# **International Pitch Competitions**

Research Security Division Research Services



#### Overview

Recently, international pitch competitions organized by entities affiliated with the Chinese government and the Chinese Communist Party (CCP) have been on the rise. Yet, they can pose risks to Western tech startups through exploitation, such as loss of intellectual property (IP), misuse of data, acquisition of Western technology and skills by hostile foreign nations.

According to the <u>Canadian Security Intelligence Service</u>, these competitions often encourage startups to pitch their innovative projects in hopes of winning paid trips to China to compete for cash awards, subsidies and investment, preincubation support, market-entry opportunities, and other benefits in China.

# Why are International Pitch Competitions Problematic?

International pitch competitions mainly aim to attract foreign technology and talent to China, supporting China's technology hubs and its national goals for global leadership in key sectors.

Some require overly detailed disclosures in the competition phrase—patents, business plans, financials, personal data, and photos. Winning prizes or investments may depend on forming a business in China, where foreign firms often face state-backed efforts to acquire IP, data, or talent.

In particular, the China Association for Science and Technology (CAST) utilizes international pitch competitions to advance China's science and technology (S&T) capabilities and bolster its economic and military strength.

Despite all these challenges, more Western startups are joining international pitch competitions

### **How to Mitigate?**

There are some measures startups can take into consideration before joining pitch competitions.

- 1) Due Diligence
  - Verify organizers' identity, funding, and intentions.
  - Check competition rules for data use.
  - Understand legal risks, especially regarding data and government access.
  - Review relevant laws if doing business in China.



#### 2) Data Protection

- File patents in Canada, the U.S., and the host country before public disclosure.
- Use NDAs and strict data handling protocols.
- Include enforceable legal protections in all contracts.
- Don't expect privacy on electronic devices when abroad—plan accordingly.
- Use secure tools to protect your data during presentations.

# 3) Limit your exposure

- Share only what's necessary and decide what it is appropriate to share prior the competition.
- Set clear boundaries for sensitive questions.
- Carefully review all documents before signing.
- Keep records of all interactions and agreements.
- Consider potential losses if deals fall through.

# 4) Continuous Monitoring

- Regularly watch for potential infringements during and after the competition.
- Track and record any increased foreign interest in your startup.

## 5) Engage

- Connect with federal agencies and industry peers to share up-to-date threat info and risk resources.
- When traveling abroad for competitions, follow security guidance and register with your government's embassy.

#### When to Reach Out?

If you are uncertain or suspect your involvement in potentially malicious international pitch competitions, particularly those connected to the Chinese government or CCP, please contact UCalgary's Research Security Division.

#### **More Information**

For more information regarding efforts to protect Canada against intelligence and security threats, Visit the Canadian Security Intelligence Service and the National Counterintelligence and Security Center (NCSC).