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Business Associations and Professions; Trade Secrets

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Business Associations and Professions; trade secrets

NEV. REV. STAT. § 000.____ (new).

AB 61 (Sader); 1987 STAT. Ch 15

Chapter 15¹ adopts the Uniform Trade Secrets Act² which provides for procedures and remedies relating to misappropriation³ of trade secrets.⁴ Under Chapter 15, any actual or threatened misappropriation of a trade secret may be enjoined.⁵ An injunction, however, must terminate when the trade secret ceases to exist.⁶ Under exceptional circumstances,⁷ Chapter 15 further provides that an injunction may condition future use for a reasonable⁸ period of time.⁹ Additionally, a court may order affirmative acts to protect a trade secret.¹⁰ A complainant is entitled to recover monetary damages¹¹ for misappropriation or a reasonable amount of royalty for a misappropriator's unauthorized disclosure or use of a trade secret.¹² If the misappropriation is willful and malicious,¹³ the court may award exemplary

1. Chapter 15 amends Title 52 of NEV. REV. STAT. by adding a new chapter thereto. 1987 Nev. Stat. ch. 15, sec. 1, at ____.

2. UNIFORM TRADE SECRETS ACT, 14 U.L.A. 537 (1987) (as adopted by the Commissioners on Uniform State Laws at their 1979 Annual Conference). See generally Klitzke, *The Uniform Trade Secrets Act*, 64 MARQ. L. REV. 277 (1980) (discussing the evolution of the Act and damages recoverable for misappropriation).

3. 1987 Nev. Stat. ch. 15, sec. 4, at ____ (definition of misappropriation). Improper means includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, and espionage through electronic or other means. *Id.* Misappropriation also includes a disclosure or use of a trade secret of another without express or implied consent by a person who acquired it improperly or who should have known that it was a trade secret. *Id.*

4. 1987 Nev. Stat. ch. 15, secs. 1-11, at ____; *id.* sec. 4, at ____ (definition of a trade secret).

5. *Id.* sec. 5, at ____.

6. *Id.* The injunction may continue for an additional reasonable period of time to eliminate any possible commercial advantage that could be derived from the misappropriation. *Id.*

7. *Id.* (exceptional circumstances include a material and prejudicial change of position before acquired knowledge of misappropriation).

8. *Id.* The payment of a reasonable royalty may be required. *Id.* The injunction on future use may not be for a time greater than the time the court could have enjoined the use of the trade secret. *Id.*

9. *Id.* sec. 5, at ____.

10. *Id.* sec. 5, at ____ The means of protecting a trade secret include granting protective orders during discovery proceedings, holding hearings in camera, sealing records, and ordering any persons involved in the litigation not to disclose an alleged trade secret. *Id.*

11. *Id.* sec. 6, at ____ (damages include loss caused by misappropriation and unjust enrichment received by the misappropriator).

12. *Id.*

13. NEV. REV. STAT. § 193.0175 (definition of malice).

damages¹⁴ and reasonable attorney fees¹⁵ to the prevailing party.¹⁶ Chapter 15 displaces conflicting tort, restitutionary, and other civil remedies for misappropriation of trade secrets.¹⁷ Finally, the statute of limitations on an action for misappropriation of a trade secret is three years from the date the misappropriation is discovered.¹⁸

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14. *Id.* § 41.333 (definition of exemplary damages); 1987 Nev. Stat. ch. 15, secs. 6, 7, at ___ (exemplary damages are not to exceed twice the award ordinarily made).

15. *Id.* sec. 7, at ___ (reasonable attorney fees may be awarded if a claim of misappropriation or a motion to terminate an injunction is made or resisted in bad faith).

16. *Id.*

17. *Id.* sec. 10, at ___ (Chapter 15 does not affect contract remedies and criminal sanctions based on misappropriation or other civil remedies not based on misappropriation of a trade secret). See NEV. REV. STAT. § 104.2106 (definition of a contract); *id.* § 104.2718 (amount of liquidated damages stated in the contract); *id.* § 205.275 (receiving, possessing or withholding stolen property).

18. *Id.* sec. 9, at ___ (or should have been discovered by the exercise of reasonable diligence); *id.* (a continuing misappropriation constitutes a single claim).

Business Associations and Professions; limited partnerships

NEV. REV. STAT. § 88.____ (new); §§ 88.315, 88.320, 88.330, 88.335, 88.350, 88.355, 88.365, 88.370, 88.375, 88.395, 88.415, 88.420, 88.430, 88.435, 88.445, 88.450, 88.475, 88.480, 88.485, 88.490, 88.500, 88.510, 88.525, 88.540, 88.550, 88.575 (amended).

AB 202 (Sader); 1987 STAT. Ch 26

Existing law establishes certain requirements for the formation of limited partnerships.¹ Under prior law, a limited partnership could not be formed unless two or more persons executed a certificate of limited partnership.² Chapter 26 eliminates the requirement that two or more persons execute the certificate, and requires that the latest date of intended dissolution of the limited partnership be included on the certificate.³

1. NEV. REV. STAT. § 88.350 (amended by 1987 Nev. Stat. ch. 26, sec. 5, at ___) (Chapter 26 requires certain information to be included in the certificate of limited partnership). See *id.* §§ 88.020 (definition of limited partnership); 88.315 (definition of limited partner).

2. 1985 Nev. Stat. ch. 445, sec. 8, at 1281.

3. 1987 Nev. Stat. ch. 26, sec. 5, at ___ (amending NEV. REV. STAT. § 88.350).