# Protecting Intellectual Property (IP) with Eclypses MTE

### Background

A technology-driven company in software, AI, fintech, biotech, or engineering relies on intellectual property (IP) to maintain its competitive advantage. However, IP theft, insider threats, and cyber espionage are growing risks—particularly when data is transmitted through APIs, shared between teams, or used in live applications.

Traditional security solutions—such as TLS encryption, VPNs, and endpoint protection—fail when:

- APIs expose sensitive IP in transit (e.g., AI model requests, proprietary algorithms).
- Insider threats or compromised credentials allow unauthorized access to live systems.
- Attackers intercept encrypted data in memory or transit and steal decryption keys.
- Competitors or state-sponsored actors attempt to steal confidential business intelligence.

#### **The Risk to Business**

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- Loss of Competitive Advantage Stolen trade secrets allow competitors to replicate unique innovations.
- Financial & Legal Exposure IP theft leads to patent disputes, compliance violations, and lost revenue.
- **Reputation Damage** Stolen IP weakens investor and customer trust.
- Compliance Risks Industries with IP-sensitive regulations (e.g., ITAR, GDPR, CMMC) face legal risks if data isn't properly protected in transit.

### **How Eclypses MTE Secures Intellectual Property**

Unlike traditional encryption, **Eclypses MTE eliminates IP exposure in transit**, ensuring that even if data is intercepted, it remains **useless to attackers**.

#### The Problem: API Exposure in Telehealth & EHR Systems

- Zero Data Exposure MTE replaces sensitive IP with non-reversible microtokens before transmission. Even if intercepted, the data cannot be reconstructed.
- Application-Layer API Security Secures live IP-related API requests (e.g., AI model interactions, financial data processing, engineering calculations) before they leave the application.
- Eliminates Insider Threats & Credential Abuse Unlike traditional encryption, which relies on access control, MTE ensures that no unauthorized user—internal or external—can access meaningful IP.
- Prevents API & Data Interception Attacks If an attacker compromises API communications or man-inthe-middle traffic, they only obtain random, non-usable tokens, not the actual IP.
- Regulatory Compliance for IP Protection Helps companies comply with ITAR (International Traffic in Arms Regulations), GDPR, CMMC, and industry-specific data protection laws.

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## **Protecting AI Models & Proprietary Algorithms in APIs**

#### The Problem: API Exposure in Proprietary AI & Software

A software company developing proprietary AI models and machine learning algorithms faces corporate espionage threats:

- Attackers intercept API requests where customers query proprietary AI models.
- Insiders attempt to copy real-time data streams and sell them to competitors.
- Encryption alone does not prevent APIbased data extraction attacks.

#### **The Solution: MTE-Enabled API Security**

A healthcare provider offers **remote consultations and patient record access** through a telehealth app and **EHR integration APIs**. Attackers attempt to:

- Before transmission, Eclypses MTE tokenizes API responses and algorithm outputs so the actual intellectual property is never exposed in transit.
- If intercepted, attackers only see meaningless microtokens—rendering stolen data useless.
- Prevents insider threats by ensuring that authorized API access does not result in raw IP exposure.

## **Business Benefits of Using Eclypses MTE for IP Protection**

- 100% Prevention of Usable IP Theft Even if hackers gain access to API traffic or live data in transit, it is useless.
- Stronger Protection Than Encryption Alone MTE ensures that data cannot be reconstructed even if decryption keys are stolen.
- Seamless API & DevOps Integration Works with real-time systems, AI models, financial transactions, and R&D platforms without requiring major infrastructure changes.
- Regulatory Compliance Simplified Helps companies meet data protection laws such as ITAR, GDPR, and CMMC.
- Lower Cyber Insurance Costs Companies with MTE can reduce cyber insurance premiums by up to 30% due to lower risk exposure.

## **Conclusion: Future-Proof IP Security**

With Eclypses MTE, companies can protect their most valuable intellectual property—whether it's AI models, financial algorithms, proprietary software, or confidential business intelligence. Unlike traditional security, MTE prevents IP from ever being exposed in transit—making API breaches, insider threats, and cyber espionage meaningless.

#### Contact us today to protect your IP with Eclypses MTE.

