

LES SVC Luncheon, Oct-16, 2019

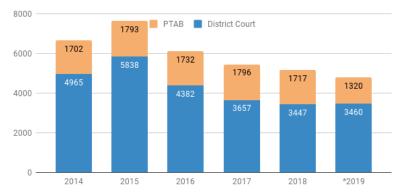
Protecting Your Secret Sauce!

Techniques & Technologies for Securing Your Systems, Data, & Intellectual Assets Against Hacking, Theft, & Industrial Espionage



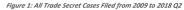
Patents Disputes Down - Trade Secret Litigation Up

Figure 2: DTSA Cases Filed from May 11, 2016 to 2018 Q2



*Total litigation for 2019 is an estimate based on 1H 2019 filings.







Lex Machina distinguishes cases brought under the Defend Trade Secrets Act through case tagging using natural language processing. Below is a focused look at filings under the act since its enactment. Cases including a claim under the DTSA steadily increase over the first four quarters since enactment.

Patent Dispute Report: 2014 - 2019

R Data • Faster • Safer

https://www.gordonrees.com/Templates/media/files/pdf/Trade Secret Litigation Report 2018.pdf

DTSA & EU Trade Secrets Directive Target Trillion Dollar Problem



In terms of where trade secrets theft originates from, which of the following are you most fearful of?

Former employees 32% Suppliers, consultants or other third parties the company trades with 28% Current employees 20% Rogue cyber criminals or hackers 12% State-sponsored cyber criminals or hackers 8%

https://insight.bakermckenzie.com/trade-secret-theft-a-trillion-dollar-problem



Some Recent High-Profile Examples



AN ROBERS BUSINESS 11.01.2018 00:25 PM

US Accuses Chinese Company of Stealing Micron Trade Secrets

The indictment alleges a state-owned company and rogue employees stole plans so China could make memory chips—further straining China-US relations.

Intel gets court order telling former engineer to return confidential docs in Micron row



Defense insists there's nothing to return. And those Perl files? Purely sentimental.

By Thomas Claburn in San Francisco 25 Mar 2019 at 06:57 27 📮 SHARE 🔻



Philips Medical Systems accuses exenginer of pilfering trade secrets

APRIL 22, 2019 BY BRAD PERRIELLO - LEAVE A COMMENT

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A former engineer at Philips Medical Systems in Illinois allegedly transferred confidential trade secrets and then tried to destroy the evidence, the company said in a lawsuit filed last week.



Speakers:

- Lee Gardner IP Counsel, Google
- Adelaida Hernandez Special Agent, FBI
- Elizabeth McBride Managing Director, Global Litigation, Investigations & IP, Applied Materials
- Neeraj Paliwal VP & GM Rambus Security

• Moderator: Stefan Tamme, VP IP Strategy & Licensing, Rambus

Proprietary + Confidential



Trade Secret Management

In-house Counsel Perspective

Lee Gardner / 10-16-2019

Trade Secret Risks

Infiltration

Unauthorized storage or use of third-party proprietary information

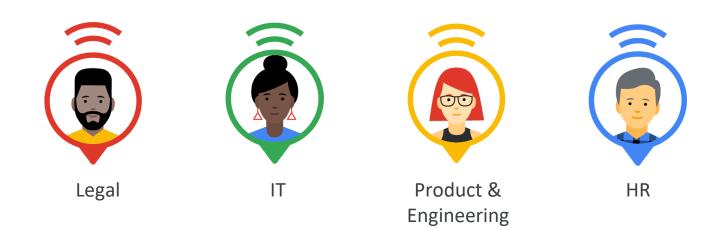
Exfiltration

Unauthorized copying, transfer, or retrieval of proprietary Google data

Partnership

Exceeding the authorized scope of use in a partnership

Information Governance Stakeholders



Proprietary + Confidential

Training Policies Training

Thank You





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Techniques & Technologies for Securing Your Systems, Data, & Intellectual Assets Against Hacking, Theft, & Industrial Espionage

Elizabeth C. McBride Managing Director, Global Litigation & Investigations

October 16 ,2019

Applied Materials: World's #1 semiconductor and display equipment company









AMAT stock listing on NASDAQ



Headquartered in California's **Silicon Valley**



~21,000 employees93 locationsIn 17 countries

Data as of fiscal year end, October 28, 2018





Understanding the Risk Landscape

Employee mobility Contingent workforce Partners Cyber attacks Foreign state actors Speed & connectivity





Insider Risk

Who is an Insider?

 Any employee, contingent worker, or trusted business partner who has authorized access to internal corporate resources.

Types of Insider Risk Actors

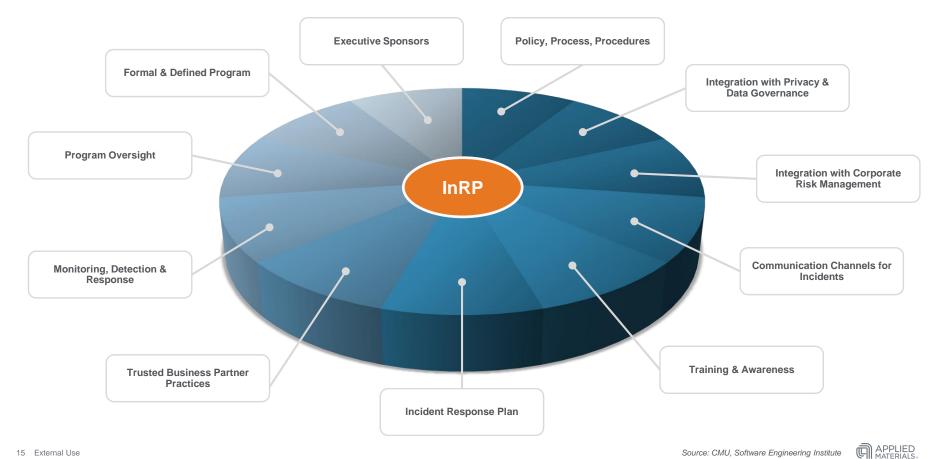
- Malicious actor (employee, contingent worker, supplier) with access to corporate systems, networks and data who has exceeded authorized access or breached systems to compromise the company.
- Unintentional actor whose careless or inadvertent conduct causes damage or creates vulnerabilities to the company's systems.

Types of Risk

IT Sabotage IP / Trade Secret Theft Fraud Espionage Unintentional Insider Other



Overview an Insider Risk Program





Strategies for Protection Onboarding and Exiting Contingent Workforce Risk Management Monitoring & Strategic Response Data Security and Data Segregation Information Sharing with Trusted Partners Programs, Policies, and Org

