

Title:

Trade Secrets Law and Engineer/Scientist Mobility: Evidence from the “Inevitable Disclosure” Doctrine

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Abstract:

As they change jobs, engineers and scientists carry knowledge from one employer to another. Spillovers of knowledge, and so, innovation and economic growth, depend on institutions that influence professional mobility.

Here, we investigate the impact of U.S. state-level trade secrets law on the movement of engineers and scientists among employers within states. We find that mobility was positively associated with state courts ruling against the doctrine of inevitable disclosure. Specifically, a legal precedent ruling against inevitable disclosure was associated with 15% higher mobility of engineers and scientists.

Our results have implications for the degree of knowledge spillovers between established organizations as well as the rate of entrepreneurial start-ups, and ultimately, the overall economy-wide rate of innovation and economic growth.

Bio (Ivan Png):

Dr Png is the Lim Kim San Professor in the School of Business, and Professor of Economics and Information Systems at the National University of Singapore. His research focuses on the economics of innovation and pricing. He is the author of *Managerial Economics*, which has been published in multiple editions. He received the NUS-UCLA Executive MBA Teaching Excellence Award in 2008 as well as 2011. Dr Png was a nominated MP (10th Parliament of Singapore), 2005-06, member of the Trustworthy Computing Academic Advisory Board, Microsoft Corporation, 2006-10.