

A Fresh Look at Japanese Trade Secret Protection

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Countries in East Asia have been updating their respective trade secret protection regimes in quick succession. At about the same time that Taiwan was adding criminal penalties to its Trade Secrets Act, Japanese companies were also feeling the sting of trade secret misappropriation. According to Japan's National Police Agency, the number of criminal offenses involving trade secret theft was dramatically on the rise. The agency received 72 requests for advice in 2017, a five-fold increase from just four years prior. It brought charges in 18 cases in 2017, up from merely five cases in 2013.

In this *Today's General Counsel* article, Gino Cheng, a Registered Foreign Lawyer in Winston's Hong Kong office, discusses the current state of trade secret theft in the East Asian region, specifically in Japan. "Although the unfair competition statute affords some legal remedy in Japan, one must also account for uncertainty in the judicial process. Considering the economic stakes, commercial derailment and reputational harm that data leakage could inflict on the aggrieved business, every company should take the ubiquitous risk more seriously. It is advisable to prophylactically reevaluate one's current companywide security protocols to both prevent the theft of a business unit's most valuable trade secret before it occurs, and/or serve as a backstop to quickly detect theft once it occurs."

For more about recent trade secret cases in Japan and how companies can seek injunctive relief under the Unfair Competition Prevention Act read the full article in [Today's General Counsel](#).

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