

TEXAS
JOURNAL
of
BUSINESS
LAW

Vol. 48 No. 1

Spring 2019

A PRACTITIONER’S GUIDE TO THE TEXAS UNIFORM TRADE SECRETS ACT
Joseph F. Cleveland, J. Heath Coffman, and Kevin Smith

CONSUMER COLLECTIONS
Michael J. Scott

DRAFTING PRELIMINARY AGREEMENTS, INCLUDING CONFIDENTIALITY AGREEMENTS AND LETTERS OF INTENT
Byron F. Egan

THE HIDDEN COST OF M&A
Caleb N. Griffin

TECHNOLOGY AND CORPORATE GOVERNANCE
Mark Fenwick and Erik P.M. Vermeulen

TRADE SECRETS 101: WHAT TEXAS BUSINESS AND THEIR LAWYERS NEED TO KNOW
Zach Wolfe and Paul Freeman

INSURANCE 101
William H. Locke, Jr.

RECENT BUSINESS DEVELOPMENTS

OFFICIAL PUBLICATION OF THE BUSINESS LAW SECTION OF THE STATE BAR OF TEXAS –

IN ASSOCIATION WITH South Texas College of Law Houston

TEXAS JOURNAL OF BUSINESS LAW

Volume 48

Spring 2019

Number 1

CONTENTS:

A PRACTITIONER’S GUIDE TO THE TEXAS UNIFORM TRADE SECRETS ACT

Joseph F. Cleveland, J. Heath Coffman, and Kevin Smith.....

CONSUMER COLLECTIONS

Michael J. Scott

DRAFTING PRELIMINARY AGREEMENTS, INCLUDING CONFIDENTIALITY AGREEMENTS AND LETTERS OF INTENT

Byron F. Egan

THE HIDDEN COST OF M&A

Caleb N. Griffin

TECHNOLOGY AND CORPORATE GOVERNANCE

Mark Fenwick and Erik P.M. Vermeulen

TRADE SECRETS 101: WHAT TEXAS BUSINESS AND THEIR LAWYERS NEED TO KNOW

Zach Wolfe and Paul Freeman

INSURANCE 101

William H. Locke, Jr.

RECENT BUSINESS DEVELOPMENTS

No Conspiracy or Complicity Liability when a Statute Draws Specific Lines as to its Extraterritorial Application.....

Who Suffers the Financial Consequences of Identity Theft: The Bank v. Banking Customer?.....

Does A Prior Perfected Secured Creditor Waive Its Priority By Failing To Take Action Before A Judgment Lien Creditor Garnishes The Collateral?.....

Whose Lien Is It Anyway: Appellate Court Addresses Priority As It Relates To Foreclosed Real Property.....

Contract Ambiguity Yields Summary Judgment Denial.....

To Report Or Not To Report?—Supreme Court Determines Dodd-Frank’s Whistleblower Protection Only Extends To Individuals Who Report Directly To The SEC.....

COPYRIGHT

Copyright © 2016, Business Law Section of the State Bar of Texas
(U.S. ISSN 1547-3619)

Cite as: TEX. J. BUS. L.

Articles in this publication may be reproduced and distributed, in whole or in part, by nonprofit institutions for educational purposes including distribution to students, provided that the copies are distributed at or below cost and identify the Author, the Journal, the volume, the number of the first page, and the year of the article's publication.

The statements and opinions in the **TEXAS JOURNAL OF BUSINESS LAW** are those of the editors and contributors and not necessarily those of the State Bar of Texas, the Business Law Section, South Texas College of Law Houston, or any government body. This publication is designed to provide accurate and authoritative information in regard to the subject matter covered and is made available with the understanding that the publisher is not engaged in rendering legal or other professional service. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

ABOUT THE JOURNAL

The **TEXAS JOURNAL OF BUSINESS LAW** is dedicated to providing Texas attorneys and academics with comprehensive, up-to-date coverage of the ever-changing and rapidly expanding field of business law. The Journal presently has over 4,000 subscribers, making it one of the most widely circulated student-run publications in Texas, as well as one of the largest business law journals in the nation. The Journal is also the official publication of the Business Law section of the State Bar of Texas. Please visit the Business Law Section's website at www.texasbusinesslaw.org.

MISSION STATEMENT

The mission of the **TEXAS JOURNAL OF BUSINESS LAW** is to serve as a leading source in the practice of business law in Texas. The Journal is dedicated to providing comprehensive, practical, and current information for practicing attorneys, judges, students, and academics. To this end, the Journal will strive to provide accurate, reliable, and contemporary information regarding the practice of business law in Texas.

In order to assure the ability to provide quality information, the Journal will select only the highest quality student members and will provide an invaluable learning and support network for students.

SUBMISSIONS

The **TEXAS JOURNAL OF BUSINESS LAW** welcomes article submissions from judges, practitioners, and academics. Articles should address an area of business law relevant to Texas legal practitioners and be written in a style suitable for a law journal. Article submissions must be in Microsoft Word format, include a Table of Contents, include an Abstract, contain footnotes rather than endnotes, and conform to both *The Bluebook: A Uniform System of Citation* (20th ed.) and the *Texas Rules of Form* (13th ed.). Submissions should be addressed to:

Texas Journal of Business Law
Attn: Submissions
C/O South Texas College of Law Houston
1303 San Jacinto Street, Suite 307
Houston, Texas 77002

Please include a hard copy of the article, an article abstract, and CD with both the article and the abstract. Alternatively, submissions may be made electronically via email to tjblawme@hcl.edu. All submissions are reviewed by a committee composed of student Journal members, faculty advisers, and practitioners in the Business Law Section of the State Bar of Texas.

SUBSCRIPTIONS

A subscription to the **TEXAS JOURNAL OF BUSINESS LAW** is included as a benefit of membership in the Business Law Section of the State Bar of Texas. For an additional subscription to the Journal, or to subscribe without joining the Section, please contact the Sections Department of the State Bar of Texas at 1-800-204-2222 or at:

State Bar of Texas
Attn: Sections Department
P.O. Box 12487
Austin, Texas 78711

REPRINTS

For back issues, please contact:

Texas Journal of Business Law
Attn: Reprints
C/O South Texas College of Law Houston
1303 San Jacinto Street, Suite 307
Houston, Texas 77002
tjblaw@gmail.com

TEXAS JOURNAL OF BUSINESS LAW

Volume 48

Spring 2019

Number 1

South Texas College of Law Houston
2018-2019 EDITORIAL ADVISORY BOARD

Editor

W. DAVID EAST
Professor of Law

Faculty Advisors

W. DAVID EAST
Professor of Law

BRUCE A. MCGOVERN
Professor of Law

South Texas College of Law Houston
2018-2019 STUDENT EDITORIAL BOARD
TEXAS JOURNAL OF BUSINESS LAW

Managing Editor

MEGAN MOODY BARCAK

Articles Editors

ANTHONY FONTANA
LAYNE MILLER
ADILIA MIRANDA
AVA TAGHECHIAN
SAVANNAH WARNER
MALEEAH WILLIAMS

Associate Editors

AMANDA BARRINGTON
ELIZABETH BRISCOE
MATTHEW DELGADO
EMMA GORSKI
MATTHEW HUDSON
SHELBY HUFFMAN
BRITTANY JUDICE
LAURA LOPEZ
SHEFA MOTEN
HASSAN NADERZADEH
HANIYAH NAEEM
EMILY NASIR
KEVIN NIEMEYER
ERIN RINEHART
MIKHAELA STAVRINOU
STORMY STRICKLAND
RACHAEL THOMSON
ANESSA WHITLEY
CASEY WICKER

The State Bar of Texas Business Law Section
Journal Committee

RYAN NAYAR (Chairman), *Houston*
Robin Preussel Phillips, *Houston*

TEXAS JOURNAL OF BUSINESS LAW

Volume 48

Spring 2019

Number 1

BUSINESS LAW SECTION

Evan Young
Baker Botts L.L.P.
98 San Jacinto Boulevard
Austin, Texas 78701
Chair

Stephen C. Tarry
Vinson & Elkins LLP
2300 First City Tower
1001 Fannin Street
Houston, Texas 77002
Chair-Elect

Frank Ruttenberg
Haynes & Boone, LLP
112 East Pecan Street, Suite 1200
San Antonio, Texas 78205
Vice Chair

Mysha Lubka
Baker Botts L.L.P.
98 San Jacinto Boulevard
Austin, Texas 78701
Vice Chair

E. Steve Bolden, II
Mahomes Bolden PC
325 North St. Paul, Suite 2750
Dallas, Texas 75201
Immediate Past Chair

Matthew T. Moran
Gardere Wynne Sewell LLP
1601 Elm Street, Suite 3000
Dallas, TX 75201
Secretary/Treasurer

COUNCIL

Jacqueline Akins (San Antonio), E. Steve Bolden II (Dallas), Shanna Nugent Cobbs (Addison), John Fahy (Fort Worth), Irene Kosturakis (Houston), Christina Marshall (Dallas), Carol Bavousett Mattick (San Antonio), Cheryl Crandall Tangen (Houston), Stephen C. Tarry (Houston), and Evan Young (Austin)

JOURNAL COMMITTEE CHAIR

Ryan Nayar
Akin Gump Strauss Hauer & Feld LLP
1111 Louisiana Street, 44th Floor
Houston, TX 77002

FACULTY ADVISORS

W. David East
Bruce McGovern
South Texas College of Law Houston
1303 San Jacinto
Houston, TX 77002