**BLOG**

# Four Former Biotech Employees Indicted for Theft of Trade Secrets

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On October 25, 2018, a federal grand jury indicted four former employees of U.S.-based biotech firm Genentech Inc., namely Xanthe Lam, Allen Lam, John Chan, and James Quach, for alleged stealing Genentech's <u>trade secrets</u> to assist JHL Biotech Inc., a Taiwan-based company, in developing and selling drugs similar to those made by a Genentech.

Xanthe Lam was a principal scientist at Genentech from 1986 until 2017, and was alleged to have gathered and sent confidential clinical data about four of Genentech's top-selling cancer drugs to JHL through her husband Allen Lam, and the other two defendants, all of whom are former Genentech employees and had been working as consultants for JHL. Xanthe Lam also had been secretly doing consulting work for JHL while employed by Genentech. In 2013, Lam also allegedly allowed Quach to utilize her credentials to access Genentech's document repository which allowed him to steal proprietary manufacturing protocols and Genentech confidential documents relating to formulation development and raw material management.

All four defendants pleaded not guilty.

**TIP: This is yet another in a recent series of economic espionage criminal prosecutions aimed at punishing, and deterring, theft of confidential information by departing or departed employees. This case highlights the U.S. Government's resolve in bringing these cases in varied industries, and is a reminder that no company is immune to theft, and as such, companies should treat trade secret theft as an enterprise risk that must be proactively guarded against.**

1 Min Read

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