

What Is a Trade Secret?

Trade Secret

The United States Patent and Trademark Office refers to a **trade secret** as a type of intellectual property. This definition of trade secret is in reference to the business ownership of a formula, pattern, compilation, program, device, method, technique, or process that provides a competitive edge. As a member of the World Trade Organization, the U.S. government has a responsibility to protect trade secrets. The passage of the Defend Trade Secrets Act of 2016 (DTSA) also increased trade secret protection. Under the DTSA, an individual or organization may be found liable in a civil case for the misappropriation of trade secrets.

Trade Secret Misappropriation

The law offers limited protection from **trade secret misappropriation**, which is the unauthorized disclosure and use of the confidential information. Courts can order parties not to violate the confidentiality of a misappropriated trade secret. Owners of the secret may also be eligible to receive royalties, damages, and court costs if someone has used the secret, which was not generally known, without authorization.

Visit our [Trade Secrets](#) page for more information. Winston is well-positioned to help companies respond to theft of trade secrets; learn more by visiting our [Privacy & Data Security Practice](#) page.

Related Capabilities

Trade Secrets, Non Competes & Restrictive Covenants