

Taiwan businesses call for industrial spying law

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Taiwan businesses have called for a law on industrial espionage, especially by China, as growing ties have made it easier for mainland firms to steal secrets, officials and media said Thursday.

K.Y. Lee, chairman of the island's leading flat-panel maker AU Optronics, made the appeal while meeting President Ma Ying-jeou with a group of high-tech entrepreneurs Wednesday.

The proposal was prompted by a spate of cases involving the theft of business secrets from Taiwan's high-tech companies, Lee said, without providing details.

"Taiwan really needs such a law now as it faces mounting competition from mainland China," another official from AU Optronics told AFP.

The idea seemed to be supported by several enterprises, including [Taiwan Semiconductor Manufacturing Co](#) (TSMC), the world's leading contract chip maker.

"Such a law will better help Taiwan's industry," TSMC spokeswoman Elizabeth Sun told AFP.

Currently suspects are indicted on charges such as breach of trust and embezzlement but Lee said the punishment for such crimes was not enough.

Taiwan Electrical and Electronic Manufacturers' Association, which groups the island's major electronics firms, also called for a law as early as possible.

TSMC filed a lawsuit against its Chinese rival Semiconductor Manufacturing International Corp (SMIC) in the United States in 2003 alleging SMIC improperly obtained its trade secrets and infringed patents.

In 2005 SMIC agreed to pay TSMC \$175 million to settle the case after the Taiwan [chip maker](#) filed

new evidence of [corporate espionage](#) with a US court.

Ties between Taiwan and China have grown closer since Ma took office in 2008 on a platform of boosting trade and tourism with the mainland.

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