Non-Competition Agreements: Ensuring Enforceability

A non-competition agreement raises state-law public policy concerns. As a result, states often restrict the scope of non-competition agreements before they will enforce them, warns Mark Koogler in Porter Wright Morris & Arthur's Federal Securities Law Source.

"Most jurisdictions disfavor non-competition agreements as a matter of public policy because they view such agreements as a restraint of trade," writes Koogler. "Broader language places a heavier burden on the employer to justify the restrictions whereas narrowly tailoring the language of a non-competition agreement reduces the risk that a court will construe the agreement to unnecessarily restrain trade."

Koogler writes about the importance of balancing the interests of the employer and employee.

Read the article.

Join Our LinkedIn Group