

# HOUSE BILL No. 1427

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 24-2-3-2.

**Synopsis:** Trade secrets. Provides that retail revenue information and retail sales information on a per location basis are trade secrets.

**Effective:** July 1, 2001.

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January 11, 2001, read first time and referred to Committee on Judiciary.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

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## HOUSE BILL No. 1427



A BILL FOR AN ACT to amend the Indiana Code concerning trade regulations.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 24-2-3-2 IS AMENDED TO READ AS FOLLOWS
- 2 [EFFECTIVE JULY 1, 2001]: Sec. 2. As used in this chapter, unless
- 3 the context requires otherwise:
- 4 "Improper means" includes theft, bribery, misrepresentation, breach
- 5 or inducement of a breach of a duty to maintain secrecy, or espionage
- 6 through electronic or other means.
- 7 "Misappropriation" means:
- 8 (1) acquisition of a trade secret of another by a person who knows
- 9 or has reason to know that the trade secret was acquired by
- 10 improper means; or
- 11 (2) disclosure or use of a trade secret of another without express
- 12 or implied consent by a person who:
- 13 (A) used improper means to acquire knowledge of the trade
- 14 secret;
- 15 (B) at the time of disclosure or use, knew or had reason to
- 16 know that his knowledge of the trade secret was:
- 17 (i) derived from or through a person who had utilized



1 improper means to acquire it;  
 2 (ii) acquired under circumstances giving rise to a duty to  
 3 maintain its secrecy or limit its use; or  
 4 (iii) derived from or through a person who owed a duty to  
 5 the person seeking relief to maintain its secrecy or limit its  
 6 use; or  
 7 (C) before a material change of his position, knew or had  
 8 reason to know that it was a trade secret and that knowledge of  
 9 it had been acquired by accident or mistake.  
 10 "Person" means a natural person, limited liability company,  
 11 corporation, business trust, estate, trust, partnership, association, joint  
 12 venture, government, governmental subdivision or agency, or any other  
 13 legal or commercial entity.  
 14 "Trade secret" means:  
 15 (1) information, including a formula, pattern, compilation,  
 16 program, device, method, technique, or process, that:  
 17 (A) derives independent economic value, actual or  
 18 potential, from not being generally known to, and not being  
 19 readily ascertainable by proper means by, other persons who  
 20 can obtain economic value from its disclosure or use; and  
 21 (B) is the subject of efforts that are reasonable under the  
 22 circumstances to maintain its secrecy; **and**  
 23 (2) **retail revenue information and retail sales information on**  
 24 **a per location basis.**

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