

# A Brief Analysis on the Legal Issues of Trade Secret Protection in China's High-Tech Industry

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## Abstract

The protection of trade secrets is a more complex problem. Compared with the past, the difficulty of the protection of trade secrets in high-tech industry now has increased a lot. Based on the characteristics of high-tech industry, the practicability, confidentiality and economy of trade secrets, and combining with the current market environment in China, this article tries to put forward the legal protection advice of trade secrets in line with the characteristics of high-tech industry in China, in order to provide some ideas for future research.

## Keywords

High and New Technology, Trade Secret, Legal Protection

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## 1. Introduction

In the past ten years, due to the development our country's economic, the up-grading and transformation of corporate structure and the rapid development of high-tech enterprises, the source of industrial technology has been combined from imitation and technology introduction to technology introduction and independent research and development. The adjustment of economic structure and the development of high-tech enterprises are similar to biomedicine, new materials and other new enterprises that urgently need the protection of effective laws and regulations. It is necessary to strengthen the protection of the trade secrets of high-tech enterprises by further improving my country's legal protection system. On the other hand, business secrets of enterprises are one of the key core competitiveness of enterprises (Chen & Li, 2021). How to build

an appropriate institutional framework and how to improve the protection of commercial secrets for the transformation of scientific and technological achievements of high-tech enterprises is the key to increasing the enthusiasm for technological research and development and technological upgrading of high-tech enterprises in my country, which will help my country's high-tech enterprises to achieve a qualitative leap. For a long time to come, high-tech enterprises should have the largest contribution to my country's GDP growth. Therefore, a sound legal protection system for high-tech enterprise secrets should be formulated (Zheng & Tang, 2021).

With the leaping development of knowledge economy and the changing of high and new technology, the trade secret is blessed with its own special advantages and the tacit understanding between high and new technology, so that the former escorts the latter. High technology content and large information content are the general characteristics of high-tech enterprises. In the era of high-speed information transmission, how to ensure that these technologies and information are not disclosed or mastered by competitors is the key to the survival of high-tech (Wen, 2020a). Some technologies, such as inventions-creations, may be applied for patents and protected by the Patent Law; some technologies, such as software programming source code and documentation, are protected by copyright law. But more is not patented know-how or technical secrets, including the design thoughts of software development, process, operation methods or mathematical concepts, technology products production technology, process, etc., and non-technical business information, including enterprise's personnel information, sales information and management information, enterprises to protect commercial secrets legal protection is involved (Wen, 2020b).

The purpose of writing this article is to analyze the current trade secret protection system in our country, point out the shortcomings of the high-tech industry trade secret legal protection, hope to appreciate the shortcomings of our country's trade secret legal system, and finally put forward my own opinions. In the current system, I put forward my own suggestions to promote and improve the legal protection of business secrets in my country's high-tech industries, and at the same time further improve the intellectual property protection system (Ren, 2020).

## **2. The Importance of Protecting Trade Secrets in High-Tech Enterprises**

In the fierce market competition, if an enterprise wants to occupy a place, it must master the technology or other competitive information that other enterprises do not have. Therefore, trade secrets are very important for high-tech enterprises. Because it is not only because the enterprise has invested a lot of manpower, energy and financial resources, but also because it is related to the foundation of high-tech enterprises. Therefore, countries are paying more and more attention to the protection of trade secrets of high-tech enterprises for the fol-

lowing reasons:

### **2.1. Protecting the Trade Secrets of High-Tech Enterprises Is Beneficial to Encourage Technological Innovation**

Trade secrets are relatively secret information with economic value obtained by their owners by investing a large amount of people, property, or through long-term practice accumulation and summarization. Research and development results are an important part of high-tech enterprise trade secrets. Trade secrets play an increasingly important role in social and economic life (Kelli & Mets, 2020). The protection of trade secrets by law is actually the protection of the fruits of labor of investors and developers, so as to encourage high-tech enterprises to invest in technology development, research and invention. In market competition, if the commercial secret theft behavior is widespread, the enterprise can easily gain by spy means the research achievements of others, or poach other employees of the enterprise with the advanced technology secrets, commercial secrets infringement cases make the holder not only on the economy suffered serious losses, and the enthusiasm of innovation, creation, competition also received great damage. Then, no more companies will invest large amounts of capital and time in research, invention and development of new products. This will ultimately hinder the development of science and technology and hinder the progress of society. Therefore, only by strengthening the legal protection of trade secrets can enterprises be encouraged to actively research and develop new technologies and give full play to its role in promoting scientific and technological progress and improving management level (Jiao, 2017).

### **2.2. Protecting the Trade Secrets of High-Tech Enterprises Is Beneficial to Ensure the Order of Competition**

Competition is essential to a vibrant social economy. But economic competition must be fair and just, that is, competition must conform to competition rules. Otherwise, the whole social and economic order will be destroyed. The legal protection system of trade secrets of high-tech enterprises is an important system to protect the fair and reasonable competition order (Sun, 2016). According to the China youth daily report, due to some high and new technology enterprise to occupy other commercial secrets of the enterprise, in order to “brain drain” as a cover to dig “corner” of other high and new technology enterprise, engaged in a “war for talent”, caused the disorder of talent flow, to suffer a high and new technology enterprise to bring immeasurable losses, seriously undermined the socialist market economic order. Germany, Japan and other countries have added provisions on the protection of commercial secrets when making relevant laws, aiming at prohibiting unfair competition and maintaining competition order (Fang, 2014). Other countries use tort law, contract law, or special trade secret law to protect trade secrets, the purpose is also to protect the fair and reasonable competition order.

### **2.3. Protecting the Trade Secrets of High-Tech Enterprises Is Conducive to Maintain Business Ethics**

A good market economy order begins with effective legal norms, and is internalized in the ethics of market economy participants. At the very beginning, everything needs a strong system to restrain and regulate, but when it develops to a certain extent, it needs economic participants to change their thinking, consciously abide by the market order, and maintain market norms. This is conducive to establishing a good market operation atmosphere, maintaining business ethics, and ultimately forming a good competitive atmosphere. During the Roman period, there emerged the view that protecting trade secrets and maintaining business ethics are one. For example, for slave owners who are tempted or threatened by slaves to perform actions that are not conducive to the slave owners, the slave owners can file a lawsuit for the loss to protect their own interests and make up for their losses. It can be seen that the protection of trade secrets has existed since ancient times (Gao & Feng, 2013). Throughout the ages, punishments for stealing or destroying secrets have been for the purpose of maintaining morality and establishing beliefs. In today's society, the rapid development of high-tech enterprises means that there are higher requirements for the protection of trade secrets. The advancement of science and technology is a double-edged sword, and it will also make the mourning of trade secrets easier.

### **3. The Legal Risk of the Protection of Trade Secrets of High-Tech Enterprises**

High-tech industry is the pillar of knowledge-based economy. The characteristics of high-tech make high-tech industry fundamentally different from traditional technology industry. The traditional intellectual property system, including patent right, copyright and trademark right, is difficult to effectively protect high and new technology. In high-tech enterprises, trade secrets, as intangible property, contain huge economic value and are the basis of core competitiveness and profit. In China, the protection system of trade secrets is not perfect, and there are many legal risks in the protection of trade secrets of high-tech enterprises.

#### **3.1. There Are Legal Risks Caused by Incomplete Understanding of the Scope of Trade Secrets of High-Tech Enterprises**

Trade secrets mainly include technical secrets and business secrets. The trade secrets of high and new technology enterprises are mainly technical secrets. Recently, there is a trend of expanding to various forms including business secrets and management secrets. However, China's provisions on the scope of technical secrets and business secrets are not uniform. For example, Paragraph 5 of Article 2 of Provisions on the Prohibition of Infringement of Trade Secrets issued by the State Administration for Industry and Commerce says, "The technical information and business information mentioned in these Provisions include informa-

tion such as design, procedure, product formula, manufacturing technology, manufacturing method and management know-how. Article 1 of the Notice on Strengthening the Protection of Business Secrets of State-owned Enterprises issued by the State Economic and Trade Commission reads: "Business secrets mainly refer to other technical and operational information such as production methods, technologies, formulas, data, procedures, customer lists, resource information and other information". As well as some local laws and regulations and documents of relevant departments have stipulated the scope of trade secrets in the way of enumeration, it is difficult to reach a consensus. High-tech enterprises have difficulties in protecting themselves by using some unique advanced information or technology to gain competitive advantages. The unclear scope of trade secrets makes it impossible for enterprises to protect their legitimate rights and interests, because there is no clear legal basis for the right holder to even protect anything. As a result, the large scope of protection leads to the increase of confidentiality costs, and the small scope of protection leads to the disclosure of trade secrets. As a result, the obligee is unable to carry out specific protection, and the trade secrets which are the lifeline of high-tech enterprises are in the risk of disclosure.

### **3.2. Legal Risks of Trade Secrets Disclosure of High-Tech Enterprises in the Research and Development Stage**

The development of high and new technology has obvious stages, namely, four stages: topic selection, development and experiment, marketization and replacement. The attributes of the achievements in each stage are different, the possibility of being protected is very different, and the requirements for protection are also different. This phenomenon is most evident in the middle stages of technology development. Because the intermediate results are between basic research and development research, their results cannot meet the requirements of practicality and cannot be protected by the patent law. In terms of the occurrence of protection effectiveness, the patent protection period starts from the application date, while the basic research cycle of high and new technology is long and the renewal cycle is short. For example, in the field of biological drugs, the development of a new drug takes about 8 - 10 years. If the patent is relied on, it may not be protected until at least 8 years after the topic selection, and then the key technologies in the development process, such as formula, material, process, pharmacological analysis, comparative data, animal experiment report and other items, cannot be protected by the patent law. Therefore, the technical secrets and intermediate achievements in the research and development process of high-tech enterprises can only be protected by trade secrets. However, due to the long period, long time and wide range of fields from research and development to application of high-tech enterprises, there are too many links that may be disclosed. The protection of trade secrets is only determined by its confidentiality. Once disclosed, legal protection cannot be obtained, so there are certain legal risks.

### **3.3. Legal Risks of Disclosure of Trade Secrets of High-Tech Enterprises in the Process of Patent Application**

When applying for a patent, the technical know-how must be disclosed. After an invention is patented, the right holder gets a monopoly for a long period of time, but the price of this monopoly is that the right holder must disclose his technology thoroughly (Xiong, 2013). China's patent application examination system adopts the principle of "early disclosure, delayed examination". After the technical inventor submits an application to the patent administration department and meets the legal conditions, the Patent Office will disclose the invention technology. The disclosure standard is that "the specification shall provide a clear and complete description of the invention or utility model, to the extent that a person skilled in the field of technology is able to implement it." As a result, the technology has been made public, but whether it can be patented has not been determined. If the application is not approved, the technology has become public and cannot be protected for trade secrets, thus the applicant loses the competitive advantage. If the application is approved, the right holder has the technology monopoly, but the competition will also understand the technical details of the holder, and on the basis of further improvement, to develop more advanced technology, the competition not only save development costs and to obtain competitive advantage, cause the original holder of the commercial secrets of the legal risks.

### **3.4. Legal Risks of Disclosure of Trade Secrets of High-Tech Enterprises in the Course of Business Cooperation and Inspection and Visit of Domestic and Foreign Partners**

In the process of operation, high-tech enterprises inevitably have to contact with customers, suppliers, distributors, agents and other types of partners. Due to the relationship of "cooperation", they will also know some trade secrets of each other, which will become a risk area of "leakage". In business activities, the partner will often become the most competitive rival of the former partner over a period of time. The main reason is that in the process of collaboration, the other party gradually grasps the business secrets of the partner by using the business relationship. Once the conditions are ripe, they will kick the partner out and start their own business. The trade secrets of the original partner were leaked and the competitive advantage was lost. In addition, in the reception, visit and internship process of high-tech enterprises, visitors may carry mobile phones, cameras and other shooting tools in violation of the regulations of the enterprise, and record the production process, resulting in the legal risk of trade secret disclosure.

### **3.5. Legal Risks of Disclosure of Trade Secrets of High-Tech Enterprises before and after Signing the Contract**

High-tech enterprises often have technology rather than labor, and their value depends on the support of suppliers and subcontractors. In cooperation with

suppliers and subcontractors, before the contracting for a purpose to express the sincerity of cooperation, the contracting party may have mastered high technology and new technology in exchange for enterprises for the condition but not to sign the contract after all, the other party still has the choice of space, for the final of the contracting parties didn't reach cooperation results, if the enterprise without access to relevant preventive measures before can cause leakage of business secrets. This is a benign estimate. There are also some contracting parties who do not have the purpose of entering into agreements with others during negotiations. They may seek to obtain competitive advantages by defrauding the trade secrets of other high-tech enterprises under the guise of negotiation, thus causing the party that discloses the trade secrets to lose its competitive advantage. If the contracting success, both sides became partners, in cooperation period because of common interests and consciously keep business secrets, but after the cooperation, understand the commercial secrets of the other companies if fails to perform the relevant contractual obligation or business secret protection after the two sides on cooperation without agreement, specification, will reveal trade secrets to the partner of high and new technology enterprise is contracting. Before and after the legal risk of trade secret disclosure.

### **3.6. Legal Risks of Disclosure of Trade Secrets of High-Tech Enterprises in Employee Turnover**

In August 2002, the salesman of HUAWEI group company found that a high-tech equipment produced by a company in Heilongjiang Jiamusi was the first technology developed by HUAWEI company. The company after the report, the investigation of the public security bureau Wang Zhijun 3 people such as the original in HUAWEI technologies co., LTD., participated in the research and development of the technology, using its work to steal the business secret, respectively, to study abroad, such as an excuse to leave the company, after the collection and set up another company to Shanghai from HUAWEI poached more than 20 technical staff, to use the technology. For this reason, HUAWEI has suffered huge losses (Xie, 2006). From this typical case of infringement of trade secrets, it can be seen that the fate of high-tech enterprises is often tied up with a few key employees. This kind of over-concentration of scientific and technological innovation is a serious threat to high-tech industry companies. If these employees leave the enterprise and join the competition, the trade secrets of high-tech enterprises will often go with them, and the enterprise that brings in the technical secrets of other high-tech enterprises will obtain these technical secrets for its own use. Thus it can be seen that the turnover of these employees has caused the legal risk of the disclosure of trade secrets of high-tech enterprises.

### **3.7. Legal Risks Caused by Imperfect Internal Confidentiality System of High-Tech Enterprises**

New and high technology enterprises shall establish and improve relevant sys-

tems for the protection of business secrets. If there is no internal confidentiality system or the confidentiality system is not perfect, such as: 1) internal staff is not strong awareness of confidentiality, lack of understanding of the definition of trade secrets, negligence leads to the disclosure of trade secrets; 2) Internal employees may take advantage of the loopholes in the enterprise confidentiality system to disclose business secrets to competitors; 3) If there is no monitoring system and anti-theft system in the departments or places where trade secrets are stored, employees may relax their consciousness of keeping trade secrets, leading to the disclosure of trade secrets. Therefore, the incomplete internal confidentiality system of high-tech enterprises will also bring the legal risk of trade secret disclosure.

To sum up, there are general legal risks in the protection of business secrets of high-tech enterprises in my country. Since trade secrets are very important to high-tech enterprises, enterprises should pay more attention to how to prevent them while recognizing and understanding these legal risks. In the high-tech industry, from the point of innovation to the experimental process to the experimental results, there will be legal risks of the disclosure of trade secrets. The relationship between these legal risks is in chronological order, but in the course of the experiment, this order is not so strict, and there may be overlaps among various legal risks. In addition, the risk of the leakage of business secrets in the high-tech industry is essentially a legal risk. The best protection for things is the legal provisions in black and white. However, the high-tech industry cannot completely use the traditional due to its special industrial nature. The protection of intellectual property rights requires the use of trade secrets to effectively protect them, and ultimately achieve the goal of protecting the healthy and rapid development of the country's high-tech industries.

#### **4. Measures to Guard against Legal Risks of Trade Secrets of High-Tech Enterprises**

In view of the many legal risks existing in the protection of trade secrets of high-tech enterprises, there are mainly four preventive measures from the macro level.

##### **4.1. Strengthening the Consciousness of Protecting Trade Secrets of High-Tech Enterprises**

In order to protect their trade secrets effectively and realize their economic value, high-tech enterprises should first attach importance to trade secrets and their protection measures subjectively. With the development of market economy and the increasingly fierce competition among high-tech enterprises, more and more enterprises begin to realize the importance of trade secrets and actively take some effective measures to protect them. However, from the actual situation of trade secrets protection, the awareness of protecting trade secrets is still not sufficient. To be specific, we can deepen our understanding from the following aspects: 1) strengthen the understanding of the economic value of trade secrets.



Only when we realize the actual and potential value of trade secrets in the market economy, and realize the importance and necessity of protecting trade secrets, can we attach importance to it subjectively. 2) The enterprise leaders should be aware of the existence of the enterprise's trade secrets, that is, those technical information and business information that bring huge economic benefits to the enterprise can make it in a competitive advantage in the same industry. 3) Strengthen the awareness of confidentiality publicity for the personnel who master and understand the business secrets of the enterprise. For example, internal informed personnel should be informed that the non-competition obligation is a statutory mandatory obligation. 4) Strengthen the awareness of legal protection against the infringement of illegal disclosure or use of trade secrets. 5) Strengthen the awareness of good business ethics, and respect the business secrets of others while protecting their own business secrets, so as to maintain orderly market competition.

#### **4.2. Improving the Management System for Protecting Trade Secrets of High-Tech Enterprises**

In order to establish a good trade secret protection system, high-tech enterprises should formulate internal confidentiality rules and regulations. Specifically speaking, should pay attention to the following several aspects: 1) when hiring talents to close. The personnel department in the recruitment, should face the applicant from various aspects for a detailed investigation, check its honesty, moral standards, the purpose of the application. Before employment, the applicant may be required to sign a confidentiality agreement and non-competition agreement. If the applicant does not sign, the enterprise may reject the employment. 2) close the door when the personnel are transferred. When the informed personnel are transferred out, the enterprise shall reconfirm the confidentiality obligation and non-competition obligation of the personnel who divulge information, and handle the flow procedures according to the prescribed procedures. 3) Strengthening the management of trade secret documents and materials. Limit access to trade secrets. Set up a confidential area, prohibit or restrict access to the area, prohibit the entry of non-relevant personnel. 4) Improve the means of technical monitoring. High-tech enterprises should constantly optimize the security technology and improve the ability of technical prevention according to their actual situation. For example: strengthen the anti-theft technology, anti-copying technology, anti-eavesdropping technology and so on, to form a set of strict confidentiality management system. In addition, it is necessary to develop a series of enterprise rules and regulations. For example, the classification of trade secrets, the signing and management of confidentiality contracts, the relief system and measures when trade secrets are infringed, etc. It is very important that the system be implemented in practice after it has been formulated. Therefore, there should be supervisory institutions and systems to ensure.

### 4.3. Formulating a Special Law on the Protection of Trade Secrets

China's Civil Law, Contract Law, Labor Law, Anti-Unfair Competition Law and Criminal Law all provide legal support for enterprises to use legal means to prevent the disclosure of business secrets. These laws also apply to the prevention of the disclosure of technical secrets of high-tech enterprises. However, in these laws and regulations, the protection scope is different, the operability is poor, the lack of coordination and cooperation between each other, which brings many difficulties for the specific operation, and it is difficult to effectively protect the legitimate rights and interests of the right holder of trade secrets (Wang, 2001). Therefore, many scholars put forward more effective and more comprehensive measures of protecting commercial secrets is to develop a special business secret protection law, the law system of business secret protection scope and constitutive requirements, tort relief, non-compete and trade secret litigation procedure, etc., to fill the current's business secret legal protection system. Due to the characteristics of the high and new technology enterprise, its commercial secrets to the risks of enterprise is bigger than average company, so a high and new technology enterprise in addition to the general terms and conditions of use of the trade secret protection act to protect business secrets, and can also suggest the legislature in the work of a high and new technology enterprise pay attention to when making the business secret protection regulations of some special terms. For example, injunctive relief may be provided (Lin, 2010). Although, considering the interests of all parties, the injunctive relief is not used for the infringement of trade secrets of general enterprises, but the economic value of trade secrets of high-tech enterprises is great, so it is necessary to take such relief measures. Therefore, high-tech enterprises can obtain more effective and comprehensive legal support for the protection of trade secrets.

### 4.4. Strengthening Administrative Law Enforcement Measures

At present, China's laws and regulations on the protection of trade secrets are not lacking in quantity, but the administrative enforcement of trade secrets protection is not satisfactory. The reasons are as follows: first, the government at all levels in China is not aware enough, the judicial departments are not strict in enforcing the law, human factors interfere too much, and local protectionism is very serious in some places. At present, with the development of high and new technology, we should constantly improve the laws and regulations on the protection of trade secrets, and carry out the requirements of the socialist legal system that "violators of the law shall be prosecuted and the law enforcement shall be strictly enforced". Second, Article 25 of the Anti-Unfair Competition Law of China and Article 7 of the Several Provisions on the Prohibition of Infringement of Trade Secrets stipulate the administrative responsibility of infringing on trade secrets, that is, order to stop the illegal act and fine. We believe that these two administrative penalty measures are relatively light, are not conducive to the fight against infringement, and should be amended. We believe that the admin-

Administrative penalty measures of revocation of business licenses should be increased, and that the administrative penalty of revocation of business licenses should be imposed if the violation of trade secrets is serious. The revised Criminal Law stipulates the crime of trade secrets, and punishes the serious acts of infringing on trade secrets. However, for such acts, the administrative organs for industry and commerce cannot revoke the business license of the perpetrator. There is no legal basis for revoking the business license before the laws and rules of conduct are revised, which highlights the lag of the law. Should increase the economic penalty measures, no matter how serious the infringement, the highest penalty can only be 200 thousand yuan of fine, penalty intensity is too light, should draw lessons from other legal method experience, according to the infringement of the profits of 1 times more than 5 times the following penalty.

#### **4.5. Strengthening the Punishment for Infringement of Trade Secrets**

The current law of our country is too light to punish the infringement of trade secrets, and it is difficult to form a deterrent. Therefore, it is necessary to strengthen the punishment. To be specific, the following measures can be taken: 1) Change the compensation standard for infringement of trade secrets, suggest to implement the compensation system based on the loss suffered by the victim, increase the cost of infringement of infringement, and effectively prevent the occurrence of infringement of trade secrets. 2) Establish a punitive compensation system. Punitive damages, commonly known as double damages or additional damages, refer to the compensation paid by the infringer to the victim in excess of his actual loss. The high compensation will increase the tort cost of the tortfeasor and help to improve his law-abiding consciousness. Once the infringer is aware of the infringement, he/she will bear huge compensation liability, that is, he/she will not only compensate the loss suffered by the right holder due to the infringement, but also bear the punitive damages far higher than his/her loss. The amount of compensation suffered by him/her due to the infringement is far more than the benefit he/she gained from the infringement, which has a huge deterrent effect. It can effectively reduce and prevent the infringement of trade secrets. 3) Increase punishments such as revoking business licenses and ordering public apologies. 4) Further clarify the judgment criteria for the crime of infringing on trade secrets in the Criminal Law and its judicial interpretation. Article 219 of the Criminal Law of China stipulates the crime of infringing on commercial secrets and regards “causing great loss to the oblige” as an objective standard to distinguish crime from non-crime. However, in judicial practice, there is a lack of a reasonable judgment standard for “major loss”, and the legislation and judicial interpretation have not made a clear stipulation on it, so judges are difficult to make an objective and unified judgment. Therefore, it needs to be further clarified in relevant legislation and judicial interpretation, and provide objective standards with operability. 5) In terms of labor law, since

labor mobility and part-time jobs are the main forms of infringing trade secrets at present, the provisions on “non-competition” should be clearly stipulated in the Labor Law to further improve the specific provisions on non-competition in the Labor Law. If it is stipulated that when senior management personnel and persons with knowledge of trade secrets of an enterprise leave the enterprise to find another job, they shall not, within a certain period of time, take a position in an enterprise or industry that is competitive with the enterprise to which they originally worked. Of course, during the period when the employee performs the confidentiality obligation, the unit shall also give corresponding compensation and pay certain confidentiality remuneration. 6) Emphasis should be placed on administrative protection of trade secrets while strengthening judicial protection. Compared with the judicial protection of trade secrets, administrative protection has unique advantages. Firstly, the predominance of administrative effectiveness makes the administrative protection of trade secrets more timely and effective to protect the rights of the right holder. It has the characteristics of unilateral and authoritative nature, and is more active and flexible than judicial protection. Secondly, the administrative protection of trade secrets can give full play to the professional advantages of administrative departments and highlight their comprehensiveness and professionalism. Finally, the administrative protection of trade secrets does not exclude the right holder’s choice of judicial protection in most cases. Therefore, it is suggested that corresponding provisions should be made on administrative protection of trade secrets and that administrative protection of trade secrets should be encouraged and strengthened when a unified trade secret protection law is formulated. Conclusion: the protection of trade secrets not only needs the efforts of enterprises themselves, but also cannot be separated from a good legal environment. At present, there are still many problems in the legal protection of trade secrets in our country. To construct a good legal environment for the protection of trade secrets, we need to learn from the advanced experience of foreign legislation, and at the same time, we should base on our national conditions. In particular, our country should formulate special as soon as possible the business secret protection law, perfect the procedure of the commercial secret, make a clear definition of the tort of business secret and responsibilities, reasonable expanding the scope of business secret protection, increase penalties for trade secret infringement, at the same time establish system of business secret rights reasonable restrictions and goodwill, strengthen the administrative protection of trade secrets.

The protection of trade secrets not only needs the efforts of enterprises themselves, but also cannot be separated from a good legal environment. At present, there are still many problems in the legal protection of trade secrets in our country. To construct a good legal environment for the protection of trade secrets, we need to learn from the advanced experience of foreign legislation, and at the same time, we should base on our national conditions. In particular, our country should formulate special as soon as possible the business secret protec-

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## 5. Conclusion

Regardless of whether it is a high-tech industry, trade secrets are the key to the success and survival of commercial entities. Because it provides business entities with competitive value relative to competitors. But it is not easy for any business entity to protect trade secrets, especially for current and former employees and competitors. The progress of technology not only promotes the progress and development of the society, but also brings more opportunities for commercial secret theft. As advanced technology makes it easy to steal information from inside and outside the enterprise, the task of protecting trade secrets has become a bit more difficult.

The protection of trade secrets in the high-tech industry requires a comprehensive approach. Legal methods alone are not sufficient to protect trade secrets from employee theft and espionage by competitors. It must be combined with administrative measures and internal company measures to achieve comprehensive and complete protection. Although the law lays a legal foundation for the high-tech industry to protect its trade secrets through contractual obligations, administrative actions will monitor compliance and compliance with their obligations through codes of conduct and business ethics. This comprehensive approach will create a culture of confidentiality, compliance and respect for trade secrets within the high-tech industry, and promote healthy competition within the industry.

As the fourth largest trade secret in the field of intellectual property rights, it has become an umbrella for the rapid development and growth of modern high-tech industries with its strong coverage, scalability and extremely flexible development. Based on the world's technological development, in addition to educating domestic enterprises on the importance and necessity of trade secret protection and management, laws and regulations must also be accompanied by laws and regulations to improve the protection of trade secrets in high-tech industries.

In summary, the protection of trade secrets in the development of high-tech industries must be something that high-tech industries can rely on. It is committed to being the cornerstone and umbrella of core technology development, ensuring that business competition is carried out in a fair and orderly environment, and at the same time encouraging enterprises. While making inventions while carrying out higher technological creations, at the same time, the goal of maintaining business ethics can be achieved, and finally a fair and good market competition order can be formed.

## Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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