

The U.S. Supreme Court to Decide Whether the Data Stored Abroad is Beyond Reach

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Following the fight between technology companies and justice departments, the U.S. [Supreme Court](#) decided to hear the case *United States v. Microsoft*. A [warrant](#) was issued in 2013 by a federal magistrate judge under a 1968 federal law—the Stored Communications Act, forcing Microsoft to hand over a customer’s email stored overseas for a criminal investigation. In 2016, a three-judge panel of the [Second Circuit Court](#) ruled that the 1986 law did not apply to data outside U.S. Later, the full Second Circuit Court reheard the case but the court deadlocked.

Though the mutual legal assistance treaties enable governments to collect evidence for criminal cases through the cooperation of local justice departments, the process is deemed by some judge as “slow and laborious.”

In the “big data” industry, the collection and control of data are critical. The digital information stored in other countries is governed by the local laws and the technology companies have to obey both U.S. laws and foreign laws. It may create a dilemma if the two sources of law differentiate. Some foreign governments are especially worried about their customers’ data stored by American companies being provided to U.S. governments for other uses and some services by U.S. technology companies are even banned in certain country for not obeying local policies.

The U.S. giant technology companies have achieved great successes almost all over the world. But the increasing distrust of information security may hurt their ability to compete in leading cloud computing, especially after the Snowden’s revelations. The fear of a back door spying program has led to reconsideration by some foreign customers of their relationship with U.S. online service providers. In answering these challenges, [some companies](#) purposely build data centers overseas to avoid being suspected of leaking information to U.S. government authorities. But whether this can be an effective way to reassure their customers will depend on the decision to be made by the Supreme Court Justices.