

550.2 Definitions.

As used in this chapter, unless the context otherwise requires:

1. “*Improper means*” means theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage, including but not limited to espionage through an electronic device.

2. “*Knows*” or “*knowledge*” means that a person has actual knowledge of information or a circumstance or that the person has reason to know of the information or circumstance.

3. “*Misappropriation*” means doing any of the following:

a. Acquisition of a trade secret by a person who knows that the trade secret is acquired by improper means.

b. Disclosure or use of a trade secret by a person who uses improper means to acquire the trade secret.

c. Disclosure or use of a trade secret by a person who at the time of disclosure or use, knows that the trade secret is derived from or through a person who had utilized improper means to acquire the trade secret.

d. Disclosure or use of a trade secret by a person who at the time of disclosure or use knows that the trade secret is acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use.

e. Disclosure or use of a trade secret by a person who at the time of disclosure or use knows that the trade secret is derived from or through a person who owes a duty to maintain the trade secret’s secrecy or limit its use.

f. Disclosure or use of a trade secret by a person who, before a material change in the person’s position, knows that the information is a trade secret and that the trade secret has been acquired by accident or mistake.

4. “*Trade secret*” means information, including but not limited to a formula, pattern, compilation, program, device, method, technique, or process that is both of the following:

a. Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by a person able to obtain economic value from its disclosure or use.

b. Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

90 Acts, ch 1201, §2; 91 Acts, ch 35, §1

Referred to in §716.6B