Restrictive Covenants in Non-Compete Agreements: Broader is Not Better

A decision by the Federal District Court for the Northern District of Illinois in *Medix Staffing Solutions, Inc. v. Dumrauf* serves as a reminder to employers why restrictive covenants should be limited in scope and duration to what is necessary to protect the employer's business, writes **David J. Hochman** in **an alert** for Roetzel & Andress.

"The District Court, applying Illinois law, granted the defendant's motion to dismiss Medix' suit with prejudice and without providing the plaintiff an opportunity to present evidence or to pursue discovery," he explains. "The Court held that the covenant was overbroad on its face and, therefore, unenforceable because it prohibited the defendant from taking any position with another company engaged in the same business as Medix– without regard to whether his new position was similar to his position with Medix or whether his new employer competed with Medix."

Hochman writes that the opinion demonstrates why it is so important to limit the activities prohibited by a restrictive covenant, as well as the geographic scope and duration, to what is reasonably needed to protect the employer.

Read the article.