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What Can You Get When You Sue for Trade Secret Violations?



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Arkansas has adopted the <u>Model Uniform Trade Secrets Act</u> with some modifications. We refer to this as the Arkansas Uniform Trade Secrets Act ("AUTSA") and it can be found at Ark. Code Ann. § 4-75-601, *et seq*.

The AUTSA provides that a party seeking to enforce trade secret claims can seek the following:

- Injunction: A court may enter an order stopping actual or threatened misappropriation of trade secrets. Ark. Code Ann. § 4-75-604(a). A court may enter such an order at the end of a trial, or in certain limited instances a court may enter such an order immediately on an emergency basis.
- **Reasonable Royalties:** Sometimes, an injunction ordering the ceasing of trade secret disclosures will not rectify a situation, and in such an instance a court may instead order that one party pay another a reasonable royalty for future use of the trade secrets. Ark. Code Ann. § 4-75-604(c).
- Court order compelling affirmative acts: In some limited circumstances, a court may enter an order compelling someone to take affirmative steps to protect trade secrets. Ark. Code Ann. § 4-75-604(d).
- **Damages:** Sometimes, the best way to make a party whole is to simply ask for regular money damages, whereby one party pays another for the actual losses caused by misappropriation of trade secrets. Ark. Code Ann. § 4-75-606(a).
- Unjust Enrichment: Separate and apart from awarding money damages, sometimes a court will also
 award damages for unjust enrichment, which is a way of compensating someone for other damage
 not considered when computing actual damages. Ark. Code Ann. § 4-75-606(b).
- Attorneys Fees: Courts sometimes consider awarding attorneys' fees in the context of trade secret claims, but this is usually where willful and malicious misappropriation has occurred, or where the legal process has been used in bad faith. Ark. Code Ann. § 4-75-607.

Knowing what to ask for is a crucial part of litigation. Oftentimes, clients come to us with very specific goals and outcomes in mind, and we use our knowledge of unfair competition litigation to ensure that we work toward the client's goals. While a victory in the form of a sizable check may be considered a "win" for some clients, other clients are far more interested in controlling the actions of an opponent. We work with clients to achieve their goals and protect their businesses as each circumstance demands.