

Former Eli Lilly Employees Face Restrictions After Sharing Information with Chinese Competitor

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Now that more companies in Colorado and the rest of the country are recruiting more employees from other parts of the world, they must take extra care to protect their trade secrets. While companies take a proactive approach to protecting trade secrets, the federal government imposes harsh penalties on those who share them.

Two men who worked for Eli Lilly, a pharmaceutical company based in Indianapolis, were accused in October 2013 of sharing trade secrets with a competing Chinese pharmaceutical company. Both Eli Lilly and the federal government took this accusation quite seriously, and both of them were immediately forced to live at a Volunteers of America facility, where they were under constant surveillance. Officials feared that the two men would leave the state or the country to avoid prosecution.

After several months at the VOA facility, the two former Eli Lilly employees' charges were lessened. Now their charges include wire fraud without any mention of 'trade secrets,' and a judge ruled that they were no longer at risk for fleeing the country. The men had apparently established themselves in the Indianapolis community, and even had children enrolled at local schools. The length of time that they had worked at Eli Lilly is unknown.

The two men are permitted to return to their respective homes, but they will be closely monitored and forbidden from contacting each other or any other pharmaceutical companies.

When employees share trade secrets, they're violating federal law and can be punished severely. Nevertheless, it is important for companies to take preventative measures to protect their trade secrets. An attorney can be helpful in this area.

Source: Fox 59, "Former Eli Lilly employees granted home detention in 'trade secrets' case," April 24, 2014

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