**Title:** New Jersey’s New Trade Secret Law: What Your Business Needs to Know

**Subtitle:** Earlier this month, ‪ Gov. Chris Christie signed into law the New Jersey Uniform Trade Secrets Act (NJTSA).

**Meta Description:** Everything you need to know about the New Jersey Trade Secret Law that was recently signed into law by Gov. Christie

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The new law affords greater protection to proprietary information owned by New Jersey businesses. It will also bring greater clarity to this area of Trade Secret law, which was previously governed exclusively by common law.

The NJTSA differs in many aspects from prior law. As such, New Jersey businesses should take the time to review the new law or consult with an experienced business attorney who can explain how it may impact your business.

By way of introduction, below are a few important aspects of the NJTSA.

It is important to note that the NJTSA’s definition of a “trade secret” is fairly broad. Under the statute, a trade secret is defined as "information, held by one or more people, without regard to form, including a formula, pattern, business data compilation, program, device, method, technique, design, diagram, drawing, invention, plan, procedure, prototype or process, that: (1) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy."

The NJTSA defines trade secret misappropriation as the acquisition of a trade secret by someone who knows or has reason to know that the information was obtained through improper means. The term "improper means" is also fairly expansive. While it specifies overt actions such as theft, bribery, and misrepresentation, it also includes access that is unauthorized or exceeds the scope of authorization.

The NJTSA authorizes equitable relief as well as monetary and punitive damages. Injunctive relief is available to enjoin actual or threatened misappropriation of a trade secret. Meanwhile, punitive damages are available in cases of “willful and malicious” misappropriation.

While the law provides additional legal remedies for misappropriation, New Jersey businesses should also recognize that competitors will also have the same new tools in their legal arsenal. Therefore, it is important to also guard against potential liability by implementing business practices that address potential misappropriation.

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