

When Innovation Meets Government Overreach, LEADS Act Proposes Fix for the Future

Digital information flies around the world in a way that was not imaginable 30 years ago. Today's connected environment allows manufacturers of all sizes to take their businesses global. It also presents risks. As manufacturers, we are all too familiar with cybersecurity threats and intellectual property theft. But the latest hurdle comes from an unexpected source: our own government.

E-mails, quote sheets, business plans and go-to market strategies are transmitted and stored on computers and servers around the world. Along with this strategic communication, highly sensitive customer information and other data are shared electronically. The manufacturer–customer relationship is built on the trust that this information will be kept secure and will not be shared outside of that partnership. Undermining that trust: the federal government's recent attempts signaling its intent to access customer information of U.S.-headquartered manufacturers when that information is stored on servers outside the United States.

That's why the National Association of Manufacturers (NAM) supports a bipartisan bill, the Law Enforcement Access to Data Stored Abroad Act, or LEADS Act, which would update current law by balancing the real and very important needs of law enforcement and national security while securing the privacy of the communication between manufacturers and their customers.

"The bill will also safeguard Americans' electronic data stored abroad and establish a balanced process for how U.S. law enforcement can obtain this data while respecting the sovereign rights of other countries," NAM Director of Technology and Domestic Economic Policy Brian Raymond said in a letter urging congressional lawmakers to pass the LEADS Act. "This international law enforcement cooperation should facilitate the flow of data across borders while also helping to reduce data-localizing efforts."

The NAM and our [Manufacturers' Center for Legal Action filed an amicus brief](#)¹ to overturn a prior ruling in favor of this government overreach. While this action is being challenged in the legal system, uncertainty continues to mount for the 95 percent of consumers who live outside U.S. borders—undermining the trustworthy relationship manufacturers have worked so hard to build around the world and our ability to compete in the global marketplace. In Congress and in the courts, the NAM will fight to prevent this chilling effect of government overreach on jobs and revenue.

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¹ <http://memberfocus.nam.org/publication/?i=243215&ver=html5&p=12>