

VFI Executive Briefing

A weekly roundup of technology news
April 4-8, 2016

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HILL UPDATE

Politico: [Trade secrets bill passes Senate](#)

The Senate passed the Defend Trade Secrets Act (S. 1890) Monday night in an 87-0 vote, sending the bill to the House for consideration. The legislation from Sens. Orrin Hatch and Chris Coons would let companies pursue civil remedies for trade secrets theft in federal court; currently, there is only civil enforcement for theft of confidential business information at the state level.

The Hill: [Senate Intel chairman poised to release encryption bill draft](#)

A draft of the Senate Intelligence Committee's encryption bill is expected to circulate sometime this week, Chairman Richard Burr (R-N.C.) told reporters on Monday. The measure — a response to concerns that criminals are increasingly using encrypted devices to hide from authorities — would require firms to comply with court orders seeking access to locked data.

Ars Technica: Report: "Deeply divided" White House won't support anti-encryption legislation

The White House has reportedly decided not to give public support to legislation that would force tech companies to help law enforcement agencies break into encrypted products.

ECPA Reform: Speaking with [Politico](#), Senate Judiciary Committee chairman Chuck Grassley indicated his support for legislation to update ECPA. Sen. Grassley noted that "it's very important we get something passed," but also expressed concerns over several outstanding issues, including proposed warrant exemptions for civil agencies. **(Morning Tech—4th section)**

SPECIAL COVERAGE

Voices for Innovation Leader **Corinne Johnson** authored an Op-Ed about the importance of funding computer science education that ran in Arkansas Democrat-Gazette.

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[Fill the skills gap](#)

Corinne Johnson, Arkansas Democrat-Gazette | 4/7/16

In Arkansas, there were more than 2,000 open computing jobs in 2014, but only 272 computer-science college graduates to help fill the demand. Considering that the average salary for a computing occupation in Arkansas is \$68,933--nearly twice the state average--it is clear that we are not adequately preparing our students to pursue the best job opportunities in the 21st century digital economy.

ARTICLE SUMMARY

Techdirt [New Bill Designed To Stop Egregious Venue Shopping By Patent Trolls](#)

Abusive patent litigation siphons tens of billions of dollars from the economy every year. In addition to burdening American entrepreneurs with lost revenues and great uncertainty, the scourge of frivolous lawsuits depletes funds that otherwise could have used toward research and development, venture-capital investment and other essential business activities. While it isn't the kind of comprehensive corrective to America's "patent troll" problem that we'd like to see, the newly introduced Venue Equity and Non-Uniformity Elimination Act would address one small piece of the problem.

New York Times [Website Seeks to Make Government Data Easier to View and Understand](#)

For years, the federal government, states and some cities have enthusiastically made vast troves of data open to the public. Acres of paper records on demographics, public health, traffic patterns, energy consumption, family incomes and many other topics have been digitized and posted on the web. This abundance of data can be a gold mine for discovery and insights, but finding the nuggets can be arduous, requiring special skills.

Wired [How Reporters Pulled Off the Panama Papers, the Biggest Leak in Whistleblower History](#)

WHEN DANIEL ELLSBERG photocopied and leaked the Pentagon Papers to the New York Times in 1971, those 7,000 pages of top secret Vietnam War documents represented what was then the biggest whistleblower leak in history—a couple dozen megabytes if it were contained in a modern text file. Almost four decades later, WikiLeaks in 2010 published Cablegate, a world-shaking, 1.73 gigabyte collection of classified State Department communications that was almost a hundred times bigger.

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Boston Globe [FBI wants to access terror suspect's Skype records](#)

The FBI is investigating whether a third, unknown person discussed an alleged terrorism plot with Alexander Ciccolo, the Western Massachusetts man accused of planning to attack a state university with guns and explosives on behalf of the Islamic State terror group. FBI Special Agent Jeffrey J. Lawrence said in an affidavit filed in US District Court in Springfield last week that Ciccolo told a witness who was cooperating with the FBI that he had discussed his terrorism plans with one other person.

Ars Technica [\\$85 million patent verdict, largest ever against Google, wiped out on appeal](#)

In 2014, an East Texas jury ordered Google to pay \$85 million to SimpleAir, a "patent troll" company with no business beyond enforcing its patents. It was a massive victory for the company, which claimed that Google's use of push notifications in Android phones infringed its US Patent No. 7,035,914. SimpleAir's victory, the largest patent verdict ever won against Google, has since fallen apart. Google appealed the ruling, and on Friday a three-judge panel at the US Court of Appeals for the Federal Circuit held (PDF) that the lower court judge didn't interpret the patent claims correctly and that Google does not infringe.

Wired [North Carolina's Anti-LGBTQ Law Just Cost It a Huge PayPal Office and 400 Jobs](#)

PAYPAL CEO DAN Schulman is the latest business leader to speak out against a newly passed law in North Carolina that would prevent local governments from banning discrimination based on sexual orientation. But Schulman isn't just talking. He's hitting state lawmakers where it hurts. Today Schulman said that as a result of the new law, PayPal is cancelling plans to open its global operations center in Charlotte, a move that would have brought 400 jobs to the state.

The Hill [FBI head: No rush to wrap up Clinton email probe](#)

FBI Director James Comey says there is no pressure to finish a probe of Hillary Clinton's email server before the Democratic National Convention in July. "The urgency is to do it well and do it promptly," he told The Niagara Gazette on Monday. "And 'well' comes first. [I'm staying] close to this one to make sure we have the resources to do it competently." The FBI formally confirmed it is investigating Clinton's personal storage device in a letter from FBI general counsel James Baker last February. Critics charge that Clinton's use of a private email server as secretary of State potentially jeopardized sensitive national intelligence.

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New York Times [F.B.I. Lawyer Won't Say if Data From Unlocked iPhone Is Useful](#)

WASHINGTON — The epic fight between the F.B.I. and Apple over a locked iPhone is now over, but a central question in the case has remained unanswered: What secrets did the phone, used by one of the attackers in the San Bernardino, Calif., rampage, actually hold? The question has persisted with all the anticipation of Geraldo Rivera's ill-fated unlocking of Al Capone's secret vault on live television 30 years ago — which produced only a few empty liquor bottles and a stop sign.

The Hill [Google eyes move into political polling work](#)

Google is using the excitement surrounding the 2016 election to seek a foothold in the political polling industry. The Internet giant has been pushing its survey products to the staffers and operatives who work for presidential and congressional campaigns, as well as the journalists who cover them. “As we started to get ready for the 2016 cycle, that’s when things really started to pick up a bit on my side,” said Karen Sheldon, a Google veteran who is an account executive on the sales team for the product, known as Google Consumer Surveys.

The Hill [Netflix, self-interest and net neutrality](#)

The recent announcement by Netflix that it has been reducing the video quality of its programs on mobile networks for years — something the new net neutrality rules prohibit Internet service providers (ISPs) from doing — has sparked a firestorm by opponents of net neutrality regulations. From the Federal Communications Commission (FCC) and cable and telecom interests have come expressions of outrage that Netflix never acknowledged this practice during the time when regulators were actively considering, and ultimately approving, utility-style regulation of ISPs.

NOTABLE QUOTES

“There is no such thing as absolute privacy in America.”
- [James Comey, Director, Federal Bureau of Investigation](#)

“The government, by simply declaring the hack, has solved many of its problems. It undermined the authority and invincibility of Apple, and, by extension, all other technology companies. In the future, they might be more inclined to cooperate than to be shown up for fools. It reassured the public that the government is not

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the helpless party. It avoided the possibility of a legal ruling against it. And, as cream on top, it sent a message to terrorists that there is nowhere to hide. If the Farook data had initially seemed to be the point, that, in the contretemps, surely took a back seat to the perceptual issues. The government could not let Apple win. Therefore, it announced victory for itself. At the same time, it is not just the myth of encryption that Apple is defending, it is the virtue of encryption. In this, peculiarly, technology companies, whose business model largely involves knowing everything there is to know about us, become the protectors of our privacy.”

- [Michael Wolff, columnist, USA Today](#)

“It’s a tough issue. We’re all concerned about privacy, but we’re also concerned about being able to access these tools that are increasingly being used by groups like ISIL. So it’s an interesting kind of balance between national security and legitimate privacy concerns. Hopefully, we can find a way to thread the needle, because the government is certainly not interested in accessing everybody’s iPhone.”

- [Sen. Mitch McConnell](#)

“There’s a real truthfulness question. The FBI contended for weeks that this was about one phone. I and others said, ‘Well, you’re asking the company to recreate code. That is not one phone.’ Even more troubling is toward the end of it, Cyrus Vance and the whole New York people said, ‘Oh we got lots of cases, you bet we’re going to use it.’ The FBI didn’t brush that back.”

- [Sen. Ron Wyden](#)

“If we fail to address the current deficiency in computer-science education, the consequences for our nation will be severe. We are at risk of falling further behind other nations that have prioritized the teaching of computer science.”

- [Corinne Johnson](#)