwise misuse State Medical's trade secrets.

Montana's supreme court ruled that the employment agreement was not reasonable, and thus unenforceable. One provision stated that the agreement would be considered in effect during the term of a person's employment with State Medical and "for all time thereafter." That provision, together with the absence of a reasonable geographic limit in the document, were key factors in the court's finding that the agreement was unreasonable. In

[2] 782 P.2d 1272 (Mont. 1989).

concluding that the employment agreement was unenforceable, the court pointed out that it restrained lawful professional pursuits.

A federal district court applying Rhode Island law came to a different conclusion in *Nestle Food Company v. Miller*.[3] In that case, a division of an international food company alleged that Miller, a former sales representative, breached an express covenant not to compete when he left the company to work for a competitor. Miller had signed an employment contract restricting his ability to work for a direct competitor in the same market area for the duration of the contract, or for a period of one year from termination of his employment. Nevertheless, Miller resigned his position at Nestle and, without abiding by the one-year delay, went to work for a competitor. Nestle filed suit asking for injunctive relief and damages. Claiming that repeat sales in the territory for the year after Miller's departure decreased approximately 20 percent (amounting to about $230,000), the firm argued that Miller had wrongfully used its customer account information, including the names of Nestle's potential customers and their buying records.

The court held that Nestle could forbid, by non-competition agreement, the use of confidential information that could benefit competitors; and that the company also had the right generally to protect its goodwill. Thus, Miller was enjoined from soliciting anyone who had been a customer of Nestle during the year prior to his departure. He was also permanently enjoined from making use of any information obtained during his association with Nestle that was acquired solely as a result of his employment, and that was not readily accessible to others. In deciding damages, the court found that the firm's calculation of damages was completely speculative, and awarded Nestle the sum of $1.

In Chapter 4, "Specifying Information to be Protected," the author emphasizes that the information for which a company desires UTSA protection must be specific in scope. Firms that fail to delineate which specific information in their possession they regard as trade secrets may lose their secrets without recourse. In *Electro-Craft Corporation v. Controlled Motion, Inc.*,[4] the

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[3] 836 F.Supp. 69 (D.R.I. 1993).

[4] 332 N.W.2d 890 (Minn. 1983).

Minnesota Supreme Court held that Electro-Craft had not proven the existence of a trade secret because of its failure to make reasonable efforts to keep its processes secret. Even though the firm required workers to sign an employment agreement that included a confidentiality provision, the court concluded that the document was too vague to communicate to employees which specific information the company considered to be secret. It also noted that confidentiality procedures were lax; some key technical papers were not even marked "confidential."

Chapter 5 is titled "Appraising the Value of the Information." In determination of value, factors that may be considered by courts are spelled out in *SI Handling Systems v. Heisley*.[5] These elements include the value of the information to the firm and its competitors, the amount of effort and/or money expended in amassing the information, and the ease or difficulty with which the information could be legally acquired or duplicated by others.

The UTSA is not explicit concerning how much value information is expected to have in order for it to be protected under its provisions. The courts, however, have imposed the standard that the information should have significant value in order to meet the valuation test expected of a trade secret. This standard has, in turn, raised questions of value sufficiency.

In Chapter 6, "Appraising the Secrecy of the Information," another interesting facet of the UTSA is explored. Even though it may be established that some given information has value, the next question that arises is whether or not the information is actually secret. To qualify for UTSA protection, the information must be secret. This means that it must not be generally known, or legally knowable, by other persons who may benefit from the knowledge in a manner to cause damage to the owner. Information that is general knowledge to those in some specific area of commerce cannot qualify for protection under the UTSA because such information is not secret. In *Sheets v. Yamaha Motors Corporation, U.S.A.*,[6] the court held that if one willingly allows others to view and photograph something that may be regarded by some to be a trade secret, the petition for protection under the

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[5] 753 F.2d 1244 (3d Cir. 1985).

[6] 849 F.2d 179 (5th Cir. 1988).

UTSA will likely be rejected. Sheets permitted Yamaha representatives to observe his modifications, and he also allowed his sons and their racing team to openly race motorcycles with the modifications. Secrecy was thus destroyed.

The invention and proliferation of microcomputers have raised certain issues involving the UTSA. Technologies related to microcomputer hardware and software present legal dilemmas for those concerned with their adequate protection and security. A leading case in this area is *Vault Corporation v. Quaid Software Limited*.[7] Vault created a computer program imbedded on diskettes that prevents the unauthorized copying of any second party software also present on the diskettes. Unauthorized copying of microcomputer software is a substantial problem for software companies and has cost the industry billions of dollars. Vault's product, named PROLOK, was marketed to software firms as a way of preventing unauthorized copying of their products.

Quaid Software subsequently developed CopyWrite, a product that could "unlock" the protection product sold by Vault. CopyWrite would enable its user to copy programs from the protected diskettes to other diskettes or to a computer's hard disk. (It is noteworthy that this development took place after Quaid legitimately acquired copies of PROLOK software by mail.) In advertisements, Quaid touted CopyWrite as a key that would allow users to make legitimate archival copies of their software. A backup copy of software is naturally desired by those working in computer environments. Quaid's position that its product should be used only for making legitimate backup copies of software was reflected in its advertisements. The firm disclosed that its software incorporated a "coding" element that would permit the tracing of any copies of programs back to the original diskette. It also promised to facilitate the prosecution of those using its product to make illegal copies of software.

Vault sought an injunction to prevent Quaid from selling CopyWrite, and also called for the confiscation of any of the firm's software with the unlocking capability. The relief sought was based on Vault's claims that Quaid had misappropriated its trade secret, and had infringed on its PROLOK copyright. The

[7] 655 F.Supp. 750 (E.D. La. 1987).

court ruled that it could find no contributory infringement. The capability of CopyWrite to make legitimate archival copies of software met the "archival exception" as contained in copyright law. The court found that CopyWrite, as developed and marketed, could be used for commercially significant and non-infringing uses. Therefore, the court held that CopyWrite did not infringe on Vault's copyright.

Vault claimed that Quaid violated its trade secrets because a licensing agreement located on packages of PROLOK software prohibited the decompiling or disassembly of PROLOK without the prior written approval of the Vault Corporation. Quaid had, however, purchased the software through legitimate sources in the open market. Decompiling and disassembling software code are means of reverse engineering the machine language version of software to reveal its original expression in a human readable format. Both are essentially legal activities under the terms of the UTSA. There is no secrecy in information that can be acquired through such proper means.

Louisiana law regards the type of license agreement found on software packages to be an "adhesion" contract. Nevertheless, state law can never deny benefits under federal law; despite the "license agreement", federal copyright law permits archival copying. Vault could not adequately prove that Quaid had violated its copyright, nor did it prove to the court's satisfaction an unlawful misappropriation. Therefore, Vault's request for an injunction prohibiting the sale of CopyWrite software was denied.

Budden warns that the Freedom of Information Act (FOIA), a federal law that permits access to unclassified government information by members of the general public, may sometimes compromise trade secrets. There have been occasions when trade secrets in the hands of government agencies have been inadvertently disclosed in reply to requests under the FOIA or some similar law. For example, the Environmental Protection Agency mistakenly revealed the formula for a Monsanto Corporation herbicide. This error resulted in Monsanto losing its dominant market position in what was then a $450 million annual market.

Chapter 7, "Developing a Plan of Action," has a section dealing with partnering agreements. Under such agreements, firms work closely with one another to assure that the business goals of the participants are achieved. Firms deal with a minimum number of dependable sources of products and services.

The issue of trade secrets security arises in partnering associations because suppliers gain more exposure to the internal operations of buyers. It is not uncommon for buyers to provide on-site office space for their key suppliers. As a result, executives are becoming aware that valuable company information is flowing through and out of the organization, and is therefore at risk. Misappropriation of trade secrets can cost firms dearly. For example, in 1990 General Electric's proprietary formula for making high quality synthetic diamonds was stolen. The formula was worth millions of dollars.

Conclusion

Executives and attorneys will find reading this book to be time well spent. While the work is quite scholarly, and a major contribution to the literature, it is also an eminently practical guide for executives wishing to protect their trade secrets and the attorneys who advise them on trade secret issues. The expectation of the UTSA is that steps that are reasonable, considering the circumstances, will be carried out to maintain secrecy. The precise procedures to be drawn up and implemented can only be developed by executives working closely with their attorneys.

The following examples are illustrative of the many helpful suggestions offered by the author. Stamping "confidential" on relevant folders, blueprints, and other physical forms of secrets is an obvious, but sometimes neglected, first step. For information stored in electronic files, a good approach is to have the screen display a confidentiality message when someone accesses the file. When not being used, information should be locked in file cabinets or safes. In the area of electronic information, specific computer security measures, such as password protection, may be required.

Employees should never simply throw valuable information in the trash. Surplus or otherwise unneeded copies of documents should be shredded, burned, or otherwise destroyed. If the material falls into the category of high value information, it should be processed in cross-shredders or multiple-pass shredders, which render documents into confetti. (Paper strips from regular shredders can be easily rejoined.) Computer disks or tapes should be permanently degaussed or burned.

For executives prepared to expend reasonable efforts to guard their proprietary trade information, the Uniform Trade Secrets Act provides a valuable addition to property rights granted by trademark, copyright, and patent laws. In *Protecting Trade Secrets Under the Uniform Trade Secrets Act: Practical Advice for Executives*, Michael Craig Budden has written an excellent tool for learning how to use the UTSA to safeguard the most valuable asset of most modern companies: information.