

National Survey on Restrictive Covenants

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The firm ranks among the top 100 law firms nationally, according to The American Lawyer. Our attorneys and staff are supported by sophisticated technologies that link our offices and promote rapidcommunication and collaboration among our departments and practice groups. Clients have access to the full resources of our attorney network, and to the depth of experience available firmwide. Every matter receives the individualized attention, innovative strategies and cost-effective approaches that are the hallmarks of our firm.

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Fox Rothschild's goal of becoming the preeminent law firm in the nation has driven our expansion into strategic locations throughout the country. In tan-dem with our overall expansion, our individual offices have added seasoned attorneys with strong credentials and key regional associations. These attorneys bring a depth and breadth of experience clients can rely upon to service every aspect of their legal needs. As a result, our clients have access to one of the largest and deepest legal practices in the nation.



| STATE | NON-COMPETE | NON-SOLICITATION | NON-HIRE/ "RAIDING" | CONFIDENTIAL INFORMATION |
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| Alabama | <p>"Every contract by which anyone is restrained from exercising a lawful profession, trade or business of any kind otherwise than is provided by this section is to that extent void."¹</p> <p>The Restrictive Covenants Act is codified at Ala. Code § 8-1-190, et seq. (Alabama Laws Act 2015-465, signed by Governor Bentley on June 11, 2015, and referred to as the "Restrictive Covenants Act"). – went into effect 1/1/16.</p> <p>Enforceable covenant relates to a protectable interest of the employer; the restriction is reasonably related to that interest; the restriction is reasonable in time and place, and the restriction imposes no undue hardship on the employee.²</p> <p>Protectable interests include trade information, customer relationships that employee has access to and confidential information.³</p> <p>Courts may revise or "Blue Pencil" overbroad covenant to create enforceable covenant.⁴ Parties may also "preauthorize" courts to revise covenants to "save" them.⁵</p> | <p>Governed by the Restrictive Covenants Act.⁶</p> <p>Not every contract which imposes a restraint on trade or competition is void. The fact that a contract 'may affect a few or several individuals engaged in a like business does not render it void under Ala. Code § 8-1-1. Every contract 'to some extent injures other parties; that is, it necessarily prevents others from making the sale or sales consummated by such contract.⁷</p> | <p>Governed by the Restrictive Covenants Act.⁸</p> <p>Agreements in which competitors or contracting entities agree not to hire each other's employees are enforceable subject to Ala. Code § 8-1-1.⁹</p> <p>Also:</p> <p>"[T]he tort of intentional interference with contractual relations in the context of inducing an employee to leave a competitor requires an enforceable contract of employment, an absence of justification for interference in such contract, and evidence of injury."¹⁰</p> <p>In the absence of unlawful conduct, hiring a competitor's former employees does not constitute unfair competition.¹¹</p> | <p>Adopted the Uniform Trade Secrets Act.¹²</p> |
| Alaska | <p>Factors to weigh in evaluating enforceability: absence of limitations as to time and space; whether the employee is the sole contact with the customer; whether the employee has confidential information or trade secrets; whether the covenant seeks to eliminate more than ordinary competition; whether the covenant seeks to stifle skill and experience of employee; whether the benefit to the employer is disproportional to the harm to the employee; whether the covenant acts as a bar to the employee's sole means of support; whether the employee's talent was developed during employment and whether the forbidden employment is incidental to main employment.¹³ Overbroad covenants may be altered, and if they are made in bad faith, they will be struck.¹⁴</p> <p>Permits "Reasonable Alteration" of Covenant to make it enforceable.¹⁵</p> | <p>A covenant not to contact former customers will be unreasonable if the employee did not have access to confidential information.¹⁶</p> | <p>No applicable law.</p> | <p>Trade secrets are defined as "information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who may obtain economic value from its disclosure or use" and is subject to reasonable efforts to maintain its secrecy.¹⁷</p> <p>Status of customer lists and account information as trade secrets has not been addressed by the courts.</p> |



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| Arizona | <p>Covenant must not be any broader than necessary to protect the employer's legitimate business interest.¹⁸ The courts will consider the reasonableness as to the employee and his right to earn a living; reasonableness in geographic scope and term.¹⁹</p> <p>Employers have a legitimate interest in protecting customer relationships and guarding against the misappropriation of confidential information and trade secrets.²⁰</p> <p>Permits Blue Penciling of covenant.²¹</p> | <p>It is less restrictive on the employee than non-compete; non-solicits are ordinarily not deemed unreasonable or oppressive.²²</p> | <p>"A competitor is privileged to hire away an employee whose employment is terminable at will."²³</p> <p>Anti-piracy agreements will be enforceable if plaintiff can prove a protectable business interest in restricting defendant from soliciting plaintiff's employees.²⁴</p> <p>A manager who encourages or induces her employees to terminate their employment and join a competing company breaches her fiduciary duty.²⁵</p> | <p>Adopted the Uniform Trade Secrets Act.²⁶</p> <p>Trade secrets are defined as "information, including a formula, pattern, compilation, program, device, method, technique or process that both derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use" and is subject to reasonable efforts to maintain its secrecy.²⁷</p> |
| Arkansas | <p>Arkansas law permits covenants not to compete that are ancillary to an employment relationship or are part of an "otherwise enforceable employment agreement or contract to the extent that:" the employer has a protectable business interest; and the covenant not to compete is limited in time and scope that is not greater than necessary to protect business interests of the employer.²⁸</p> <p>Only enforceable if they protect specific legitimate business interest such as special training, trade secrets, confidential business information and customer lists.²⁹ Covenants not to compete must also be reasonable in geographical restriction and duration.³⁰</p> <p>No Blue Penciling.³¹</p> | <p>Non-solicit covenants are subject to the same requirements as covenants not to compete.³²</p> | <p>No applicable law, however:</p> <p>In the absence of a contract, plaintiff must prove intentional interference with its expectation of a continued long-term relationship with its at-will employees and that the defendant did not have a privilege to compete.³³</p> <p>Where the defendant former employee solicited coworkers while still employed by plaintiff, defendant will have breached his duty of loyalty to plaintiff.³⁴</p> | <p>Adopted the Uniform Trade Secrets Act.³⁵</p> <p>Customer lists are protectable as trade secrets if the identities of the customers are not easily ascertainable and the employer keeps the list confidential.³⁶</p> |



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| California | <p>Covenants not to compete are generally void, subject only to statutory exceptions for sale of a business.³⁷</p> <p>California has also prohibited an employer from naming a non-California jurisdiction as the applicable law to avoid California's prohibition on non-competes. Further, the effect of this measure effectively bans forum selection clauses.³⁸</p> <p>California Supreme Court has rejected a "narrow restraint" exception to the prohibition on covenants not to compete. A provision in an employment agreement restricting an employee from serving customers of or competing with a former employer is invalid.³⁹</p> <p>No Blue Penciling⁴⁰ if the underlying agreement is unlawful.</p> | <p>Non-solicitation covenants are void as unlawful business restraints except to the extent their enforcement is necessary to protect trade secrets.⁴¹</p> | <p>Employee raiding in and of itself is not unlawful.</p> <p>An agreement not to interfere with a former employer's business by interfering with or raiding its employees may be valid.⁴²</p> <p>If a defendant solicits his competitor's employees or hires away one or more of his competitor's employees who are not under contract, he does not commit an actionable wrong as long as the inducement to leave is not accompanied by unlawful action.⁴³ Nor is there an actionable claim for unfair competition where the former employee does not divulge trade secrets or confidential information to her new employer.⁴⁴</p> | <p>Adopted the Uniform Trade Secrets Act.⁴⁵</p> <p>Customer lists and account information may be a trade secret. The test for trade secret status is: (1) whether the information is readily accessible to a reasonably diligent competitor; (2) whether the customer's decision to purchase was influenced primarily by considerations such as price, quality, reliability, delivery and efficient service, as opposed to special needs or susceptibilities that the employee or employer, through some effort, had knowledge; (3) whether in addition to manifesting intent to take business away from employer, the competitor had a purpose to injure the employer's business; and (4) the employer's expenditure of time, effort and resources in compiling a list of its clientele.⁴⁶</p> |
| Colorado | <p>Colorado law states that any covenant not to compete that restricts the right of a person to be compensated for labor by any employer is void. The statute provides exceptions for reasonable confidentiality provisions relevant to the employer's business and covenants not to compete governing highly compensated individuals if the covenant is for the protection of trade secrets and is no broader than reasonably necessary to protect the employer's legitimate interest. Employers violating the non-compete statute are liable for actual damages and a penalty of \$5,000 per worker or prospective worker harmed by the conduct.⁴⁷</p> <p>Permits Blue Penciling.⁴⁸</p> | <p>Non-solicit covenants are subject to the same requirements as covenants not to compete.⁴⁹</p> <p>Colorado law permits covenants not to solicit customers governing a person who earns sixty percent or greater of the threshold amount for highly compensated workers if the non-solicit agreement is no broader than reasonably necessary to protect the employer's legitimate interest in protecting its trade secrets.⁵⁰</p> | <p>A competitor's hiring of plaintiff's employees in violation of the employees' covenant not to compete falls within the competitor's privilege. One who intentionally causes a third person not to enter into a prospective contractual relation with another who is his competitor or not continue an existing contract terminable at will does not interfere improperly with the other's relation if: (a) the relation concerns a matter involved in the competition between the actor and the other; (b) the actor does not employ wrongful means; (c) his action does not create or continue an unlawful restraint of trade; and (d) his purpose is at least in part to advance his interest in competing with the other.⁵¹</p> | <p>Adopted the Uniform Trade Secrets Act.⁵²</p> <p>The factors to be considered in recognizing a trade secret are: (1) the extent the information is known outside of the business; (2) the extent it is known inside the business; (3) the precautions taken to guard the secrecy; (4) the savings effected and the value to the holder in having the information as against competitors; (5) the amount of effort or money expended in obtaining the information; and (6) the amount of time and expense it would take for others to acquire and duplicate the information.⁵³</p> |



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| Connecticut | <p>Restriction must be partial and restricted in operation as to time or place and reasonable in scope so as not to offend public policy.⁵⁴ Courts apply five criteria by which the reasonableness of a restrictive covenant must be evaluated: (1) the length of time the restriction is to be in effect; (2) the geographic area covered by the restriction; (3) the degree of protection afforded to the party in whose favor the covenant is made; (4) the restrictions on the employee's ability to pursue his occupation; and (5) the extent of interference with the public's interest.⁵⁵</p> <p>Restrictive covenant may protect against disclosure of trade secrets, including customer lists, formulas or compilations of information.⁵⁶</p> <p>Permits Blue Pencil if the contract provides for severability.⁵⁷</p> | <p>Limited to actual customers.⁵⁸</p> | <p>No applicable law, however:</p> <p>A plaintiff may state a claim for intentional interference with business relations by establishing: (1) the existence of a beneficial relationship; (2) the defendant's knowledge of that relationship; (3) the defendant's intent to interfere with the relationship; (4) that the interference was tortious; and, (5) a loss suffered by the plaintiff that was caused by the defendant's tortious conduct.⁵⁹ Plaintiff must prove at least some improper motive or improper means that is wrongful by some measure beyond the fact of the interference itself.⁶⁰</p> | <p>Adopted the Uniform Trade Secrets Act.⁶¹</p> <p>Trade secret means information, including a formula, pattern, compilation, program, device, method, technique, process drawing, cost data or customer list that: (1) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means, by other persons who can obtain economic value from its disclosure or use; and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.⁶²</p> <p>The factors used to determine whether information is a trade secret include: "the extent to which the information is known outside the business and by employees and others involved in the business, the measures taken by the employer to guard the secrecy of the information, and the ease or difficulty with which the information could be properly acquired or duplicated by others."⁶³</p> <p>An employer must show that it invested the time, effort and expense in compiling the alleged customer lists developed through contacts with available sources, to merit trade secret protection.⁶⁴</p> |



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| Delaware | <p>Restriction must meet general contract law requirements (mutual assent to the terms by the parties that is supported by adequate consideration) and be reasonable in time, scope and geography, serve a legitimate economic interest of the employer and survive a balance of the equities.⁶⁵</p> <p>To be enforceable, the covenant must "advance a legitimate economic interest of the party enforcing" it.⁶⁶</p> <p>Although Delaware courts are hesitant to Blue Pencil,⁶⁷ rather than invalidating an overbroad non-compete provision, Delaware has adopted the "reasonable alteration" approach permitting a court to either reduce the restrictions of a covenant and then enforce it or choose not to enforce it at all.⁶⁸</p> | <p>Non-solicits contained in a restrictive covenant are evaluated by the same standards as a general restrictive covenant. The courts recognize that the employer's customer base can be the market that needs protection and "most judicial opinions regarding reasonableness of the geographic extent of employee non-competition agreements speak in terms of physical distances, the reality is that it is the employer's goodwill in a particular market which is entitled to protection."⁶⁹</p> | <p>A non-competition agreement that includes a clause prohibiting the employee's solicitation of her co-employees may be valid if it is an enforceable contract and protects the employer's legitimate interests.⁷⁰</p> | <p>Adopted the Uniform Trade Secrets Act.⁷¹</p> <p>Customer information may be a trade secret.⁷²</p> |
| District of Columbia | <p>D.C. statutorily voids most non-compete provisions entered into on or after October 1, 2022, however, there remains exceptions for non-compete agreements between an employer and a highly compensated employee so long as the agreement specifies the scope and geographical limitations of the competitive restriction.⁷³</p> <p>Restriction must be agreed upon by the parties with reasonable limits as to time and area and be necessary for the employer. In determining what is necessary for the employer, the restraint must not be greater than necessary to protect the employer's interest and may not be outweighed by the hardship to the employee or the public.⁷⁴</p> <p>Courts have declined to follow the Blue Pencil doctrine and have adopted the equitable reformation doctrine allowing enforcement of a covenant to the extent that its terms are reasonable.⁷⁵</p> | <p>Non-solicitation agreements will be enforced without any territorial limitations, limited to current, if not past customers.⁷⁶</p> | <p>Where a covenant restricts an employee from "hiring or assisting in hiring" any employee for one year following the termination of employment, the agreement has been enforced.⁷⁷</p> <p>Where a contract not to solicit plaintiff's employees was rendered invalid by a subsequent contract, defendant's intention to raid plaintiff's employees was not unlawful.⁷⁸</p> | <p>Adopted the Uniform Trade Secrets Act.⁷⁹</p> |



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| <p>Florida</p> | <p>Fla. Stat. Ann. § 542.331, <i>et seq.</i> (Covenants executed on or after July 1, 1996)</p> <p>Fla. Stat. Ann. § 542.33, <i>et seq.</i> (Covenants executed prior to July 1, 1996)</p> <p>Pursuant to statute, covenants that restrict or prohibit competition when they are limited in time, area and line of business are permissible, but must be in writing and party seeking to enforce a covenant must show a "legitimate business interest" justifying the restraint.⁸⁰ Such legitimate business interests include: (1) trade secrets as defined by statute in § 688.002(4); (2) valuable confidential business or professional information that otherwise does not rise to the level of a trade secret; (3) substantial relationships with specific prospective or existing customers; (4) customer goodwill; and (5) extraordinary or specialized training.⁸¹</p> <p>In determining the validity of the covenant, the individualized economic or other hardship that might be caused to the person against whom enforcement is sought is not a factor to consider.⁸²</p> <p>For post-1996 covenants, a court shall modify the restraint and grant only the relief reasonably necessary to protect such interest if a restraint is overbroad or otherwise unreasonable.⁸³</p> | <p>Non-solicitation provisions are governed by statute as well.⁸⁴</p> | <p>Governed by statute.⁸⁵</p> <p>Valid restraints of trade or commerce to protect a legitimate business interest include "extraordinary or specialized training." This has been interpreted to include training salespersons with little or no experience in the particular business and investing considerable money and time in teaching them the employer's way of conducting sales.⁸⁶</p> <p>Employees who seek new employment and encourage their co-workers to do the same have not committed an actionable wrong where the co-workers were at-will employees of plaintiff.⁸⁷</p> | <p>Adopted the Uniform Trade Secrets Act.⁸⁸</p> <p>Employer must show reasonable efforts to maintain trade secret's secrecy.⁸⁹</p> |



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| Georgia | <p><i>Non-competes entered into prior to May 11, 2011, are viewed with extreme disfavor. Such covenants will only be enforced if they are: (1) reasonable (in scope of activity, territorial coverage and duration); (2) founded upon valuable consideration; (3) reasonably necessary to protect the valid interest of the employer; and (4) do not unduly prejudice the public interest.⁹⁰</i></p> <p>Georgia applies a strict level of scrutiny to such covenants and does not Blue Pencil overbroad non-competes.⁹¹ Further, if a non-compete fails, a non-solicitation in the same agreement will also fail, and vice-versa.⁹²</p> <p><i>For non-competes entered into on or after May 11, 2011, Georgia's Restrictive Covenants Act ("Act") applies.⁹³</i></p> <p>Pursuant to the Act, a non-compete is enforceable so long as its restrictions are reasonable in time, geographic area and scope of protected activities. In terms of time, two years or less is presumptively reasonable' more than two years is presumptively unreasonable.⁹⁴ The Act requires a non-compete to have a geographic description or it will be unenforceable. Geographic descriptions will be read "forgivingly" but courts are not authorized courts to infer a description where none is provided.⁹⁵</p> <p>Such agreements are only permitted for employees in the following positions: (a) sales personnel; (b) brokers; (c) management personnel; and (d) "key employees" or "professionals."⁹⁶</p> <p>Unlike the prior law, courts have discretion to blue-pencil overly broad non-competes, so long as the change(s) does not make the covenant more restrictive on the employee.⁹⁷ Blue-penciling is limited to marking a document but may not write provisions into the non-compete.⁹⁸</p> | <p><i>As to non-solicitations entered into prior to May 11, 2011, they are generally governed by the same rules as covenants not to compete. A non-solicitation provision need not be restricted by a geographic territory if it is limited only to customers that the employee had a relationship with prior to departure.⁹⁹ In the presence of a limited territorial application, the non-solicit may apply to customers that had no contact with former employee during employment.¹⁰⁰ Non-solicitations, like non-competes, cannot be blue-penciled.</i></p> <p><i>As to non-solicitations entered into on or after May 11, 2011, they are enforceable to the extent they apply to customers or active prospective customers with who the employee had material contact. No express reference to geographic area or types of products or services is required.¹⁰¹ Two years or less is presumptively reasonable.¹⁰² Non-solicitations, like non-competes, can now be blue-penciled, provided that the change(s) does not make the covenant more restrictive on the employee.</i></p> | <p>These are analyzed separately from non-competes and non-solicitation of customers. Covenant prohibiting employees from hiring former co-workers for another employer will be valid if it is reasonable in scope (territorial restriction) and duration.¹⁰³</p> <p>Also:</p> <p>Where a competitor tortiously interferes with plaintiff's workforce, plaintiff's injury will be compensable if the competitor acted maliciously.¹⁰⁴</p> | <p>Adopted the Uniform Trade Secrets Act.¹⁰⁵</p> <p>Customer information is generally not deemed a trade secret, but a physical list of potential customers may be a trade secret.¹⁰⁶</p> <p>With regard to non-disclosure (confidential information) agreements, prior to implementation of the Act, agreements to protect confidential information that did not contain a time limitation were deemed overbroad and unenforceable. Under the Act, no express time limit is required.¹⁰⁷</p> |



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| Hawaii | <p>Hawaii law provides: A "covenant or agreement by an employee not to use trade secrets of the employer or principal in competition with the employee's or agent's employer or principal, during the term of agency or thereafter, or after the termination of employment, within such time as may be reasonably necessary for the protection of the employer or principal, without imposing undue hardship on the employee" will be enforced "unless the effect thereof may be substantially to lessen competition or to tend to create a monopoly."¹⁰⁸</p> <p>Employer's protectable interest includes customer contacts, confidential information and trade secrets.¹⁰⁹</p> <p>The courts may partially enforce through judicial modification a post employment non-competition covenant.¹¹⁰</p> <p>On June 26, 2015, the Governor of Hawaii signed Act 158, which voids any non-compete clause relating to an "employee of a technology business."¹¹¹ It does not affect any non-compete covenants implemented prior to July 1, 2015.</p> | <p>Non-solicitation provisions are enforceable and do not need a separate geographic restriction.¹¹²</p> <p>On June 26, 2015, the Governor of Hawaii signed Act 158, which voids any non-solicitation clause relating to an "employee of a technology business."¹¹³ It does not affect any non-solicitation covenants implemented prior to July 1, 2015.</p> | <p>It is unclear whether competitors may agree not to hire each other's employees.¹¹⁴</p> <p>However, courts analyze the agreement under the rule of reason.¹¹⁵</p> | <p>Adopted the Uniform Trade Secrets Act.¹¹⁶</p> |
| Idaho | <p>A non-compete will be enforced if it is: (1) reasonable, as applied to the employer, employee and public; (2) not contrary to public policy; and (3) any detriment to the public interest and the possible loss of the services of the employee is more than offset by the public benefit derived from the preservation of the freedom of contract.¹¹⁷</p> <p>Employer's protectable interests include customer contacts, trade secrets and confidential information.¹¹⁸</p> <p>The Idaho courts will Blue Pencil to strike a word or phrase but will not rewrite the contract and modify the clause.¹¹⁹</p> | <p>Non-solicits are enforceable under the same test as non-competes. However, a non-solicit may be enforceable with a geographic restriction.¹²⁰</p> | <p>No applicable law.</p> | <p>Adopted the Uniform Trade Secrets Act.¹²¹</p> <p>Customer lists are not trade secrets if they are available for purchase.¹²²</p> |



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| Illinois | <p>A restrictive covenant ancillary to a valid employment relationship is reasonable only if the covenant: (1) is no greater than is required for the protection of a legitimate business interest of the employer; (2) does not impose undue hardship on the employee; and (3) is not injurious to the public.¹²³</p> <p>Whether a legitimate business interest exists depends on the totality of the facts and circumstances of the individual case. Factors considered in this analysis include, but are not limited to, the near-permanence of customer relationships, the employee's acquisition of confidential information through his employment, and time and place restrictions. No factor carries any more weight than any other does, but rather its importance will depend on the facts and circumstances of the individual case.¹²⁴</p> <p>Courts in Illinois may modify the terms of the non-compete.¹²⁵</p> | <p>Illinois will enforce non-solicitation covenants relating to customers. The courts are "hesitant to enforce prohibitions against employees servicing not only customers they had direct contact with, but also customers they never solicited or had contact with" during employment.¹²⁶</p> | <p>The Illinois appellate courts have held that the interest in maintaining a stable workforce justifies an anti-employee raiding clause where it is reasonably calculated to protect that interest. However, several federal district courts in Illinois have disagreed with this approach and held that the interest in a stable work force is not a legitimate protectable interest. The Supreme Court of Illinois has not ruled on the issue.¹²⁷</p> | <p>Customer lists containing a customer's phone number, purchase history, name, address, key contact person and number of each specific sales representative's current customers have not been held to be confidential as such information is generally available in the marketplace.¹²⁸</p> <p>In order to protect confidential information, such as pricing structure future bids, marketing plans, key persons' information and customer database, the employer must show an attempted use of the information by the former employee.¹²⁹</p> |
| Indiana | <p>Courts enforce covenants not to compete if the restraint is necessary to protect a legitimate interest (such as goodwill, confidential information, customer lists, investment in special training and actual solicitation of customers) of the employer.¹³⁰ However, covenants that simply restrict an employee from operating a business that competes with a former employer is overbroad and unreasonable on its face.¹³¹ The factors in considering the reasonableness of a restrictive covenant are: (1) whether it is reasonably necessary to protect the employer's business, (2) the effect of the restraint on the former employee and (3) the effect on the public interest.¹³²</p> <p>A court may only strike terms and apply the "Blue Pencil" rule if the contract terms are divisible.¹³³ Courts may not add terms to create an enforceable covenant or otherwise re-write the covenant.¹³⁴ Courts may simply strike out invalid provisions and leave the remaining valid provisions.¹³⁵</p> | <p>Non-solicitation agreements will be enforced to protect current customers, but, generally, not past customers.¹³⁶ Customers of customers do not fall within the scope of protection as legitimate interests.¹³⁷</p> | <p>No applicable law.</p> | <p>Adopted the Uniform Trade Secrets Act.¹³⁸</p> <p>Even in the absence of a restrictive covenant, the Indiana Uniform Trade Secrets Act "prohibits a former employee from misappropriating and using trade secrets or confidential information acquired during employment for his or a competitor's benefit in a manner that is detrimental to the former employer."¹³⁹</p> <p>Customer lists and information that can be obtained by lawful surveillance will not be protected. However, information on customer requirements, habits and preferences may be confidential and protectable.¹⁴⁰ Former employee who had copy of bidding program information that contained direct costs, customer lists, target customer lists, proposals, project lists, generator lists and fee schedules contained confidential information and was in violation of confidentiality provision of employment agreement.¹⁴¹</p> |



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| Iowa | <p>Iowa has introduced House Bill 31, proposed January 2023 and referred to the Labor and Workforce House Committee, that seeks to prohibit employers from entering into noncompete agreements under specified circumstances.</p> <p>Covenants¹⁴² not to compete will only be enforced to the extent necessary to protect the employer's legitimate business interests and must not be any wider than reasonably necessary to protect such interests.¹⁴³ Thus, interests in customers within a definitive geographical area will be protected provided it is not prejudicial to the public interest.¹⁴⁴</p> <p>The three-prong test to enforce any restrictive covenant – non-compete, non-solicit or non-disclosure – is whether the provision: (1) is reasonably necessary to protect the employer's business; (2) unreasonably restricts the employee's rights; and (3) is prejudicial to the public's interest.¹⁴⁵ A covenant lacking any limitation as to duration, geographic or scope of activity is unreasonable.¹⁴⁶</p> <p>Iowa courts may engage in judicial modification and/or partial enforcement of the covenant to render it enforceable.¹⁴⁷</p> | <p>Iowa courts have enforced non-solicitation provisions that prohibit solicitation of customers that the former employee dealt with, but have limited the application of provisions to less significant accounts on the basis that the harms are in favor of the employee not the employer as to <i>de minimis</i> accounts.¹⁴⁸ Restrictions to former sales areas are also enforced.¹⁴⁹</p> | <p>Courts analyze anti-raiding provisions the same way as restrictive covenants. Anti-raiding provisions are unreasonably restrictive unless they are tightly limited as to both time and area.¹⁵⁰</p> | <p>Adopted the Uniform Trade Secrets Act.¹⁵¹</p> <p>Trade secrets are protected by the statute, common law and by confidentiality agreements.¹⁵²</p> |



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| Kansas | <p>Customer contacts, customer relationships, referral sources, business reputation, special training of employees and trade secrets are all protectable interests.¹⁵³</p> <p>An employer has no protected interest in preventing "ordinary competition,"¹⁵⁴ or maintaining or attaining a larger size or critical mass.¹⁵⁵</p> <p>Reasonableness is determined by examining whether the contract is supported by adequate consideration and whether the covenant protects a legitimate business purpose, creates an undue burden on the employee, is injurious to the public interest and contains reasonable time and territorial limitations.¹⁵⁶</p> <p>Some factors concerning the reasonableness of time restrictions are the potential injury to the former employer, scope of any geographical restriction and the rate of development of new technologies within the field.¹⁵⁷</p> <p>Courts will modify overly restrictive covenants by modifying their scope,¹⁵⁸ but will not write in territorial restrictions where none exists.¹⁵⁹</p> | <p>Courts evaluate non-solicitation clauses under the same standard of reasonableness as non-competes.¹⁶⁰</p> | <p>A plaintiff may state a claim for tortious interference with prospective contractual relations by showing: (1) the existence of a business relationship or expectancy with probability of future economic benefit to plaintiff; (2) knowledge of relationship or expectancy by defendant; (3) that, except for conduct of defendant, plaintiff was reasonably certain to have continued relationship or realized expectancy; (4) intentional misconduct by defendant; and (5) damages suffered by plaintiff as direct or proximate cause of defendant's misconduct.¹⁶¹</p> <p>A plaintiff may state a claim for tortious interference with an existing contract by showing: (1) the existence of a contract; (2) defendant's knowledge of the contract; (3) intentional interference with the known contract without legal justification; and (4) resulting damage to plaintiff.¹⁶²</p> | <p>Follows the Uniform Trade Secrets Act.¹⁶³ Whether customer information qualifies as a trade secret is a fact-intensive question.¹⁶⁴</p> |
| Kentucky | <p>Protectable interests include goodwill built up in business and customers.¹⁶⁵</p> <p>Reasonableness is determined by the nature of the business, profession or employment, and the scope of the character, time and geographic restrictions.¹⁶⁶</p> <p>Restrictions will be deemed reasonable if they afford fair protection to the employer's interests and do not interfere with the public interests or impose undue hardship on the employee.¹⁶⁷ Agreements with no duration, scope or geographic limit or are limited as to time but not space are void.¹⁶⁸ However, restrictions that are unlimited as to time but limited as to reasonable territory will be enforced.¹⁶⁹</p> <p>Non-competes must be supported by adequate consideration.¹⁷⁰</p> <p>Courts will modify overly broad restrictions to their proper scope.¹⁷¹</p> | <p>Employer has a protectable interest in the time, effort and money it has spent in training its employees where the expense is considerable.¹⁷²</p> <p>The same standard of reasonableness that is used for non-compete clauses is used for non-solicitation clauses.¹⁷³</p> | <p>No applicable law.</p> | <p>Follows the Uniform Trade Secrets Act.¹⁷⁴</p> |



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| Louisiana | <p>Louisiana has a very detailed statute addressing agreements containing non-competes and non-solicitation clauses between employers and their employees, independent contractors and shareholders, the choice of law provisions identified therein and unique issues with regard to those working for partnerships and franchises.¹⁷⁵</p> <p>Under the statute, agreements to restrain anyone "from exercising a lawful profession, trade or business" except as specified are null and void, but contracts that require employees and independent contractors to agree to refrain from "carrying on or engaging in a business similar to that of the employer" for a period of two years or less are permissible.¹⁷⁶ The statute also identifies the remedies available to an employer when an employee breaches such an agreement, such as damages for the loss sustained and the profit of which he has been deprived and injunctive relief.¹⁷⁷</p> <p>The courts have interpreted the statute to require non-competes to identify the employer's business and the parishes and/or municipalities in which the former employee is to refrain from competing.¹⁷⁸</p> <p>Courts expect strict compliance with the statute. Accordingly, to be enforceable, a covenant not to compete must comply with the statute.¹⁷⁹ Extensive training, trade secrets, financial information and management techniques are all protectable employer interests.¹⁸⁰</p> <p>The statute was amended in 1989, 1999, 2003 and 2006 so an analysis of former versions of the statute is necessary for agreements executed before 2006.</p> <p>Courts will only delete overly broad restrictions and enforce the covenant to the extent reasonable if the contract contains a severability clause.¹⁸¹ However, the courts will not add a geographic term if the contract lacks one.¹⁸²</p> | <p>The courts treat non-compete and non-solicitation clauses the same way.¹⁸³</p> <p>State statute permits employers to require employees and independent contractors to agree to refrain from soliciting customers for a period of two years or less.¹⁸⁴</p> <p>The courts have interpreted the statute to require the identification of the employer's business and the parishes and/or municipalities in which the former employee is to refrain from soliciting customers.¹⁸⁵</p> | <p>No-hire clauses do not prevent anyone from exercising a lawful profession and thus do not violate Louisiana's statute that generally prohibits contracts "by which anyone is restrained from exercising a lawful profession, trade or business of any kind."¹⁸⁶ Conventional restrictive covenant analysis applies to no-hire clauses.¹⁸⁷</p> | <p>Follows the Uniform Trade Secret Act.¹⁸⁸</p> <p>Additionally, employers may require employees to enter into agreements that bar them for two years post-employment from "engaging in work or activity to design, write, modify or implement any computer program that directly competes with any confidential computer program owned, licensed or marketed by the employer," to which the employee had access during employment.¹⁸⁹ Confidential means, "not generally known to and not readily ascertainable by other persons" and "is the subject of reasonable efforts under the circumstances to maintain its secrecy."¹⁹⁰</p> <p>Covenants not to use confidential information are not enforceable if the information is not confidential.¹⁹¹</p> |



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| Maine | <p>In 2019 Maine enacted the Act to Promote Keeping Workers in Maine (the "Act") which applies to all non-compete agreements entered into or renewed after September 19, 2019.¹⁹²</p> <p>The Act bars employers from entering or enforcing non-compete agreements with employees who earn less than 400% of the federal poverty line.¹⁹³ The Act also requires employers to disclose that they will require the acceptance of a non-compete agreement prior to extending an employment offer to a prospective employee.¹⁹⁴ Except with respect to allopathic physicians or osteopathic physicians, a non-compete agreement's terms do not take effect until one year after the employee's employment or six months from the date the agreement was signed, whichever is later.¹⁹⁵</p> <p>The Act has not received judicial interpretation by the Maine appellate courts as of the date of this survey. However, presumably an employer must meet the statutory requirements as well as the common law standard for enforcement of a non-compete for agreements entered into or renewed after September 19, 2019.</p> <p>For agreements entered before September 19, 2019, non-competes are considered to be contrary to public policy and will only be enforced if they are reasonable, do not impose an undue hardship upon the employee and do not extend broader than needed to protect the employer's interest.¹⁹⁶</p> <p>Protectable interests include a business' goodwill, customer pool¹⁹⁷ and information about the financial holdings and transactions of its customers¹⁹⁸ when the employee has had substantial contact with the employer's customers and has had access to confidential information, such as customer lists.¹⁹⁹</p> <p>Preventing business competition is not a legitimate, protectable business interest.²⁰⁰ Courts will narrow overly broad non-competes to the extent reasonable.²⁰¹</p> | <p>The reasonableness of non-solicitation clauses are assessed the same way non-compete clauses are assessed.²⁰²</p> | <p>The Act creates an absolute statutory prohibition on "restrictive employment agreement[s]."²⁰³</p> <p>Restrictive employment agreement means an agreement that:</p> <p>A. Is between 2 or more employers, including through a franchise agreement or a contractor and subcontractor agreement; and</p> <p>B. Prohibits or restricts one employer from soliciting or hiring another employer's employees or former employees.²⁰⁴</p> <p>The Act prohibits employers from entering into a restrictive employment agreement or enforcing or threatening to enforce a restrictive employment agreement, subject to a civil violation with a minimum penalty of \$5,000, which may be enforced by the Department of Labor.²⁰⁵</p> | <p>Follows the Uniform Trade Secret Act.²⁰⁶</p> <p>However, confidential knowledge or information need not rise to the level of a trade secret to be protectable.²⁰⁷</p> |



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| Maryland | <p>Courts enforce covenants not to compete if they are reasonably necessary to protect the business of the employer. Covenants may be used "as a shield to protect the employer from the unfair competition by the former employee, but . . . [not] as a sword to defeat the efficient competitor."²⁰⁸</p> <p>Courts enforce covenants not to compete to prevent the misuse of employers' trade secrets, routes, client lists and established customer relationships.²⁰⁹ To that end, a non-competition agreement is not enforceable against a former employee who had no customer contact and no access to confidential information.²¹⁰</p> <p>A covenant not to compete is enforceable if its duration and geographic area are only as broad as is reasonably necessary to protect the employer's business, and if the covenant does not impose undue hardships on the employee or the public.²¹¹</p> <p>While there seems to be little question that a covenant may be judicially reformed under Maryland law, the precise method of doing so is seemingly in dispute (e.g., the extent and method of judicial "Blue Pencil").²¹²</p> | <p>In recent years, Maryland courts have specifically criticized agreements that restrict former employees from dealing with all of an employer's customers.²¹³</p> | <p>Courts enforce anti-raiding covenants if they are reasonable as to time limitations, even if geographically unlimited.²¹⁴</p> | <p>Adopted the Uniform Trade Secrets Act.²¹⁵</p> |



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| Massachusetts | <p>For agreements entered on or after October 1, 2018, the agreement must comply with the Massachusetts Noncompetition Agreement Act ("MNCA").²¹⁶</p> <p>The MNCA requires the non-compete clause to include a "garden leave clause" – a provision within a noncompetition agreement by which an employer agrees to pay the employee during the restricted period, provided that such provision shall become effective upon termination of employment unless the restriction upon post-employment activities are waived by the employer or ineffective under the MNCA.²¹⁷</p> <p>For agreements entered on or before October 1, 2018, such agreements are enforceable if it "is necessary for the protection of the employer, is reasonably limited in time and space, and is consonant with the public interest."²¹⁸</p> <p>While reasonable non-competition agreements may be enforced, courts carefully scrutinize such agreements and construe them strictly against the employer.²¹⁹</p> <p>Trade secrets, confidential data and goodwill are all legitimate business interests of the employer that it may seek to protect a restrictive covenant.²²⁰</p> <p>However, protection from "ordinary competition" is not a legitimate business interest.²²¹ Nor may an employer prevent an ex-employee from using "the general skill or knowledge acquired during the course of the employment."²²²</p> <p>The covenant must have consideration flowing to the party agreeing not to compete.²²³</p> <p>Rather than invalidating an overbroad non- compete, Massachusetts law vests courts with the discretion to enforce it "to the extent that it is reasonable."²²⁴</p> | <p>By its terms, the MNCA "does not apply to non-solicitation agreements."²²⁵</p> <p>An employer may successfully seek enforcement of a non-solicitation agreement with a former employee when it demonstrates that the agreement:</p> <ol style="list-style-type: none"> 1. Is necessary to protect a legitimate business interest of the employer; 2. Is supported by consideration; 3. Is reasonably limited in all circumstances, including time and space; and 4. Is otherwise consonant with public policy.²²⁶ <p>The burden of proof for the enforceability of a non-competition agreement is on the employer.²²⁷</p> | <p>Courts enforce anti-raiding provisions of restrictive covenants if the terms are reasonable. In determining whether the time limit is reasonable, this court will consider the nature of the business and the character of the employment involved, as well as the situation of the parties, the necessity of the restriction for the protection of the employer's business and the right of the employee to work and earn a livelihood.²²⁸</p> | <p>Adopted the Uniform Trade Secrets Act.²²⁹</p> <p>Trade secret is defined as "specified or specifiable information, whether or not fixed in tangible form or embodied in any tangible thing, including but not limited to a formula, pattern, compilation, program, device, method, technique, process, business strategy, customer list, invention, or scientific, technical, financial or customer data" that provides "economic advantage, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, others who might obtain economic advantage from its acquisition, disclosure or use" and "was the subject of efforts that were reasonable under the circumstances, which may include reasonable notice, to protect against it being acquired, disclosed or used without the consent of the person properly asserting rights therein"²³⁰</p> |

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| Michigan | <p>For covenants executed on or before March 29, 1985, a now-repealed statute prohibits any contract where any person agrees to refrain from engaging in any employment, trade, profession or business. The statute held that such contracts were void as unlawful restraints on trade.²³¹</p> <p>For covenants executed after March 29, 1985: "An employer may obtain from an employee an agreement or covenant which protects an employer's reasonable competitive business interests and expressly prohibits an employee from engaging in employment or a line of business after termination of employment if the agreement or covenant is reasonable as to its duration, geographical area, and the type of employment or line of business."²³²</p> <p>By statute, to the extent that any such agreement or covenant is found to be unreasonable in any respect, a court may limit the agreement to render it reasonable in light of the circumstances that it was made and specifically enforce the agreement as limited.²³³</p> | Same statutory framework applies. ²³⁴ | No applicable law. | <p>Adopted the Michigan Uniform Trade Secrets Act.²³⁵</p> <p>Michigan adopted the 1985 amended version of the Uniform Trade Secrets Act except for the provision relating to injunctive relief, adopting, instead, the original 1979 Uniform Trade Secret Act text, as follows: "If a court determines that it would be unreasonable to prohibit future use of a trade secret, an injunction may condition future use upon payment of a reasonable royalty."²³⁶</p> <p>This Act displaces other civil remedies for misappropriation of trade secrets, except:</p> <ul style="list-style-type: none"> • Contract remedies, whether or not based upon misappropriation of a trade secret; • Other civil remedies that are not based upon misappropriation of a trade secret; and • Criminal remedies, whether or not based upon misappropriation of a trade secret.²³⁷ |



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| Minnesota | <p>On May 24, 2023 Governor Walz signed a bill that will ban most non-competition agreements between employers and employees and independent contractors that will take effect on, and apply to contracts and agreements entered into on or after, July 1, 2023.</p> <p>Non-compete agreements, though disfavored by Minnesota courts, are enforceable if they serve a legitimate interest and are no broader than necessary to protect this interest.²³⁸</p> <p>To assess whether a non-compete agreement is reasonable, a court considers "the nature and character of the employment, the nature and extent of the business, the time for which the restriction is imposed, the territorial extent of the covenant and other pertinent conditions."²³⁹ In addition, to be enforceable, a non-compete agreement must be ancillary to the initial employment agreement or, if not ancillary to the initial agreement, supported by independent consideration.²⁴⁰</p> <p>Minnesota has adopted the "Blue Pencil doctrine" that allows a court to modify an unreasonable non-compete agreement and enforce it only to the extent that it is reasonable.²⁴¹</p> | <p>Non-solicitation provisions must be reasonable and narrowly tailored.²⁴²</p> | <p>No applicable law.</p> | <p>Minnesota Uniform Trade Secrets Act follows the Uniform Trade Secrets Act approach.²⁴³</p> |
| Mississippi | <p>A covenant not to compete may be enforced if "necessary for the protection of [the employer's] business and goodwill."²⁴⁴</p> <p>The enforceability of a non-competition provision is largely predicated upon the reasonableness and specificity of its terms, primarily the duration of the restriction and its geographic scope.²⁴⁵ Three aspects of the non-compete are examined to ascertain the reasonableness of the non-compete:</p> <ol style="list-style-type: none"> 1. rights/ hardship of the employer; 2. rights/ hardship of the employee; and 3. public interest.²⁴⁶ <p>Courts are permitted to modify covenants not to compete using the "reasonable alteration" approach that allows the court to make an overbroad covenant more narrow to make it enforceable.²⁴⁷</p> | <p>An agreement that bars an ex-employee from accepting business with his former customers may be reasonable and enforceable, but an agreement that requires an employee not to "directly or indirectly perform any act or make any statement that would tend to divert [from the employer] any trade or business with any customer" is too ambiguous to be enforced.²⁴⁸</p> | <p>A non-hire covenant is an unreasonable restraint where it fails to specify which individuals may not be hired. A covenant cannot be ambiguous as to which employees cannot be raided.²⁴⁹</p> | <p>Mississippi Uniform Trade Secret Act.²⁵⁰</p> <p>Actual or threatened misappropriation may be enjoined where, in exceptional circumstances, the injunction may condition future use upon payment of a reasonable royalty for no longer than the necessary period use would have prohibited. Exceptional circumstances include, but are not limited to, a material or prejudicial change of position prior to acquiring knowledge or reason to know of the misappropriation that renders a prohibitive injunction inequitable.²⁵¹</p> |



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| Missouri | <p>Employers have a legitimate interest in protecting themselves against unfair competition from their former employees and in their trade secrets, customer contacts, customer lists and customer relationships.²⁵²</p> <p>A restrictive covenant on the employee's right to compete must be reasonable as necessary to protect the employer's legitimate interest and reasonable as to time and geographical scope.²⁵³ Reasonableness is assessed by focusing on what is necessary to protect the employer's legitimate interest, considering the surrounding circumstances, the purpose served, the situation of the parties, the limits of the restraint and the specialization of the business venture.²⁵⁴</p> <p>Covenants will not be enforced if an employee moves to an entity that does not compete in "any material or meaningful way."²⁵⁵</p> <p>The courts will not modify overly broad restrictions but will only partially enforce such provisions if the employer has established a protectable interest in some part of the area described.²⁵⁶ The court will not write in geographic restrictions where they are not provided.²⁵⁷</p> | <p>By statute, reasonable, written employment agreements by which an employee promises not to solicit, recruit, hire or otherwise interfere with the employment of its employer are enforceable if written to protect the employer's trade secret or confidential business information, customer or supplier relationships, goodwill or loyalty.²⁵⁸</p> <p>The statute also provides that reasonable, written agreements between an employer and employee promising not to solicit, recruit, hire or otherwise interfere with the employment of one or more employees after separation of employment, but that are not written to protect the interests described, shall be enforceable as long as they do not continue for more than one year, and do not apply to secretarial or clerical services.²⁵⁹</p> <p>Whether a covenant is deemed to be reasonable under the statute is determined based upon the facts and circumstances pertaining to the covenant, but such a covenant shall conclusively be presumed to be reasonable if its post-employment duration is no more than one year.²⁶⁰</p> | <p>By statute, a reasonable covenant in writing promising not to solicit, recruit, hire or otherwise interfere with the employment of one or more employees shall be enforceable and not a restraint of trade.²⁶¹</p> | <p>Follows the Uniform Trade Secrets Act.²⁶²</p> <p>Covenants will not be enforced to protect knowledge that is merely the product of employment and is known throughout industry.²⁶³</p> |



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| Montana | <p>Non-competes in the employment context "are disfavored and will be interpreted strictly and to the advantage of the employee."²⁶⁴</p> <p>Montana law provides that other than contracts executed in connection with sale of a business or dissolution of a partnership "any contract by which anyone is restrained from exercising a lawful profession, trade or business of any kind...is to that extent void."²⁶⁵ Notwithstanding the statute, courts will uphold a non-compete in the employment context if it (1) is restricted in its operation in respect either to time or place; (2) is based on good consideration; (3) affords only a fair protection to the interests of the employer; and (4) is not "so (large in its operation as to interfere with the interests of the public."²⁶⁶</p> <p>The third and fourth prongs are satisfied if the covenant does not prohibit the employee from engaging in a particular trade or profession or directly restrain employee's behavior.²⁶⁷</p> <p>A time restriction deterring but not outright prohibiting competition for a period of 240 days was considered reasonable.²⁶⁸</p> <p>Montana courts may Blue-Pencil non-competes by restricting the reach of non-compete provisions without voiding them entirely.²⁶⁹</p> | <p>Clauses barring solicitation of customers will not be upheld against employees who solicit customers when such solicitation does not arise as a result of secret and confidential information from the prior employer's business.²⁷⁰</p> | <p>No applicable law.</p> | <p>Adopted the Uniform Trade Secrets Act.²⁷¹</p> |



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| Nebraska | <p>Nebraska construes non-compete clauses very narrowly. Under Nebraska law, a non-compete agreement is valid if it is: (1) not injurious to the public; (2) not greater than is reasonably necessary to protect the employer in some legitimate interest; and (3) not unduly harsh and oppressive on the employee.²⁷²</p> <p>Significantly, Nebraska non-compete clauses are only enforceable as to customers the employee specifically "did business with and had personal contact."²⁷³ An employer has no legitimate business interest in postemployment prevention of an employee's use of some general skill or training acquired while working for the employer, although such on-the-job acquisition of general knowledge, skill or facility may make the employee an effective competitor.²⁷⁴</p> <p>Nebraska courts do not permit Blue-Penciling of non-compete clauses, even where there is a severability clause in the agreement containing the non-compete clause.²⁷⁵</p> <p>Finally, continued employment is not valid consideration for a non-compete clause.²⁷⁶</p> | <p>Such agreements will only be enforced to the extent they are limited to customers the employee specifically did business with and had personal contact.²⁷⁷</p> | <p>No applicable law directly on point. However, to prevail on a claim of tortious interference with a business relationship or expectancy, a plaintiff must prove: (1) the existence of a valid business relationship or expectancy; (2) knowledge by the interferer of the relationship or expectancy; (3) an unjustified intentional act of interference on the part of the interferer; (4) proof that the interference caused the harm sustained; and (5) damage to the party whose relationship or expectancy was disrupted.²⁷⁸ Therefore, if an employer interferes with an employee's enforceable non-compete or non-solicitation agreement, an action could lie under Nebraska law for tortious interference, where malice, improper or illegal means are present.</p> | <p>A "trade secret" is defined under the Nebraska Trade Secrets Act as "information, including, but not limited to, a drawing, formula, pattern, compilation, program, device, method, technique, code or process that: (a) Derives independent economic value, actual or potential, from not being known to, and not being ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy."²⁷⁹</p> <p>The elements necessary to establish a cause of action for misappropriation of a trade secret are: (1) the existence of a trade secret or secret manufacturing process; (2) the value and importance of the trade secret to the employer in the conduct of his business; (3) the employer's right by reason of discovery or ownership to the use and enjoyment of the secret; and (4) the communication of the secret to the employee while he was employed in a position of trust and confidence and under circumstances making it inequitable and unjust for him to disclose it to others or to use it himself to the employer's prejudice.²⁸⁰</p> <p>Matters of public knowledge or of general knowledge in an industry cannot be appropriated by one as its secret; a trade secret is something known to only a few and not susceptible of general knowledge.²⁸¹</p> |



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| Nevada | <p>Nevada recently enacted a law that codified their previous common law standard for restrictive covenants. Under the new law, a noncompetition covenant is void and unenforceable unless the noncompetition covenant: (1) is supported by valuable consideration; (2) does not impose any restraint that is greater than required for the protection of the employer; (3) does not impose any undue hardship on the employee; and (4) imposes restrictions that are appropriate in relation to the valuable consideration supporting the covenant.²⁸² Hourly employees may not be subject to a noncompetition covenant.²⁸³</p> <p>People and companies that prevent employees after separation from obtaining employment elsewhere in this state are guilty of a gross misdemeanor, punishable by fine up to \$5,000.²⁸⁴ In addition to being found guilty of a misdemeanor, violators may be subject to fines by the state and department of labor.²⁸⁵ However, the statute provides an exception for people and companies that negotiate, execute and enforce an agreement with an employee that upon termination of employment, bars the employee from "disclosing any trade secrets, business methods, lists of customers, secret formulas or processes or confidential information learned or obtained during the course of his or her employment with the person, association, company or corporation if the agreement is supported by valuable consideration and is otherwise reasonable in its scope and duration."²⁸⁶ An employer who seeks to enforce an otherwise valid noncompetition agreement does not violate § 613.200.²⁸⁷</p> <p>Courts are required to "revise the covenant to the extent necessary and enforce the covenant as revised. Such revisions must cause the limitations contained in the covenant as to time, geographical area and scope of activity to be restrained to be reasonable, to not impose undue hardship on the employee and to impose a restraint that is not greater than is necessary for the protection of the employer for whose benefit the restraint is imposed."²⁸⁸</p> | <p>A noncompetition covenant may not restrict a former employee of an employer from providing service to a former customer or client if:</p> <p>(a) The former employee did not solicit the former customer or client;</p> <p>(b) The customer or client voluntarily chose to leave and seek services from the former employee; and</p> <p>(c) The former employee is otherwise complying with the limitations in the covenant as to time, geographical area and scope of activity to be restrained, other than any limitation on providing services to a former customer or client who seeks the services of the former employee without any contact instigated by the former employee.²⁸⁹</p> | No applicable law. | Follows the Uniform Trade Secrets Act. ²⁹⁰ |



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| New Hampshire | <p>On July 10, 2019, New Hampshire revised its non-compete statute. Under the revised statute, effective for agreements entered into on or after September 8, 2019, any non-compete agreement between an employer and a low-wage employee (defined to earn an hourly rate less than or equal to 200% of the federal minimum wage) is void and unenforceable.²⁹¹</p> <p>New Hampshire requires employers to provide notice and a copy of the non-compete agreement to employees.²⁹²</p> <p>Non-competes are valid "only to the extent they prevent employees from appropriating assets that are legitimately the employer's."²⁹³ The reasonableness of covenants is assessed by looking at whether the restriction: (1) is greater than needed to protect the employer's interests; (2) imposes an undue burden on the employee; and (3) is injurious to the public interest (unreasonably limits the public's right to choose).²⁹⁴</p> <p>Reasonable time restriction is limited to the time needed for the employee's replacement to demonstrate effectiveness and for the public to disassociate the former employee from the former employer's business.²⁹⁵</p> <p>Continued employment after signing an employment contract constitutes valuable consideration for a covenant not to compete.²⁹⁶</p> <p>Courts do not follow the Blue-Pencil rule, but will partially enforce or reform overly broad restrictions if the employer shows good faith in executing contract.²⁹⁷</p> | <p>Employers' protectable interests include goodwill of business developed in part by former employee's contact with customers, trade secrets, confidential information other than trade secrets, an employee's "special influence" over customers obtained during employment and contacts developed during employment.²⁹⁸</p> <p>Covenants not to solicit business from employer's entire customer base are too broad and unenforceable where they cover customers with whom the employee had no contact unless the employee gained significant knowledge or understanding of the employer's customer base during employment.²⁹⁹ The geographic scope of such covenants should be limited to the area in which the employee had client contact. For salespeople, this covers the territory to which they are assigned.³⁰⁰</p> <p>Covenants restricting employees from soliciting prospective customers are unenforceable.³⁰¹</p> | No applicable law. | Adopted the Uniform Trade Secret Act. ³⁰² |



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| New Jersey | <p>In non-compete cases, employers have a protectable interest in confidential customer lists, customer referral databases, customer relationships, trade secrets, investment in the training of an employee and other confidential business information.³⁰³ Separately, the identity of customers is protected when divulged to a key employee even if the customer names are readily ascertainable from trade directories.³⁰⁴</p> <p>Employers may not prevent an employee from using general industry skills the employee acquired during employment.³⁰⁵</p> <p>Reasonableness is assessed by examining whether the covenant: (1) protects employer's legitimate interests; (2) imposes no undue hardship on employee; (3) is not injurious to the public; and (4) has an overly broad duration, geographic limit and scope of activities protected.³⁰⁶</p> <p>Courts will alter and delete overly broad covenants to make them reasonable.³⁰⁷</p> | <p>Courts assess reasonableness of non-solicitation clauses the same way it assesses non-competes.³⁰⁸</p> <p>Courts will modify overly broad non-solicitation clauses to make them reasonable.³⁰⁹</p> | Where a no-hire agreement is a valid covenant not to compete and reasonable in scope, it does not violate federal antitrust law. ³¹⁰ | <p>Adopted the Uniform Trade Secrets Act.³¹¹</p> <p>A trade secret means information, held by one or more people, without regard to form, including a formula, pattern, business data compilation, program, device, method, technique, design, diagram, drawing, invention, plan, procedure, prototype or process, that (i) derives independent economic value, actual or potential, from not being known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.³¹²</p> |
| New Mexico | <p>Courts enforce non-competes that contain sufficient consideration, contain restrictions no larger and wider than is needed to protect the employer's interest,³¹³ are not against public policy, and where any detriment to the public interest and possible loss of services of the employee is more than offset by the public benefit arising out of the preservation of the freedom of contract.³¹⁴</p> <p>Courts have not decided whether they will Blue Pencil non-competes.</p> | Courts assess the reasonableness of customer non-solicitation clauses the same way they assess non-competes. ³¹⁵ | No applicable law. | Adopted the Uniform Trade Secrets Act. ³¹⁶ |



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| New York | <p>Post-employment covenants not to compete "are disfavored but will be enforced by the courts where the restrictions are reasonably limited geographically and temporarily and the enforcement is necessary, <i>inter alia</i>, to protect trade secrets or confidential customer lists."³¹⁷ Additional factors the court looks to include whether the (1) burden on the employee is reasonable; (2) general public is harmed; and (3) restriction is necessary for the employer's protection.³¹⁸</p> <p>Employers may have a protectable interest "where the employee's services are 'special, unique or extraordinary' and not merely of 'high value to his employer.'"³¹⁹</p> <p>While there is authority to the proposition that a court is permitted to "Blue Pencil" a covenant to make it reasonable, courts are very reluctant to, and, in practice, rarely (if ever) exercise this authority.³²⁰ A restrictive covenant will be partially enforced only if the employer can demonstrate "an absence of overreaching, coercive use of dominant bargaining power or other anticompetitive misconduct, but has in good faith sought to protect a legitimate business interest, consistent with reasonable standards of fair dealing"³²¹</p> | <p>Courts apply the same reasonableness test that is applied to non-competes.³²²</p> <p>For a non-solicitation agreement to be enforceable, the former employee must have "work[ed] closely with the client or customer over a long period of time, especially when his services [we]re a significant part of the total transaction."³²³ Courts will not enforce a non-solicit against a former employee that was not an instrumental component of the former employer's relationship with a particular client.³²⁴</p> | <p>Restrictive covenants limiting the solicitation of former co-workers post-termination may be enforced with appropriate evidentiary support. There must be credible evidence of actual solicitation to prove a former employee breached the agreement.³²⁵</p> <p>A preliminary injunction will be granted to enforce a non-hire provision if former employer will suffer irreparable harm.³²⁶</p> | <p>Courts rely on the Restatement of Torts § 757 to assess if something is a trade secret.³²⁷ Generally, a trade secret is "[a]ny formula, pattern, device or compilation of information which is used in one's business, and which gives him an opportunity to obtain an advantage over competitors who do not know or use it."³²⁸</p> <p>The state legislature introduced the Uniform Trade Secrets Act as a bill in 1999, but has yet to be adopted. Instead, all trade secret protection in New York derives from the common law.</p> |



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| <p>North Carolina</p> | <p>North Carolina statutorily requires that covenants not to compete be embodied in a writing signed by the person against whom the restriction is to be enforced.³²⁹</p> <p>Covenants not to compete between an employer and employee are viewed unfavorably.³³⁰ Thus, to be enforceable, a covenant not to compete must: (1) be in writing; (2) be made part of the employment contract; (3) be based on valuable consideration; (4) be reasonable as to time and territory; and (5) be designed to protect a legitimate business interest of the employer.³³¹</p> <p>North Carolina courts recognize two bases for enforcing restrictive covenants in the employer- employee relationship: (1) if the nature of the employment is such as will bring the employee in personal contact with patrons or customer of the employer; or (2) to enable the employee to acquire valuable information as to the nature and character of the business.³³²</p> <p>Where the language of a covenant is overbroad, North Carolina law severely limits the court's discretion to "Blue Pencil" the offending terms.³³³ Unless the overbroad portion is "a distinctly separable part of a covenant," courts cannot rewrite the contract and will simply not enforce it.³³⁴ The burden of proof remains on the party seeking to enforce the covenant.³³⁵</p> | <p>Same showing as required for non-compete agreements.³³⁶</p> | <p>Under the North Carolina Unfair and Deceptive Trade Practices Act, solicitation of a significant number of key employees at a former employer may constitute an unfair and deceptive trade practice.³³⁷</p> | <p>Adopted the "Trade Secrets Protection Act" (TSPA). The TSPA provides that the owner of a trade secret "shall have remedy by civil action for misappropriation" of the secret.³³⁸</p> <p>"Trade secret" means business or technical information, including but not limited to, a formula, pattern, program, device, compilation of information, method, technique or process that: (a) derives independent actual or potential commercial value from not being generally known or readily ascertainable through independent development or reverse engineering by persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.³³⁹</p> <p>"'Misappropriation' means acquisition, disclosure or use of a trade secret of another without express or implied authority or consent, unless such trade secret was arrived at by independent development, reverse engineering or was obtained from another person with a right to disclose the trade secret."³⁴⁰</p> <p>"[A]ctual or threatened misappropriation of a trade secret may be preliminarily enjoined during the pendency of the action and shall be permanently enjoined upon judgment finding misappropriation"³⁴¹</p> <p>To plead misappropriation of trade secrets, "a plaintiff must identify a trade secret with sufficient particularity so as to enable a defendant to delineate that which he is accused of misappropriating and a court to determine whether misappropriation has or is threatened to occur."³⁴²</p> |



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| North Dakota | <p>Covenants not to compete are void as an unlawful restraint on business.³⁴³</p> <p>There are, however, two exceptions:</p> <ol style="list-style-type: none"> 1. One who sells the goodwill of a business may agree with the buyer to refrain from carrying on a similar business within a specified geographic area and for a reasonable length of time, so long as the buyer or any person deriving title to the goodwill from the buyer carries on a like business therein. 2. Partners, upon or in anticipation of a dissolution of the partnership, may agree that all or any number of them will not carry on a similar business within a reasonable geographic area where the partnership business has been transacted or within a specified part thereof.³⁴⁴ | <p>N.D. Cent. Code § 9-08-06 applies to non-compete agreement and non-solicit agreements, alike.³⁴⁵</p> | <p>No applicable law.</p> | <p>Adopted Uniform Trade Secrets Act.³⁴⁶</p> |



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| Ohio | <p>Ohio courts will enforce a non-compete provision for certain interests. "Generally, the only business interests which have been deemed sufficient to justify enforcement of a non-compete clause against a former employee [under Ohio law] are preventing the disclosure of the former employer's trade secrets or the use of the former employer's proprietary customer information to solicit the former employer's customers."³⁴⁷</p> <p>The analysis for determining whether a non-compete is valid and enforceable is as follows:</p> <ol style="list-style-type: none"> 1. Is there a protectable interest at issue?³⁴⁸ 2. Is the agreement not to compete limited in time and space?³⁴⁹ 3. Is the restraint reasonably necessary for the protection of the employer's business?³⁵⁰ 4. Is the restraint unreasonably restrictive on the employee's rights?³⁵¹ 5. Does the restraint contravene public policy?³⁵² <p>Courts will uphold a covenant not-to-compete only if it is reasonable.³⁵³ A reasonable covenant "is no greater than is required for the protection of the employer, does not impose undue hardship on the employee and is not injurious to the public.</p> <p>Courts are empowered to modify or amend employment agreements to achieve such results."³⁵⁴ The Ohio Supreme Court abandoned "the Blue Pencil test" in favor of a test of reasonableness.³⁵⁵ The reasonableness test "permits courts to fashion a contract reasonable between the parties, in accord with their intention at the time of contracting and enables them to evaluate all the factors comprising 'reasonableness' in the context of employee covenants."³⁵⁶</p> | <p>Non-compete agreements are treated the same as non-solicitation agreements. They will be enforced if they are reasonable under court-made factors such as:</p> <ol style="list-style-type: none"> (i) whether the employee represents the sole contact with the customer; (ii) whether the employee possesses confidential information or trade secrets; (iii) whether the covenant seeks to eliminate unfair competition or merely seeks to eliminate ordinary competition; (iv) whether the covenant seeks to stifle the inherent skill and experience of the employee; (v) whether the benefit to the employer is disproportional to the detriment to the employee; (vi) whether the covenant operates as a bar to the employee's sole means of support; (vii) whether the employee's talent was developed during the period of employment; and (viii) whether the forbidden employment is merely incidental to the main employment.³⁵⁷ | No applicable law. | Adopted Uniform Trade Secrets Act. ³⁵⁸ |



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| Oklahoma | <p>Oklahoma statutorily proscribes contracts "by which any one is restrained from exercising a lawful profession, trade or business of any kind" are void.³⁵⁹</p> <p>The exceptions to this general prohibition are:</p> <ol style="list-style-type: none"> 1. Where a business is sold, a non-competition covenant is enforceable provided the new business continues on with a like business. 2. A non-compete is enforceable in the context of partnership dissolution.³⁶⁰ | <p>"A person who makes an agreement with an employer, whether in writing or verbally, not to compete with the employer after the employment relationship has been terminated, shall be permitted to engage in the same business as that conducted by the former employer, as long as the former employee does not directly solicit the sale of goods, services or a combination of goods and services from the established customers of the former employer."³⁶¹</p> <p>A former employee's agreement not to solicit the former employer's customers and divert business from it is enforceable to preclude active solicitation of business, but not to the extent that it precluded accepting unsolicited business.³⁶² Thus, a form of non-solicitation agreements are permitted notwithstanding the fact that non-compete agreements are proscribed.</p> | <p>"A contract or contractual provision which prohibits an employee or independent contractor of a person or business from soliciting, directly or indirectly, actively or inactively, the employees or independent contractors of another person or business shall not be construed as a restraint from exercising a lawful profession, trade or business of any kind."³⁶³</p> | <p>Adopted Uniform Trade Secrets Act.³⁶⁴</p> |



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| Oregon | <p>Under Oregon law, the right to not be subjected to a non-competition agreement, except as authorized by statute governing the validity of noncompetition agreements, is an important employment-related statutory right.³⁶⁵</p> <p>State statute commands that, under many circumstances, non-competes may not be enforced, and the employer must comply with strenuous statutory mandates to create an enforceable non-compete covenant.³⁶⁶</p> <p>There are, however, exceptions that permit significant room for enforceable non-compete provisions, if the very specific factual requirements of the statute are satisfied.³⁶⁷ Moreover, an employer's failure to strictly comply with the statutory requirements creates a voidable agreement, rather than an agreement that is <i>void ab initio</i>, and the employee must take affirmative steps to void the agreement, or the employee will be subject to its restrictions.³⁶⁸</p> <p>To be valid under the statute, a non-competition agreement must also be partial or restricted in its operation in respect to time or place, it must be supported by consideration, and it must be reasonable (affording only a fair protection to the interests of the party in whose favor it is made and not be so large in its operation as to interfere with the interests of the public).³⁶⁹</p> <p>Notwithstanding factual prerequisites that must be met for an enforceable non-compete, the employer may enforce the non-compete for up to two years if it makes certain payments to the former employee.³⁷⁰</p> | <p>The statutory restrictions on non-competes do not apply to a "covenant not to solicit employees of the employer or solicit or transact business with customers of the employer."³⁷¹</p> | <p>Under Oregon statute, employers can prevent employee raiding/employee solicitation in non-compete agreements.³⁷²</p> | <p>Adopted Uniform Trade Secrets Act.³⁷³</p> |



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| <p>Pennsylvania</p> | <p>The inquiry to determine whether a covenant is enforceable is if the covenant is reasonably necessary to protect the legitimate business interests of the employer.³⁷⁴</p> <p>Examples of legitimate employer business interests include:</p> <ol style="list-style-type: none"> 1. Customer good will; 3. Confidential information; 4. Trade secrets; and 5. Unique, extraordinary skills³⁷⁵ <p>Provisions that seek to "eliminat[e] or repress[] competition . . . so the employer can gain an economic advantage" are not enforceable because they seek to protect an illegitimate interest.</p> <p>A non-compete agreement should be signed prior to or at the start of employment, or be signed in return for promotion, pay raise, cash payment, new fringe benefit, job security commitment, or something else of sufficient value. Continued employment is not "sufficient value" to render a post-employment restrictive covenant valid.³⁷⁶</p> <p>It is well established in Pennsylvania that a court of equity has the authority to reform a non-competition covenant in order to enforce only those provisions that are reasonably necessary for the protection of the employer.³⁷⁷</p> | <p>Restrictive covenants, including both non-solicitation and non-compete provisions, are enforceable if they are: (1) related to the employment or ancillary to the taking of employment; (2) supported by adequate consideration; (3) reasonably limited in time and geographic scope; and (4) reasonably designed to safeguard a legitimate interest of the former employer.³⁷⁸</p> | <p>A court may enter a preliminary injunction against an employer for interfering with a contract between an employee and that employee's former employer, if the contract prevents the employee from soliciting employees of the former employer.³⁷⁹</p> | <p>Adopted Uniform Trade Secrets Act.³⁸⁰</p> |



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| Rhode Island | <p>Rhode Island employers must comply with the Rhode Island Noncompetition Agreement Act" (the "Act"). Under the Act, a noncompetition agreement is not enforceable against: (i) an employee who is nonexempt under the Fair Labor Standards Act, 29 U.S.C. 201-219; (ii) undergraduate or graduate student who participate in an internship or otherwise enter short-term employment, paid or unpaid, while enrolled in school; (iii) employees age eighteen (18) years or younger; or (iv) a low-wage employee, defined as an employee whose average annual earnings are not more than two hundred fifty percent (250%) of the federal poverty level for individuals as established by the United States Department of Health and Human Services federal poverty guidelines.³⁸¹</p> <p>Otherwise, for a covenant not to compete to be enforceable, the party seeking to enforce the provision must show that "(1) the provision is ancillary to an otherwise valid transaction or relationship, such as an employment contract or a contract for the purchase and sale of a business, (2) the provision is supported by adequate consideration, and (3) there exists a legitimate interest that the provision is designed to protect."³⁸²</p> <p>In addition, the employer must establish that the covenant is reasonable, a conclusion that depends on an examination of the specific protectable interest.³⁸³ Where the time, place, manner of restriction or scope of the covenant is over broad, "the court . . . [has] a free hand to take a 'blue pencil,' if necessary, to draw in any reasonable limitations on such covenants that it concludes are overbroad."³⁸⁴</p> | Treated substantially the same way as non-competes. ³⁸⁵ | No applicable law. | Adopted Uniform Trade Secrets Act. ³⁸⁶ |



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| South Carolina | <p>A covenant not to compete is upheld if it is:</p> <ol style="list-style-type: none"> 1. Necessary for the protection of a legitimate business interest; 2. Is ancillary to a lawful contract; 3. Is reasonably limited with respect to time and place; 4. Is not unduly harsh and oppressive; 5. Is reasonable; and 6. Is supported by valuable consideration.³⁸⁷ <p>An employer does not have a protectable interest in restraining a former employee from using the general skills, knowledge and expertise acquired during employment with the former employer.³⁸⁸</p> <p>South Carolina does not follow the "blue pencil" rule and, thus, restrictions in a noncompete cannot be rewritten by a court or limited by the parties' agreement, but must stand or fall on their own terms.³⁸⁹</p> | <p>Analyzed under same standard as non-competes by courts applying South Carolina substantive law.³⁹⁰</p> | <p>Courts interpret prohibitions against recruiting existing employees to prohibit only interference with contractual relations – that is, only to prohibit malicious interference with contractual relations.³⁹¹</p> | <p>Adopted Uniform Trade Secrets Act.³⁹²</p> |

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| <p>South Dakota</p> | <p>The statutory default in South Dakota provides that every contract restraining exercise of a lawful profession, trade or business is void.³⁹³</p> <p>There are, however, exceptions:</p> <ol style="list-style-type: none"> 1. Any person who sells the good will of a business may agree with the buyer to refrain from carrying on a similar business within a specified county, city or other specified area, as long as the buyer or person deriving title to the good will from the seller carries on a like business within the specified geographic area.³⁹⁴ 7. Partners may, upon or in anticipation of dissolution of the partnership, agree that none of them will carry on a similar business within the same municipality where the partnership business has been transacted or within a specified part thereof.³⁹⁵ 8. An employee may agree with an employer at the time of employment or at any time during his employment not to engage directly or indirectly in the same business or profession as that of his employer for any period not exceeding two years from the date of termination . . . if the employer continues to carry on a like business.³⁹⁶ 9. An independent contractor who is an insurance producer, as defined in § 58-1-2(16), and is also a captive agent working exclusively for a single insurance company, may agree to the following: <ol style="list-style-type: none"> (1) "Not to engage directly or indirectly in the same business or profession as that of the insurer for any period not exceeding two years from the date of termination of the independent contractor's agreement with the insurer; and (2) Not to solicit existing customers of the insurer within a specified county, first or second class municipality or other specified area for any period not exceeding two years from the date of termination of the agreement, if the insurer continues to carry on a like business within the specified area."³⁹⁷ <p>However, a covenant with a health care provider may not restrict the right of the health care provider to: (1) practice or provide services for which the provider is licensed, in any geographic area and for any period of time, after the termination of the employment, partnership, or other form of professional relationship; or (2) treat, advise, consult with, or establish a provider-patient relationship with any current patient of the employer, or with a patient affiliated with a</p> | <p>An employee may agree with an employer at the time of employment or at any time during his employment . . . not to solicit existing customers of the employer within a specified county, city or other specified area for any period not exceeding two years from the date of termination of the agreement, if the employer continues to carry on a like business.⁴⁰⁰</p> <p>Health care providers cannot be restricted from soliciting patients.⁴⁰¹</p> | <p>Agreements under which rivals agree not to recruit each other's employees are void under S.D. Codified Laws § 53-9-8.⁴⁰²</p> | <p>Adopted Uniform Trade Secrets Act.⁴⁰³</p> |
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| | <p>partnership or other form of professional relationship.³⁹⁸</p> <p>Where a covenant is overbroad in its application, South Dakota courts have recognized that there is no need to invalidate the entire provision. Instead, they have "adopted a rule of partial enforcement, whereby an overly broad non-compete provision is modified and enforced so as to conform to statutory mandates."³⁹⁹</p> | | | |



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| Tennessee | <p>While non-competition covenants are not legally favored in Tennessee, they are enforced if reasonable under the particular circumstances of the case.⁴⁰⁴</p> <p>The "rule of reasonableness" governs the enforceability of non-competes in Tennessee. Absent bad faith, courts will enforce such covenants to the extent necessary to protect the employer's interests without imposing undue hardship on the employee as long as the public interest is not adversely affected.⁴⁰⁵</p> <p>While all other non-competes are governed by the reasonableness standard, Tennessee has a statute governing non-compete covenants with respect to healthcare workers.⁴⁰⁶ The law provides that restrictions will be deemed reasonable if (1) it is set forth in writing and (2) the duration is two years or less and meets certain geographic restrictions.⁴⁰⁷</p> <p>Tennessee has expressly abandoned the "Blue Pencil" doctrine, but, instead, courts will modify a covenant based upon a reasonableness standard.⁴⁰⁸</p> | Rule of reasonableness applies in the non-solicitation setting as well. ⁴⁰⁹ | No applicable law. | Adopted Uniform Trade Secrets Act. ⁴¹⁰ |
| Texas | <p>Texas has a covenant not to compete statute.</p> <p>Generally, "[a] covenant not to compete is enforceable if it is ancillary to or part of an otherwise enforceable agreement at the time the agreement is made to the extent that it contains limitations as to time, geographical area and scope of activity to be restrained that are reasonable and do not impose a greater restraint than is necessary to protect the goodwill or other business interest of the promisee."⁴¹¹</p> <p>Judicial alteration of a non-compete covenant is permitted "[i]f the covenant is found to be ancillary to or part of an otherwise enforceable agreement but contains limitations as to time, geographical area or scope of activity to be restrained that are not reasonable and impose a greater restraint than is necessary to protect the goodwill or other business interest of the promise."⁴¹² In such a case, "the court shall reform the covenant to the extent necessary to cause the limitations contained in the covenant as to time, geographical area and scope of activity to be restrained to be reasonable and to impose a restraint that is not greater than necessary to protect the goodwill or other business interest of the promisee and enforce the covenant as reformed[.]"⁴¹³</p> | Same statutory framework applicable as in the case of a non-compete. ⁴¹⁴ | <p>No-hire agreements are invalid when individual whose commercial activities are being restricted did not enter into the agreement freely.⁴¹⁵</p> <p>No-hire agreements may be enforceable, so long as damages are not speculative, or the no-hire agreement must contain a valid liquidated damages provision.⁴¹⁶</p> | <p>Adopted the Uniform Trade Secrets Act.⁴¹⁷</p> <p>The Texas Uniform Trade Secret Act "displaces conflicting tort, restitutionary, and other law of the state providing civil remedies for misappropriation of a trade secret."⁴¹⁸</p> |



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| Utah | <p>Utah law prohibits post-employment restrictive covenants (entered into on or after May 10, 2016) that have a duration longer than one year. All other restrictive covenants are evaluated under the common law standard.⁴¹⁹ It also exempts broadcasting companies from the statutory ban.⁴²⁰</p> <p>To be enforceable:</p> <ol style="list-style-type: none"> 1. The non-compete must be supported by consideration; 2. No bad faith may be shown in the negotiation of the contract; 3. The covenant must be necessary to protect the goodwill of the business; and 4. The covenant must be reasonable in its restrictions in terms of time and geographic area.⁴²¹ <p>Whether or not a court may alter a covenant by utilizing a judicial "Blue Pencil" or under another standard for that matter, is still an open question in Utah.</p> | <p>Treated the same as non-competes.⁴²²</p> | <p>No applicable law.</p> | <p>Adopted Uniform Trade Secrets Act.⁴²³</p> |
| Vermont | <p>Courts enforce covenants not to compete "subject to scrutiny for reasonableness and justification."⁴²⁴</p> <p>The former employer must show the following:</p> <ol style="list-style-type: none"> 1. That the covenant is not contrary to public policy; 2. That the covenant is necessary for the protection of the employer; and 3. That the covenant is not unnecessarily restrictive of the rights of the employee.⁴²⁵ <p>Vermont law on the reformation of defective covenants is uncertain. The Vermont Supreme Court has opined, "This Court will construe contracts but it will not make them for the parties The courts must enforce contracts as written The law presumes that the parties meant, and intended to be bound by, the plain and express language of their undertaking."⁴²⁶ However, the Second Circuit, for example, has expressed a different opinion.⁴²⁷ That court determined that the Vermont Supreme Court would follow the reasonableness approach to reform an overbroad covenant.⁴²⁸</p> | <p>Vermont state courts have yet to confirm that the same test applied to non-competes is applied to non-solicitation provisions.</p> <p>However, the United States District Court for the District of Vermont entered a preliminary injunction for violation of a non-solicit, and noted that Vermont courts enforce non-competition agreements "unless the agreement is found to be contrary to public policy, unnecessary for protection of the employer, or unnecessarily restrictive of the rights of the employee, with due regard being given to the subject matter of the contract and the circumstances and conditions under which it is to be performed."⁴²⁹</p> | <p>No applicable law.</p> | <p>Adopted Uniform Trade Secrets Act.⁴³⁰</p> |

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| <p>Virginia</p> | <p>Effective July 1, 2020, no employer may enter into, enforce, or threaten to enforce a covenant not to compete with any low-wage employee. The law defines “covenant not to compete” as a “covenant or agreement, including a provision of a contract of employment, between an employer and employee that restrains, prohibits, or otherwise restricts an individual’s ability, following the termination of the individual’s employment, to compete with his former employer.”⁴³¹ The law defines a “low wage employee” as “an employee whose average weekly earnings, calculated by dividing the employee’s earnings during the period of 52 weeks immediately preceding the date of termination of employment by 52, or if an employee worked fewer than 52 weeks, by the number of weeks that the employee was actually paid during the 52-week period, are less than the average weekly wage of the Commonwealth as determined pursuant to subsection B of § 65.2-500.⁴³² ‘Low-wage employee’ includes interns, students, apprentices, or trainees employed, with or without pay, at a trade or occupation in order to gain work or educational experience...[or] an individual who has independently contracted with another person to perform services independent of an employment relationship and who is compensated for such services by such person at an hourly rate that is less than the median hourly wage for the Commonwealth for all occupations as reported, for the preceding year, by the Bureau of Labor Statistics of the U.S. Department of Labor. [But] ‘low-wage employee’ shall not include any employee whose earnings are derived, in whole or in predominant part, from sales commissions, incentives, or bonuses paid to the employee by the employer.”⁴³³</p> <p>The law provides a civil cause of action to any “low wage employee” against an employer that improperly attempts to enter into, enforce, or threaten to enforce a covenant not to compete against the low wage employee, and provides civil penalties of \$10,000 for each violation, and for recovery of the low wage employee’s reasonable costs and attorney fees associated with bringing the civil action.⁴³⁴</p> <p>For all other restrictive covenants, the employer has the burden of proving that the restraint is reasonable and the contract is valid.⁴³⁵ Because the restraint sought to be imposed restricts the employee in the exercise of a gainful occupation, it is a restraint in trade and it is carefully examined and strictly construed before the covenant will be enforced.⁴³⁶ Specifically, the employer must show: (1) the restraint, from the standpoint of the employer, is reasonable in that it is no greater than necessary to protect some legitimate business interest; (2) the restraint, from the</p> | <p>The definition of “covenant not to compete” effective July 1, 2020 also applies to non-solicitation agreements and provides “a ‘covenant not to compete’ shall not restrict an employee from providing a service to a customer or client of the employer if the employee does not initiate contact with or solicit the customer or client.”⁴⁴²</p> <p>Generally treated the same as non-competes.⁴⁴³</p> <p>A covenant that bars only customer solicitation by its terms may not operate to bar a former employee from responding to selling to the former employer’s customers who he did not solicit but who, instead, solicited him. This same result would not be reached if the former employee had signed a non-compete and a non-solicit.⁴⁴⁴</p> | <p>No-switching agreement is “neither a covenant not to compete nor a restrictive covenant between employer and employee.”⁴⁴⁵ Such agreements are considered “a contract between two businesses.”⁴⁴⁶</p> <p>Under Virginia law, a contract between two businesses “in restraint of trade . . . will be held void as against public policy if it is [1] unreasonable as between the two parties or [2] is injurious to the public.”⁴⁴⁷ These two so-called “<i>Merriman</i>” factors are applied to determine the validity of the agreement even if affected employees are unaware of the covenant.⁴⁴⁸</p> | <p>Adopted the Virginia Uniform Trade Secrets Act.⁴⁴⁹</p> <p>“Trade secret” means information, including but not limited to, a formula, pattern, compilation, program, device, method, technique, or process, that:</p> <ol style="list-style-type: none"> 1. Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and 2. Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.⁴⁵⁰ |
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| <u>STATE</u> | <u>NON-COMPETE</u> | <u>NON-SOLICITATION</u> | <u>NON-HIRE/ "RAIDING"</u> | <u>CONFIDENTIAL INFORMATION</u> |
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| | <p>standpoint of the employee, is not unduly harsh and oppressive in curtailing the employee's legitimate efforts to earn a livelihood; and (3) the restraint is reasonable from the standpoint of sound public policy.⁴³⁷</p> <p>Non-competes are upheld only when employees are prohibited from competing directly with the former employer or through employment with a direct competitor of the former employer.⁴³⁸</p> <p>Unlike courts in other jurisdictions, Virginia has never established discrete categories of legitimate business interests which may be the subject of a restrictive covenant.⁴³⁹ Instead, Virginia places the burden on the employer to show that the restrictive covenant is designed to protect an important business interest particular to that employer.⁴⁴⁰</p> <p>Although the Virginia Supreme Court has not decisively ruled on the issue, Virginia state and appellate courts, as well as federal courts sitting in Virginia and applying Virginia law do not Blue Pencil overbroad agreements to make them enforceable.⁴⁴¹</p> | | | |

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| <p>Washington</p> | <p>Washington law nullifies noncompetition agreements unless they satisfy three statutory requirements:⁴⁵¹ (1) the employer must disclose the terms of the covenant in writing to the prospective employee prior to acceptance of the employment offer, and, if the agreement becomes enforceable only at a later date due to the changes in the employee's compensation, the employer must specifically disclose that the agreement may be enforceable against the employee in the future; (2) the employee's earnings must exceed \$100,000 or, if a contractor, \$250,000; and (3) the employee's separation cannot result from being laid off.⁴⁵² The law allows for a private cause of action or a cause of action brought by the attorney general against any employer that violates the terms of the law.⁴⁵³ These provisions do not apply to noncompetition covenants signed prior to January 1, 2020.⁴⁵⁴</p> <p>Any non-competition agreement satisfying the statutory requirements is still assumed to be void and unenforceable if it exceeds 18 months, regardless of the other statutory requirements.⁴⁵⁵ The presumption may be rebutted by clear and convincing evidence that a duration longer than 18 months is necessary to protect an employer's business.⁴⁵⁶</p> <p>A reasonable covenant will be enforced. Reasonableness is determined by considering: (1) whether the restraint is necessary for the protection of the business or good will of the employer; (2) whether it imposes upon the employee any greater restraint than is reasonably necessary to secure the employer's business or goodwill; and (3) whether the degree of injury to the public is such loss of the service and skill of the employee as to warrant non-enforcement of the covenant.⁴⁵⁷</p> <p>An employer has a right to protect information or client relationships that pertain to its business. Covenants may be necessary to protect a business from the unfair advantage a former employee may have by reason of personal contact with the employer's customers and information "as to the nature and character of the business and the names and requirements of the customers" during his employment.⁴⁵⁸</p> <p>If a covenant is overbroad, the courts will partially enforce or re-word the provision, provided that enforcement of the covenant would not otherwise create an injustice to the parties or injure the public.⁴⁵⁹</p> | <p>The Washington statute banning certain non-competes explicitly excludes non-solicitation agreements from its scope.⁴⁶⁰</p> <p>Non-solicit covenants are recognized as a type of covenant not to compete and analyzed under the same three-part common law test for reasonableness.⁴⁶¹</p> <p>Non-solicitation covenants that reasonably protect employer from immediate competition from employee who was given access to customers' internal operations and business relationship are enforceable.⁴⁶²</p> | <p>No applicable law.</p> | <p>Adopted the Uniform Trade Secrets Act.⁴⁶³</p> <p>"Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique, or process that:</p> <p>(a) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and</p> <p>(b) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.</p> <p>Wash. Rev. Code Ann. § 19.108.010(4).</p> |
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| STATE | NON-COMPETE | NON-SOLICITATION | NON-HIRE/ "RAIDING" | CONFIDENTIAL INFORMATION |
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| West Virginia | <p>To show an enforceable covenant,⁴⁶⁴ the employer must prove: (1) consideration, ancillary to a lawful contract; (2) that the covenant is reasonable; and (3) it does not harm the public.⁴⁶⁵</p> <p>The covenant must be reasonably necessary for the protection of a legitimate interest of the employer and must not impose an undue hardship on the employee.⁴⁶⁶</p> <p>An employer has a protectable interest in: (1) the employer's direct investment in skills the employee acquired in the course of employment; (2) confidential or unique information, i.e., trade secrets and customer lists; and (3) goodwill.⁴⁶⁷</p> <p>When the former employer meets its burden of demonstrating that it had a legitimate interest that the covenant at issue was designed to protect, the covenant becomes presumptively enforceable.⁴⁶⁸</p> <p>A covenant in a physician-employer contract is limited to 1 year duration and thirty road miles from the physician's original primary place of practice; the covenant is void and unenforceable if the employer terminates the physician.⁴⁶⁹</p> <p>The courts are permitted to "that limited measure of relief within the terms of the non-competitive agreement which is reasonably necessary to protect [its] legitimate interests, will cause no undue hardship on the [employee] and will not impair the public interest."⁴⁷⁰</p> | <p>Generally treated the same as non-competes.⁴⁷¹</p> <p>Non-solicitation provisions that are less restrictive and designed to prevent the solicitation of any employer's customers or use of employer's confidential information while competing in the same market will be enforced.⁴⁷²</p> | No applicable law. | <p>Adopted the Uniform Trade Secrets Act.⁴⁷³</p> <p>"Trade secret" means information, including, but not limited to, a formula, pattern, compilation, program, device, method, technique or process, that:</p> <p>(1) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and</p> <p>(2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.⁴⁷⁴</p> <p>Employee who retained and disseminated confidential documents that contained: customer lists, potential customer lists, pricing information, profit margins, costs, personnel records and financial information had misappropriated trade secrets.⁴⁷⁵</p> |

| STATE | NON-COMPETE | NON-SOLICITATION | NON-HIRE/ "RAIDING" | CONFIDENTIAL INFORMATION |
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| Wisconsin | <p>"A covenant . . . within a specified territory and during a specified time is lawful and enforceable only if the restrictions imposed are reasonably necessary for the protection of the employer. Any covenant . . . imposing an unreasonable restraint is illegal, void and unenforceable even as to so much of the covenant or performance as would be a reasonable restraint."⁴⁷⁶</p> <p>The common law rule of reason, and not Wis. Stat. § 103.465, applies to covenants not to compete in stock option agreements.⁴⁷⁷</p> <p>In addition to meeting statutory requirements, an enforceable covenant will: (1) be necessary for the protection of the employer; (2) provide a reasonable time restriction; (3) provide a reasonable territorial limit; (4) not be harsh or oppressive to the employee; and (5) not be contrary to public policy.⁴⁷⁸</p> <p>Covenants will only be enforced to the extent reasonably necessary to protect a legitimate business interest. Protectable interests include: relationships with customers; trade secrets; and business-related information.⁴⁷⁹</p> <p>Restrictive covenants are <i>prima facie</i> suspect, and, thus, are closely scrutinized.⁴⁸⁰</p> | <p>Wis. Stat. Ann. § 103.465 applies to non-solicitation covenants.⁴⁸¹</p> <p>Same showing as required for non-compete agreements. A customer list restriction may substitute for a territorial limitation.⁴⁸²</p> | <p>No-hire agreements are not enforceable in Wisconsin if the employee subject to the agreement is unaware of the restriction at the time he or she is hired or if the employee did not consent to the restriction.⁴⁸³</p> <p>The Wisconsin Supreme Court held that such agreements are subject to Wis. Stat. § 103.465.⁴⁸⁴</p> <p>Wis. Stat. § 103.465 does not protect an employer from others raiding its employees; rather, the statute and corresponding case law encourages the mobility of workers. Therefore, so long as a departing employee takes with him or her no more than his or her experience and intellectual development that has ensued while being trained by another, and no trade secrets or processes are wrongfully appropriated, the law affords no recourse to the employer for losing the employees.⁴⁸⁵</p> | <p>Adopted the Uniform Trade Secrets Act.⁴⁸⁶</p> <p>"Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:</p> <ol style="list-style-type: none"> 1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. 2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.⁴⁸⁷ |
| Wyoming | <p>A valid covenant not to compete requires a showing that it is: (1) in writing; (2) part of a contract of employment; (3) based on reasonable consideration; (4) reasonable in durational and geographical limitations; and (5) not against public policy.⁴⁸⁸</p> <p>State adopted a rule of reason inquiry from the Restatement of Contracts testing the validity of a non-compete. A restraint is only reasonable if it: (1) is no greater than is required for the protection of the employer; (2) does not impose undue hardship on the employee; and (3) is not injurious to the public.⁴⁸⁹</p> <p>Protectable interests include: (1) trade secrets that have been communicated to the employee during the course of employment; (2) confidential information communicated by the employer to the employee; and (3) any special influence obtained by the employee during the course of employment over the employer's customers.⁴⁹⁰</p> <p>Does not allow "Blue-Penciling."⁴⁹¹</p> | <p>Same showing as required for non-compete agreements.⁴⁹²</p> <p>Relief may be granted restricting the use of knowledge of customers where there is special influence.⁴⁹³</p> | <p>No applicable law.</p> | <p>Adopted the Uniform Trade Secrets Act.⁴⁹⁴</p> <p>"Trade secret" means information, including a formula, pattern, compilation, program device, method, technique or process that:</p> <ol style="list-style-type: none"> (A) Derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; and (B) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.⁴⁹⁵ |



NATIONAL SURVEY ON RESTRICTIVE COVENANTS

¹ Ala. Code § 8-1-190

² *Clark v. Liberty National Life Ins., Co.*, 592 So. 2d 564, 565 (Ala. 1992); *Eastis v. Veterans Oil, Inc.*, 65 So. 3d 443, 448 (Ala. Civ. App. 2010).

³ *Sheffield v. Stoudenmire*, 553 So. 2d 125, 126 (Ala. 1989).

⁴ *Nobles-Hamilton v. Thompson*, 883 So. 2d 1247, 1251 (Ala. Civ. App. 2003).

⁵ *Westwind Technicians, Inc. v. Jones* 925 So. 2d 166, 173 (Ala. 2005) (See, J., concurring specially).

⁶ Ala. Code § 8-1-190, *et seq.*

⁷ *Ex Parte Howell Engineering & Surveying, Inc.*, 981 So. 2d 413, 420-21 (Ala. 2006) (as partial restraints, non-solicits may not violate statute).

⁸ Ala. Code § 8-1-190, *et seq.*

⁹ *Ex Parte Howell*, 981 So. 2d at 413, 420-21 (no-hire provision in question did not prevent employee from practicing her trade or profession, she, thus, continued to have an opportunity for meaningful employment).

¹⁰ *Birmingham Television Corp. v. DeRamus*, 502 So. 2d 761, 766 (Ala. Civ. App. 1986).

¹¹ *McDonald's Corp. v. Moore*, 243 F. Supp. 255, 258 (S.D. Ala. 1965).

¹² Ala. Code § 8-27-1, *et seq.*

¹³ *Data Management, Inc. v. Greene*, 757 P.2d 62, 65 (Alaska 1988).

¹⁴ *Id.*

¹⁵ *Id.*; *Dominic Wenzell, D.M.D. P.C. v. Ingram*, 228 P.3d 103, 111 (Alaska 2010).

¹⁶ *Metcalfe Investments, Inc. v. Garrison*, 919 P.2d 1356, 1362-63 (Alaska 1996).

¹⁷ Alaska Stat. §§ 45.50.910, 940, *et seq.*

¹⁸ *Hilb, Rogal & Hamilton Co. of Arizona, Inc. v. McKinney*, 946 P.2d 464 (Ariz. Ct. App. 1997); *Zep, Inc. v. Brody Chem. Co., Inc.*, 2010 WL 1381896 (D. Ariz. April, 2010) (ruling that duration of post-employment restriction was longer than necessary to protect business' legitimate interest).

¹⁹ *Valley Med. Specialists v. Farber*, 982 P.2d 1277, 1279-80 (Ariz. 1999); *Bryceland v. Northey*, 772 P.2d 36, 40 (Ariz. Ct. App. 1989); *Highway Technologies, Inc. v. Porter*, 2009 WL 1835114, at *1 (D. Ariz. June 26, 2009).

²⁰ *Bryceland*, 772 P.2d at 40; *Highway Technologies*, 2009 WL 1835114, at *2.

²¹ *Olliver/Pilcher Ins. v. Daniels*, 715 P.2d 1218 (Ariz. 1986) (adopting the Restatement (Second) of Contracts); *Zep*, 2010 WL 1381896.

²² *Bryceland*, 772 P.2d at 40; *Highway Technologies*, 2009 WL 1835114, at *2.

²³ *Motorola v. Fairchild Camera and Instrument Corp.*, 366 F. Supp. 1173, 1180 (D. Ariz. 1973).

²⁴ *Nouveau Riche Corp. v. Tree*, 2008 WL 5381513, at *5-7 (D. Ariz. Dec. 23, 2008) (denying plaintiff's application for temporary restraining order and preliminary injunction because plaintiff failed to prove overly broad anti-piracy agreement was reasonable and enforceable).

²⁵ *Sec. Title Agency, Inc. v. Pope*, 200 P.3d 977, 990 (Ariz. Ct. App. 2008); *Taser Intern., Inc. v. Ward*, 231 P.3d 921, 929-30 (Ariz. Ct. App. 2010).

²⁶ Ariz. Rev. Stat. Ann. § 44-401, *et seq.*

²⁷ *Id.*

²⁸ *Id.* § 4-75-101

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- ²⁹ *Moore v. Midwest Distribution, Inc.*, 65 S.W.3d 490, 493-94 (Ark. App. 2002); *Owens v. Penn Mutual life Ins., Co.*, 851 F.2d 1053, 1054-55 (8th Cir. 1988); *Church Mut. Ins. Co. v. Copenhaver*, 2010 WL 2105623, at *2-3 (E.D. Ark. May 24, 2010) (ruling covenant was invalid under Arkansas law because it exceeded the scope of what was required to protect valid business interests).
- ³⁰ *Moore*, 65 S.W.3d at 490; *Wright Medical Group, Inc. v. Darr*, 2010 WL 3168259, at *4 (E.D. Ark. Aug. 6, 2010).
- ³¹ *Moore*, 65 S.W.3d at 490.
- ³² *Orkin Exterminating Co. of Ark. v. Murrell*, 206 S.W.2d 185, 189 (Ark. 1947).
- ³³ *Vigoro Industries, Inc. v. Cleveland Chem. Co. of Ark.*, 866 F. Supp. 1150, 1166 (E.D. Ark. 1994) (finding no improper interference where plaintiff's former employee who was a supervisor left to work for defendant competitor, invited all of plaintiff's at-will employees to join him, and they did), *rev'd on other grounds*, 82 F.3d 785 (8th Cir. 1996).
- ³⁴ *Vigoro Industries, Inc. v. Crisp*, 82 F.3d 785, 788-89 (8th Cir. 1996).
- ³⁵ Ark. Code Ann. § 4-75-601, *et seq.*
- ³⁶ *Allen v. Johar, Inc.*, 823 S.W.2d 824, 826-27 (Ark. 1992).
- ³⁷ Cal. Bus. Prof. Code §§ 16600, 16601, 16602, 16602.5 *et seq.*
- ³⁸ Cal. Labor Code § 925 (applies to contracts entered into or modified on or after Jan. 1, 2017).
- ³⁹ *Edwards v. Arthur Anderson*, 44 Cal. 4th 937, 948-49 (2008); *Dowell v. Bioscience Webster, Inc.*, 179 Cal. App. 4th 564, 578-79 (2009); *see* Cal. Bus. Prof. Code § 16600.
- ⁴⁰ *Kolani v. Gluska*, 64 Cal. App. 4th 402, 407-08 (1998); *Applied Materials, Inc. v. Advanced Micro-Fabrication Equip. Co.*, 630 F. Supp. 2d 1084, 1090-91 (N.D. Cal. 2009).
- ⁴¹ Cal. Bus. Prof. Code § 16600 *et seq.*; *see Moss, Adams & Co. v. Shilling*, 179 Cal. App. 3d 124, 130 (1986); *ReadyLink Healthcare v. Cotton*, 126 Cal. App. 4th 1006, 1021-22 (2005) (“[I]f a former employee uses a former employer's trade secrets or otherwise commits unfair competition, California courts recognize a judicially created exception to section 16600 and will enforce a restrictive covenant in such a case.”).
- ⁴² *Loral Corp. v. Moyes*, 174 Cal. App. 3d 268, 280 (Cal. Ct. App. 1985) (holding that a contract including a noninterference clause was not void on its face); *Thomas Weisel Partners, LLC v. BNP Paribas*, 2010 WL 546497, at *6 (N.D. Cal. Feb. 10, 2010) (Provision unenforceable “to the extent that it attempts to restrain a person from hiring his former colleagues after the cessation of employment with their employer”).
- ⁴³ *Diodes, Inc. v. Franzen*, 260 Cal. App. 2d 244, 255 (Cal. Ct. App. 1968) (citing *Buxbom v. Smith*, 23 Cal. 2d 535, 547 (1944)); *Reeves v. Hanlon*, 33 Cal. 4th 1140, 1152-53 (2004) (holding that a plaintiff may recover damages for intentional interference with an at-will employment relation by pleading and proving that the defendant engaged in an independently wrongful act that induced an at-will employee to leave the plaintiff).
- ⁴⁴ *Self Directed Placement Corp. v. Control Data Corp.*, 908 F.2d 462, 468 (9th Cir. 1992) (finding there was no unfair competition where defendant employed plaintiff's former employee and plaintiff had failed to secure a non-competition agreement from the former employee during her employment).
- ⁴⁵ Cal. Civ. Code § 3426 *et seq.*
- ⁴⁶ *Hollingsworth Solderless Terminal Co. v. Turley*, 622 F.2d 1324, 1330 (9th Cir. 1980); *ReadyLink*, 126 Cal. App. 4th at 1021-22.
- ⁴⁷ Colo. Rev. Stat. Ann. § 8-2-113
- ⁴⁸ *National Graphics Co. Dilley*, 681 P.2d 546, 547 (Colo. App. 1984).
- ⁴⁹ *Phoenix Capital, Inc. v. Dowell*, 176 P.3d 835, 840 (Colo. App. 2007).
- ⁵⁰ Colo. Rev. Stat. Ann. § 8-2-113

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- ⁵¹ *Occusafe, Inc. v. EG&G Rocky Flats, Inc.*, 54 F.3d 618, 623 (10th Cir. 1995) (citing Restatement (Second) of Torts § 768(1) (1977)); *Harris Group, Inc. v. Robinson*, 209 P.3d 1188, 1197 (Colo. App. 2009).
- ⁵² Colo. Rev. Stat. Ann. § 7-74-101 *et seq.*
- ⁵³ *Saturn Sys., Inc. v. Militare*, 252 P.3d 516, 522 (Colo. App. 2011).
- ⁵⁴ *Scott v. Gen. Iron & Welding Co.*, 368 A.2d 111, 114-15 (Conn. 1976); *Drummond & American LLC v. Share Corp.*, 2009 WL 3838800, at *3 (D. Conn. Nov. 12, 2009); *Prezio Health Inc. v. Schenk*, 2016 WL 1367726, at *3 (D. Conn. Apr. 6, 2016).
- ⁵⁵ *Drummond & American*, 2009 WL 3838800, at *3-4.
- ⁵⁶ *Id.*; *Robert S. Weiss & Assoc., Inc. v. Wiederlight*, 546 A.2d 216, 223 (Conn. 1988)
- ⁵⁷ *Grayling Associates, Inc. v. Albert Villota*, 2004 WL 1784388, at *1 (Conn. Super. Ct. July 12, 2004).
- ⁵⁸ *Robert S. Weiss & Assoc.*, 546 A.2d at 216.
- ⁵⁹ *Webster Fin. Corp. v. McDonald*, 2009 WL 416059, at *9 (Conn. Super. Ct. Jan. 28, 2009) (citing *Rioux v. Barry*, 283 Conn. 338, 351 (2007)).
- ⁶⁰ *Id.* at 9-10 (striking plaintiff's claim that defendant tortiously interfered with plaintiff's relationship with its employees where plaintiff failed to plead any injury).
- ⁶¹ Conn. Gen. Stat. § 35-51 *et seq.*
- ⁶² *Id.* § 35-51(d).
- ⁶³ *Robert S. Weiss & Assoc.*, 546 A.2d at 538.
- ⁶⁴ *New Eng. Ins. Agency, Inc. v. Miller*, 1991 WL 65766, at *1 (Conn. Super. Ct. Apr. 16, 1991).
- ⁶⁵ *Faw, Casson & Co. v. Cranston*, 375 A.2d 463, 468 (Del. Ch. 1977); *American Homepatient, Inc. v. Collier*, 2006 WL 1134170, at *2 (Del. Ch. 2006).
- ⁶⁶ *American Homepatient*, 2006 WL 1134170, at *2.
- ⁶⁷ *Kodiak Bldg. Partners, LLC v. Adams*, 2022 WL 5240507, at *4 (Del. Ch. Oct. 6, 2022); *Ainslie v. Cantor Fitzgerald, L.P.*, 2023 WL 106924, at *8 (Del. Ch. Jan. 4, 2023); *Intertek Testing Services NA, Inc. v. Eastman*, 2023 WL 2544236, at *5 (Del. Ch. Mar. 16, 2023).
- ⁶⁸ *Knowles-Zeswitz Music, Inc. v. Cara*, 260 A. 2d 171, 175-76 (De. Ch. 1969).
- ⁶⁹ *Research & Trading Corp. v. Pfuhl*, 1992 WL 345465, at *12 (Del. Ch. Nov. 18, 1992).
- ⁷⁰ *Hough Associates, Inc. v. Hill*, 2007 WL 148751, at *14 (Del. Ch. Jan. 17, 2007), *judgment entered*, (Del. Ch. 2007) (granting preliminary injunction where former employee and supervisor solicited his subordinates to transfer with him to the competitor's employ despite clause in non-competition agreement prohibiting such conduct).
- ⁷¹ 6 Del. Code § 2001(4) *et seq.*
- ⁷² *Great Am. Opportunities, Inc. v. Cherrydale Fundraising, LLC*, 2010 WL 338219, at *20 (Del. Ch. Jan. 29, 2010).
- ⁷³ D.C. Code § 32-581.01 *et seq.*
- ⁷⁴ *National Chemsearch Corp. of N.Y. v. Hanker*, 309 F. Supp. 1278, 1280 (D.D.C. 1970); *Ellis v. James V. Hurson Assocs.*, 565 A.2d 615, 618-19 (D.C. 1989).
- ⁷⁵ *Steiner v. Am. Friends of Lubavitch (Chabad)*, 177 A.2d 1246, 1258 (D.C. 2018).
- ⁷⁶ *Ellis*, 565 A.2d at 615.
- ⁷⁷ *Mercer Mgmt. Consulting, Inc. v. Wilde*, 920 F. Supp. 219, 237-38 (D.D.C. 1996) (finding two of three defendants liable for breach of non-competition agreement prohibiting them from hiring employer's employees within one year of the termination of defendants' employment).
- ⁷⁸ *Ideal Elec. Sec. Co. v. Scientech, Inc.*, 1998 WL 35221499, at *5 (D.D.C. July 15, 1998 1998) (granting defendant's motion for summary judgment on plaintiff's breach of contract claim for soliciting plaintiff's employees).

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- ⁷⁹ D.C. Code § 36-401.
- ⁸⁰ Fla. Stat. Ann. § 542.335.
- ⁸¹ *Id.* § 542.335(1)(b).
- ⁸² Fla. Stat. Ann. § 542.335(1)(g)(1); for pre-1996 case law, see *Carnahan v. Alexander Proudfoot Co. World Headquarters*, 581 So.2d 184, 185 (Fla. Dist. Ct. App. 1991).
- ⁸³ Fla. Stat. Ann. § 542.335(1)(c).
- ⁸⁴ *Id.* § 542.331, 335; Fla. Stat. Ann. § 542.335.
- ⁸⁵ Fla. Stat. Ann. § 542.335 *et seq.*
- ⁸⁶ *Balasco v. Gulf Auto Holding, Inc.*, 707 So. 2d 858, 860 (Fla. Dist. Ct. App. 1998) (non-piracy agreement enforced as necessary to protect employer's substantial investment in specialized training for sales staff).
- ⁸⁷ *Sun Life Assur. Co. of Canada v. Coury*, 838 F. Supp. 586, 591 (S.D. Fla. 1993).
- ⁸⁸ Fla. Stat. Ann. § 688.002 *et seq.*
- ⁸⁹ *Merrill Lynch, Pierce, Fenner & Smith, Inc. v. Dunn*, 191 F. Supp. 2d 1346, 1350-51 (M.D. Fla. 2002) (finding securities brokerage's client lists were trade secrets where the employer took reasonable efforts to maintain the secrecy of such information).
- ⁹⁰ *Sysco Food Services of Atlanta, Inc. v. Chupp*, 484 S.E.2d 323, 325 (Ga. Ct. App. 1997); *Ceramic & Metal Coatings Corp. v. Hizer*, 529 S.E.2d 160, 162 (Ga. Ct. App. 2000); *Dent Wizard Intern. Corp. v. Brown*, 612 S.E.2d 873, 876 (Ga. Ct. App. 2005).
- ⁹¹ *LifeBrite Lab'ys, LLC v. Cooksey*, 2016 WL 7840217, at *7 (N.D. Ga. Dec. 9, 2016).
- ⁹² *Dent Wizard*, 612 S.E.2d at 876.
- ⁹³ Ga. Code Ann. § 13-8-53 *et seq.*
- ⁹⁴ *Id.* § 13-8-56 to -57.
- ⁹⁵ *N. Am. Senior Benefits, LLC v. Wimmer*, 2023 WL 3963931, at *5 (Ga. Ct. App. June 13, 2023).
- ⁹⁶ Ga. Code Ann. § 13-8-53.
- ⁹⁷ *Id.*
- ⁹⁸ *Wimmer*, 2023 WL at *6.
- ⁹⁹ *W.R. Grace & Co., Dearborn Div. v. Mouyal*, 422 S.E.2d 529, 532-33 (Ga. 1992); *Habif, Arogeti & Wynne, P.C. v. Baggett*, 498 S.E.2d 346, 353-54 (Ga. Ct. App. 1998); *H&R Block E. Enters., Inc. v. Morris*, 606 F.3d 1285, 1293 (11th Cir. 2010).
- ¹⁰⁰ *Chaichimansour v. Pets Are People Too, No. 2, Inc.*, 485 S.E.2d 248, 250 (Ga. Ct. App. 1997); *Azzouz v. Prime Pediatrics, P.C.*, 675 S.E.2d 314, 318-19 (Ga. Ct. App. 2009).
- ¹⁰¹ Ga. Code Ann. § 13-8-53.
- ¹⁰² *Id.* § 13-8-57.
- ¹⁰³ *Wright v. Power Indus. Consultants, Inc.*, 508 S.E.2d 191, 196 (Ga. Ct. App. 1998), *overruled on other grounds by Adv. Tech. Consultants, Inc. v. Roadtrac, LLC*, 551 S.E.2d 735 (Ga. Ct. App. 2001); *CMGRP, Inc. v. Gallant*, 806 S.E.2d 16, 24 (Ga. Ct. App. 2017).
- ¹⁰⁴ See *Architectural Mfg. Co. of Am. v. Airotec, Inc.*, 166 S.E.2d 744 (Ga. Ct. App. 1969) (immediately after defendants resigned, they made a concerted attempt to persuade substantially all of plaintiff's sales force to leave plaintiff's employ, defendants were successful as to over 1/3 of the workforce, and it resulted in injury to plaintiff).
- ¹⁰⁵ Ga. Code Ann. § 10-1-760 *et seq.*
- ¹⁰⁶ *Id.* § 10-1-761(4); *Avnet, Inc. v. Wyle Labs. Inc.*, 263 Ga. 615, 618 (1993); *Paramount Tax & Accounting, LLC v. H & R Block E. Enters., Inc.*, 299 Ga. App. 596, 603-04 (Ga. Ct. App. 2009).

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- ¹⁰⁷ *Id.* § 13-8-53.
- ¹⁰⁸ Haw. Rev. Stat. § 480-4(c)
- ¹⁰⁹ *UARCO, Inc. v. Lam*, 18 F. Supp. 2d 1116, 1121-22 (D. Haw. 1998).
- ¹¹⁰ *7's Enterprises, Inc. v. Del Rosario*, 143 P.3d 23, 25 (Haw. 2006) (modifying a non-compete from the entire state of Hawaii to Honolulu in order to render it enforceable and not fatally overbroad).
- ¹¹¹ Haw. Rev. Stat. § 480-4.
- ¹¹² *7's Enterprises*, 143 P.3d at 25 (analyzing a non-competition agreement rather than non-solicitation agreement; however, case addresses geographic restrictions).
- ¹¹³ Haw. Rev. Stat. § 480-4
- ¹¹⁴ *UARCO Inc. v. Lam*, 18 F. Supp. 2d 1116, 1124-25 (D. Haw. 1998) (concluding that the doctrine of unclean hands did not bar plaintiffs from obtaining a preliminary injunction where it was unclear whether competitors could agree not to hire each other's employees).
- ¹¹⁵ *Id.*
- ¹¹⁶ Haw. Rev. Stat. § 482B-1 *et seq.*
- ¹¹⁷ *Dick v. Geist*, 693 P.2d 1133, 1135 (Idaho Ct. App. 1985).
- ¹¹⁸ *Id.*
- ¹¹⁹ *Freiburger v. J-U-B Engineers, Inc.*, 111 P.3d 100 (Idaho 2005).
- ¹²⁰ *Id.*; *Ins. Ctr., Inc. v. Taylor*, 499 P.2d 1252 (Idaho 1972).
- ¹²¹ Idaho Code § 48-801, *et seq.*
- ¹²² *McCandless v. Carpenter*, 848 P.2d 444 (Idaho Ct. App. 1993).
- ¹²³ *Reliable Fire Equipment Co. v. Arredondo*, 965 N.E.2d 393 (Ill. 2011).
- ¹²⁴ *Id.*
- ¹²⁵ *Gillespie v. Carbondale and Marion Eye Centers, Ltd.*, 622 N.E.2d 1267 (Ill. App. Ct. 5th Dist. 1993); *Brown & Brown, Inc. v. Ali*, 592 F. Supp. 2d 1009, 1046 (N.D. Ill. 2009).
- ¹²⁶ *Lawrence & Allen, Inc. v. Cambridge Human Resource Group, Inc.*, 685 N.E.2d 434 (Ill. App. Ct. 2d Dist. 1997); *Montel Aetnastak, Inc. v. Miessen*, 998 F. Supp. 2d 694 (N.D. Ill. 2014)
- ¹²⁷ *Arpac Corp. v. Murray*, 589 N.E.2d 640, 650 (Ill. App. Ct. 1st Dist. 1992); *Unisource Worldwide Inc. v. Carrara*, 244 F. Supp. 2d 977, 986 (C.D. Ill. 2003).
- ¹²⁸ *Unisource*, 244 F. Supp. 2d at 986.
- ¹²⁹ *Lawrence & Allen*, 685 N.E.2d at 434.
- ¹³⁰ *In re: Uniservices*, 517 F.2d 492 (7th Cir. 1975) (applying Indiana law); *Norlund v. Faust*, 675 N.E.2d 1142, 1154 (Ind. Ct. App. 1997), *opinion clarified on rehearing* 678 N.E.2d 421 (Ind. Ct. App. 1997); *Hahn v. Drees, Peugini & Co.*, 581 N.E.2d 457, 460 (Ind. Ct. App. 2d Dist. 1991); *Distrib. Serv., Inc. v. Stevenson*, 16 F. Supp. 3d 964, 970 (S.D. Ind. 2014).
- ¹³¹ *Norlund*, 675 N.E.2d at 1154; *GEI, Inc. v. Weston*, 2004 WL 1662187 (Ind. Super. Ct. 2004); *Distrib. Serv., Inc. v. Stevenson*, 16 F. Supp. 3d 964, 970 (S.D. Ind. 2014).
- ¹³² *Norlund*, 675 N.E.2d at 1154.
- ¹³³ *Liocci v. Cardinal Associates, Inc.*, 445 N.E.2d 556, 561 (Ind. 1983); *Bridgestone/Firestone, Inc. v. Lockhart*, 5 F. Supp. 2d 667, 683 (S.D. Ind. 1998); *Clark's Sales & Servs., Inc. vs. Smith*, 4 N.E.3d 772 (Ind. Ct. App. 2014).
- ¹³⁴ *Bridgestone/Firestone*, 5 F. Supp. 2d at 683; *Clark's Sales & Servs.*, 4 N.E.3d at 772.

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- ¹³⁵ *Liocci*, 445 N.E.2d at 561; *Pathfinder Communications Corp. v. Macy*, 795 N.E.2d 1103 (Ind. Ct. App. 2003); *Clark's Sales & Servs.*, 4 N.E.3d at 772.; *Heraeus Med., LLC v. Zimmer, Inc.*, 135 N.E.3d 150, 155 (Ind. 2019).
- ¹³⁶ *Hahn*, 581 N.E.2d at 460; *Clark's Sales & Servs.*, 4 N.E.3d at 782.
- ¹³⁷ *Duneland Emergency Physician's Med. Grp., P.C. v. Brunk*, 723 N.E.2d 963 (Ind. Ct. App. 2000) (holding that medical corporation that provided physicians to a hospital (its client) could not prohibit solicitation of hospital's patients by doctor employee of medical corporation).
- ¹³⁸ Ind. Code § 24-2-3-2 *et seq.*
- ¹³⁹ *Prudential Ins. Co. of Am. V. Crouch*, 606 F. Supp. 464, 469 (S.D. Ind. 1985), *aff'd*, 796 F.2d 477 (7th Cir. 1986).
- ¹⁴⁰ *Titus v. Rheitone, Inc.*, 758 N.E.2d 85, 92 (Ind. Ct. App. 2001).
- ¹⁴¹ *McGlothen v. Heritage Environmental, Services, LLC*, 705 N.E.2d 1072 (Ind. Ct. App. 4th Dist. 1999).
- ¹⁴² As to covenants applicable in the franchise context, see Iowa Franchise Act, § 523H *et seq.*
- ¹⁴³ *Lamp v. American Prosthetics*, 379 N.W.2d 909, 910 (Iowa 1986); *Dain Bosworth, Inc. v. Brandhorst*, 356 N.W.2d 590, 593 (Iowa Ct. App. 1984); *Neville v. Milliron*, 840 N.W.2d 728 (Iowa Ct. App. 2013).
- ¹⁴⁴ *Pro Edge v. Gue*, 374 F. Supp. 2d 711, 740 (N.D. Iowa 2005).
- ¹⁴⁵ *Id.*; *Lamp*, 379 N.W.2d at 910; *Neville*, 840 N.W.2d at 728.
- ¹⁴⁶ *Pro Edge*, 374 F. Supp. 2d at 739 ("Covenants not to compete are unreasonably restrictive unless they are tightly limited as to both time and area.").
- ¹⁴⁷ *Ehlers v. Warehouse Co.*, 188 N.W.2d 368, 371 (Iowa 1971) (*adopting rule established in New Jersey's Solari Industries, Inc. v. Malady*, 55 N.J. 571 (1970)).
- ¹⁴⁸ *Moore Bus. Forms, Inc. v. Wilson*, 953 F. Supp. 1056 (N.D. Iowa 1996).
- ¹⁴⁹ *Dain Bosworth, Inc.*, 356 N.W.2d at 593.
- ¹⁵⁰ *Pathology Consultants v. Gratton*, 343 N.W.2d 428 (Iowa 1984).
- ¹⁵¹ Iowa Code § 550.1 *et seq.*
- ¹⁵² *Uncle B's Bakery, Inc. v. O'Rourke*, 920 F. Supp. 1405 (N.D. Iowa 1996).
- ¹⁵³ *E. Distribg. Co., Inc. v. Flynn*, 567 P.2d 1371 (Kan. 1977); *Weber v. Tillman*, 913 P.2d 84, 91 (Kan. 1996); *Wichita Clinic, P.A. v. Louis*, 185 P.3d 946, 953 (Kan. 2008).
- ¹⁵⁴ *Weber*, 913 P.2d at 89; *C. Kansas Med. Ctr. v. Hatesohl*, 366 P.3d 1104 (Kan. Ct. App. 2016), *rev'd on other grounds by C. Kansas Med. Ctr. v. Hatesohl*, 425 P.3d 1253 (Kan. 2018)
- ¹⁵⁵ *Idbeis v. Wichita Surgical Specialists, P.A.*, 112 P.3d 81 (Kan. 2005).
- ¹⁵⁶ *Varney Bus. Servs., Inc. v Pottroff*, 59 P. 3d 1003, 1015 (Kan. 2002); *Puritan-Bennett Corp. v. Richter*, 657 P.2d 589 (Kan. Ct. App. 1983); *Chem-Trol, Inc. v. Christensen*, 2009 WL 331625 (D. Kan. Feb. 10, 2009).
- ¹⁵⁷ *Universal Engraving v. Duarte*, 519 F. Supp. 2d 1140, 1154 (D. Kan. 2007).
- ¹⁵⁸ *Bruce D. Graham, M.D., P.A. v. Cirocco*, 69 P.3d 194 (Kan. Ct. App. 2003); see also *Puritan-Bennett Corp*, 657 P.2d at 589.
- ¹⁵⁹ *H & R Block, Inc. v. Lovelace*, 493 P.2d 205 (Kan. 1972).
- ¹⁶⁰ *Cirocco*, 69 P.3d at 194.
- ¹⁶¹ *Curtis, 1000 Inc. v. Pierce*, 905 F. Supp. 898, 903 (D. Kan. 1995).
- ¹⁶² *Id.*
- ¹⁶³ Kan. Stat. Ann. § 60-3320 *et seq.*

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- ¹⁶⁴ *Id.* at 902; *MGP Ingredients, Inc. v. Mars, Inc.*, 2007 WL 3274800, at *3 (D. Kan. Nov. 6, 2007) (engaging in extensive fact-based analysis to determine whether the misappropriated information constituted trade secrets).
- ¹⁶⁵ *Hammons v. Big Sandy Claims Serv.*, 567 S.W. 2d 313 (Ky. Ct. App. 1978).
- ¹⁶⁶ *Hall v. Williard & Wollsey, P.S.C.*, 471 S.W. 2d 316, 317-18 (Ky. 1971); *Genesis Med. Imaging, Inc. v. DeMars*, 2008 WL 4180263, at *7 (E.D. Ky. Sep. 5, 2008).
- ¹⁶⁷ *Central Adjustment Bureau v. Ingram Assocs.*, 622 S.W. 2d 681, 686 (Ky. Ct. App. 1981); *ISCO Ind., Inc. v. Shugart*, 2014 WL 2218116 (W.D. Ky. May 28, 2014).
- ¹⁶⁸ *Auto Channel, Inc. v. Speedvision Network, LLC*, 144 F. Supp. 2d 784, 791 (W.D. Ky. 2001) (precluding the formations of a contract without these express or implied terms).
- ¹⁶⁹ *Calhoun v. Everman*, 242 S.W.2d 100, 102 (Ky. 1951); *Mountain Comprehensive Health Corp. v. Gibson*, 2015 WL 1194508, at *4 (Ky. Mar. 13, 2015).
- ¹⁷⁰ *Charles T. Creech, Inc. v. Brown*, 433 S.W.3d 345, 352 (Ky. 2014).
- ¹⁷¹ *Hammons*, 567 S.W. 2d at 315.
- ¹⁷² *Borg-Warner Protective Serv., Corp. v. Guardsmark, Inc.*, 946 F. Supp. 495, 501-502 (E.D. Ky. 1996); *Gardner Denver Drum LLC v. Goodier*, 2006 WL 1005161, at *9 (W.D. Ky. April 14, 2006).
- ¹⁷³ *Gardner Denver Drum*, 2006 WL 1005161 at *9.
- ¹⁷⁴ Ky. Rev. Stat. Ann. § 365.880 *et seq.*
- ¹⁷⁵ La. Rev. Stat. Ann. § 23:921 *et seq.*
- ¹⁷⁶ *Id.* § 23:921(A), (C).
- ¹⁷⁷ *Id.* § 23:921(H).
- ¹⁷⁸ *Cellular One, Inc. v. Boyd*, 653 So. 2d 30 (La. Ct. App. 1st Cir. 1995), *writ denied*, 660 So. 2d 449 (La. 1995); *Innovative Manpower Sols., LLC v. Ironman Staffing, LLC*, 929 F. Supp. 2d 597, 616 (W.D. La. 2013).
- ¹⁷⁹ *Innovative Manpower Sols.*, 929 F. Supp. 2d at 616.
- ¹⁸⁰ *Dixie Parking Serv., Inc. v. Hargrove*, 691 So. 2d 1316, 1319 (La. Ct. App. 4th Cir. 1997).
- ¹⁸¹ *CBD Docusource, Inc. v. Franks*, 934 So. 2d 307, 311 (La. Ct. App. 5th Cir. 2006).
- ¹⁸² *Water Processing Techs., Inc. v. Ridegeway*, 618 So. 2d 533, 536 (La. Ct. App. 4th Cir. 1993).
- ¹⁸³ *Millet v. Crump*, 687 So. 2d 132, 135 (La. Ct. App. 5th Cir. 1996); *USI Ins. Servs., LLC v. Tappel*, 28 So. 3d 419, 424 (La. Ct. App. 5th Cir. 2009).
- ¹⁸⁴ La. Rev. Stat. Ann. § 23:921(C)
- ¹⁸⁵ *Monumental Life Ins. Co. v. Laundry*, 846 So. 2d 798, 800-801 (La. Ct. App. 3d Cir. 2003).
- ¹⁸⁶ *CDI Corp. v. Hough*, 9 So. 3d 282, (La. Ct. App. 1st Cir. 2009).
- ¹⁸⁷ *Bell v. Rimkus Consulting Group, Inc. of Louisiana*, 8 So. 3d 64, 69 (La. Ct. App. 5th Cir. 2009), *writ denied*, 7 So. 3d 1198 (La. 2009).
- ¹⁸⁸ La. Rev. Stat. Ann. § 51:1431 *et seq.*
- ¹⁸⁹ La. Rev. Stat. Ann. § 23:921 (C).
- ¹⁹⁰ La. Rev. Stat. Ann. 23:921 (G).
- ¹⁹¹ *Millet*, 687 So. 2d at 135; *S. Ind. Contractors, LLC v. W. Builders of Amarillo, Inc.*, 56 So. 3d 307, 311 (La. Ct. App. 2d Cir. 2010).
- ¹⁹² See Me. Rev. Stat. tit. 26, § 599-A.
- ¹⁹³ Me. Rev. Stat. tit. 26, § 599-A(3).

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- ¹⁹⁴ Me. Rev. Stat. tit. 26, § 599-A(4).
¹⁹⁵ Me. Rev. Stat. tit. 26, § 599-A(5).
¹⁹⁶ *Chapman & Drake v. Harrington*, 545 A.2d 645, 646-647 (Me. 1988); *Sisters of Charity Health Sys., Inc. v. Farrago*, 21 A.3d 110 (Me. 2011).
¹⁹⁷ *Brignull v. Albert*, 666 A. 2d 82, 84 (Me. 1995).
¹⁹⁸ *Merrill Lynch, Pierce, Fenner & Smith v. Bennert*, 980 F. Supp. 73, 75 (D. Me. 1997).
¹⁹⁹ *Chapman*, 545 A.2d at 647; *Securadyne Sys., LLC v. Green*, 2014 WL 1334184, at *5 (D. Me. April 2, 2014).
²⁰⁰ *Chapman*, 545 A.2d at 647; *OfficeMax Inc. v. Sousa*, 773 F. Supp. 2d 190, 213-14 (D. Me. 2011).
²⁰¹ *Lord v. Lord*, 454 A.2d 830, 834-835 (Me. 1983).
²⁰² See *Chapman*, 545 A.2d at 647.
²⁰³ Me. Rev. Stat. tit. 26, § 599-B.
²⁰⁴ *Id.*
²⁰⁵ *Id.*
²⁰⁶ M.R.S.A. Title 10, § 1541 *et seq.*
²⁰⁷ *Bernier v. Merrill Air Eng'rs*, 770 A. 2d 97, 103 (Me. 2001) (ruling that breach of non-disclosure clause was enforceable, notwithstanding finding that information disclosed did not rise to level of trade secrets).
²⁰⁸ *Holloway v. Faw, Casson & Co.*, 552 A.2d 1311 (Md. Ct. Spec. App. 1989), *aff'd in part, rev'd in part*, 572 A.2d 510 (Md. 1990).
²⁰⁹ *Becker v. Bailey*, 268 Md. 93, 97 (1973).
²¹⁰ *Source Services Corp. v. Bogdan*, 47 F.3d 1165 (4th Cir. 1995); *Hearn Insulation & Improvement Co., Inc. v. Carlos Bonilla*, 2010 WL 3069953, at *3-4 (D. Md. Aug. 5, 2010).
²¹¹ *Holloway*, 552 A.2d at 334.
²¹² *Id.* at 352-353; *Deutsche Post Glob. Mail, Ltd. v. Conrad*, 116 Fed. Appx. 435, 439 (4th Cir. 2004) (unpublished).
²¹³ *Padco Advisors, Inc. v. Omdahl*, 179 F. Supp. 2d 600, 608 (D. Md. 2002).
²¹⁴ *Intelus Corp. v. Barton*, 7 F.Supp.2d 635, 641-642 (D. Md. 1998).
²¹⁵ Md. Code Ann. § 11-1201 *et seq.*
²¹⁶ Mass. Gen. Laws ch. 149, § 24L.
²¹⁷ Mass. Gen. Laws ch. 149, § 24L.
²¹⁸ *Novelty Bias Binding Co. v. Shevrin*, 175 N.E.2d 374, 376 (Mass. 1961); *Oxford Glob. Res., Inc. v. Guerriero*, 2003 WL 23112398, at *6 (D. Mass. Dec. 30, 2003) (enforcing a non-compete upon a finding of a legitimate business interest of the employer).
²¹⁹ *Sentry Ins. v. Firnstein*, 442 N.E.2d 46, 47-48 (Mass. App. Ct. 1982); *Alexander & Alexander, Inc. v. Danahy*, 488 N.E.2d 22, 28 (Mass. App. Ct. 1986).
²²⁰ *New Eng. Canteen Serv., Inc. v. Ashley*, 363 N.E.2d 526, 528 (Mass. 1977).
²²¹ *Marine Contractors Co., Inc. v. Hurley*, 310 N.E.2d 915, 920 (Mass. 1974).
²²² *Junker v. Plummer*, 67 N.E.2d 667 (Mass. 1946); *Banner Industries v. Bilodeau*, 2003 WL 831974, at *2 (Mass. Super. Ct. Feb. 27, 2003).
²²³ *Sherman v. Pfefferkorn*, 135 N.E. 568, 569 (Mass. 1922); *Boulanger v. Dunkin' Donuts Inc.*, 815 N.E.2d 572, 574-75, 78 (Mass. 2004) (finding adequate consideration to enforce non-compete in a franchisee agreement); *ABM Indus. Groups, LLC v. Palmarozzo*, 2017 WL 2292744, at *3 (Mass. Super. Ct. Mar. 30, 2017).
²²⁴ *Ferrofluidics Corp. v. Advanced Vacuum Components, Inc.*, 968 F.2d 1463, 469 (1st Cir. 1992).

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- ²²⁵ *NuVasive, Inc. v. Day*, 954 F.3d 439, 444 (1st Cir. 2020) (citing *Automile Holdings, LLC v. McGovern*, 136 N.E.3d 1207, 1217 (Mass. 2020)); see also Mass. Gen. Laws ch. 149, § 24L (excluding “covenants not to solicit or hire employees of the employer” and “covenants not to solicit or transact business with customers, clients, or vendors of the employer” from the definition of “noncompetition agreement”).
- ²²⁶ *Oxford Glob. Res., LLC v. Hernandez*, 106 N.E.3d 556, 565 (Mass. 2018).
- ²²⁷ *Folsum Funeral Serv., Inc. v. Rodgers*, 372 N.E.2d 532, 533 (Mass. App. Ct. 1978); *Wordwave, Inc. v. Owens*, 2004 WL 3250472, at *2 (Mass. Super. Ct. Dec. 7, 2004).
- ²²⁸ *Bowne of Boston, Inc. v. Levine*, 1997 WL 781444, at *4 (Mass. Super. Ct. Nov. 25, 1997).
- ²²⁹ Mass Gen. Laws ch. 93, § 42 *et seq.* (Misappropriation of Trade Secrets):
- ²³⁰ *Id.* ch. 93, § 42(4).
- ²³¹ Mich. Comp. Laws § 445.671 *et seq.*
- ²³² *Id.* § 445.774a(1).
- ²³³ *Id.*
- ²³⁴ *Merrill Lynch, Pierce, Fenner & Smith Inc. v. Ran*, 67 F. Supp. 2d 764, 774 (E.D. Mich. 1999) (applying statute in a non-solicitation agreement).
- ²³⁵ Mich. Comp. Laws § 445.1901 *et seq.*
- ²³⁶ *Id.* § 445.1903(2).
- ²³⁷ *Id.* § 445.1908.
- ²³⁸ *Kallok v. Medtronic, Inc.*, 573 N.W.2d 356, 361 (Minn. 1998).
- ²³⁹ *Dynamic Air, Inc. v. Bloch*, 502 N.W.2d 796, 799 (Minn. Ct. App. 1993).
- ²⁴⁰ *National Recruiters, Inc. v. Cashman*, 323 N.W.2d 736, 740 (Minn. 1982); *Boston Sci. Corp. v. Kean*, 2011 WL 853644, at *7 (D. Minn. Mar. 9, 2011).
- ²⁴¹ *Yonak v. Hawker Well Works, Inc.*, 2015 WL 1514166, at *2-3 (Minn. Ct. App. Apr. 6, 2015).
- ²⁴² *H&R BLOCK TAX SERVICES, INC., v. PESHEL*, 2005 WL 450398 (D.Minn. Feb. 1, 2005)
- ²⁴³ Minn. Stat. § 325C.01 *et seq.*
- ²⁴⁴ *Texas Road Boring Co. of Louisiana-Mississippi v. Parker*, 194 So. 2d 885, 888 (Miss. 1967).
- ²⁴⁵ *Redd Pest Control Co. v. Heatherly*, 157 So. 2d 133, 135 (Miss. 1963).
- ²⁴⁶ *Redd Pest Control Co., Inc. v. Foster*, 761 So. 2d 967 (Miss. Ct. App. 2000).
- ²⁴⁷ *Heatherly*, 157 So. 2d at 135.
- ²⁴⁸ *Kennedy v. Metropolitan Life Ins. Co.*, 759 So. 2d 362, 367 (Miss. 2000).
- ²⁴⁹ *Cain v. Cain*, 967 So. 2d 654, 662-63 (Miss. Ct. App. 2007).
- ²⁵⁰ Miss. Code Ann. § 75-26-1 *et seq.*
- ²⁵¹ *Id.* § 75-26-5.
- ²⁵² *Sturgis Equipment Co., Inc. v. Falcon Indus. Sales Co.*, 930 S.W.2d 14, 17 (Mo. Ct. App. 1996); *Systematic Business Services, Inc. v. Bratten*, 162 S.W.3d 41, 49 (Mo. Ct. App. 2005).
- ²⁵³ *Cape Mobile Home Mart, Inc. v. Mobley*, 780 S.W.2d 116, 118 (Mo. Ct. App. 1989).
- ²⁵⁴ *Id.*
- ²⁵⁵ See *Victoria’s Secret Stores, Inc. v. May Dept. Stores Co.*, 157 S.W. 3d 256, 261-62 (Mo. Ct. App. 2004) (concluding businesses were not in direct competition, and refusing to apply terms of restrictive covenant); *but see Synergy Aesthetics, LLC v. Boe*, 2019 WL 7593369, at *3 (W.D. Mo. July 18, 2019), *order clarified*, 2019 WL 7593548 (W.D. Mo. Aug. 30, 2019) (concluding that businesses selling similar neurotoxins

for customers seeking aesthetic treatment were competitors and therefore plaintiff was likely to succeed on its claim for violation of the agreement).

²⁵⁶ *Easy Returns Midwest, Inc. v. Schultz*, 964 S.W. 2d 450, 453 (Mo. Ct. App. 1989).

²⁵⁷ *Mid-States Paint & Chemical Co. v. Herr*, 746 S.W.2d 613, 616 (Mo. Ct. App. 1988).

²⁵⁸ Mo. Rev. Stat. § 431.202(1)(3).

²⁵⁹ *Id.* § 431.202(1)(4).

²⁶⁰ *Id.* § 431.202(2)

²⁶¹ *Id.* § 431.202(1).

²⁶² *Id.* §§ 417.450-467.

²⁶³ *Victoria's Secret*, 157 S.W. 3d at 262.

²⁶⁴ *Access Organics, Inc. v. Hernandez*, 175 P.3d 899, 904 (Mont. 2008).

²⁶⁵ Mont. Code Ann. § 28-2-703

²⁶⁶ *Dobbins, DeGuire & Tucker, P.C. v. Rutherford, MacDonald & Olson*, 708 P.2d 577, 580 (Mont. 1985); *Montana Mt. Products v. Curl*, 112 P.3d 979, 981 (Mont. 2005).

²⁶⁷ *J.T. Miller Co. v. Madel*, 575 P.2d 1321 (Mont. 1978); *Dobbins*, 708 P.2d at 579-80.

²⁶⁸ *Daniels v. Thomas, Dean & Hoskins, Inc.*, 804 P. 2d 359, 370 (1990).

²⁶⁹ *Dumont v. Tucker*, 822 P.2d 96, 98 (Mont. 1991).

²⁷⁰ *J. T. Miller Co.*, 575 P.2d at 1321; *First Am. Ins. Agency v. Gould*, 661 P.2d 451, 454 (Mont. 1983)

²⁷¹ Mont. Code Ann. § 30-14-403 *et seq.*

²⁷² *Prof. Bus. Services Co. v. Rosno*, 680 N.W.2d 176, 184 (Neb. 2004).

²⁷³ *Id.*

²⁷⁴ *Boisen v. Petersen Flying Serv., Inc.*, 383 N.W.2d 29, 34 (Neb. 1986).

²⁷⁵ *H & R Block Tax Serv., Inc. v. Circle A. Enters., Inc.*, 269 Neb. 411 (2005).

²⁷⁶ *Softchoice Corp. v. MacKenzie*, 636 F. Supp.2d 927 (D. Neb. 2009); *Aon Consulting, Inc. v. Midlands Fin. Benefits, Inc.*, 748 N.E.2d 639-40 (Neb. 2008).

²⁷⁷ *Id.*

²⁷⁸ *Huff v. Swartz*, 606 N.W.2d 461, 466 (Neb. 2000).

²⁷⁹ Neb. Rev. Stat. § 87-502(4).

²⁸⁰ *Selection Research, Inc. v. Murman*, 433 N.W.2d 526, 527 (Neb. 1989).

²⁸¹ *Id.*

²⁸² Nev. Rev. Stat § 613.195(1).

²⁸³ *Id.* § 613.195(3).

²⁸⁴ *Id.* § 613.200(1).

²⁸⁵ *Id.* § 613.200(2).

²⁸⁶ *Id.* § 613.200(4).

²⁸⁷ *Id.*

²⁸⁸ *Id.* § 613.195(6).

²⁸⁹ *Id.* § 613.195(2).

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- ²⁹⁰ *Id.* § 600A.010 *et seq.*
- ²⁹¹ N.H. Rev. Stat. Ann. § 275:70-a.
- ²⁹² *Id.* § 275:70.
- ²⁹³ *Concord Orthopaedics Prof. Ass'n v. Forbes*, 702 A.2d 1273, 1276 (N.H. 1997); *Merrimack Valley Wood Products, Inc. v. Near*, 876 A.2d 757, 762 (N.H. 2005), *as modified on denial of reconsideration* (June 22, 2005).
- ²⁹⁴ *Smith, Batchelder & Rugg v. Foster*, 406 A.2d 1310, 1312 (N.H. 1979); *Tech. Aid Corp. v. Allen*, 591 A.2d 262, 265–66 (N.H. 1991).
- ²⁹⁵ *Concord*, 702 A.2d at 1276.
- ²⁹⁶ *Smith, Batchelder & Rugg v. Foster*, 406 A.2d 1310, 1312 (N.H. 1979).
- ²⁹⁷ *Merrimack Valley Wood Products*, 876 A.2d at 764.
- ²⁹⁸ *ACAS Acquisitions (Precitech) Inc. v. Hobert*, 923 A.2d 1076, 1085 (N.H. 2007).
- ²⁹⁹ *Syncom Industries, Inc. v. Wood*, 920 A.2d 1178, 1185 (N.H. 2007); *ACAS Acquisitions*, 923 A.2d at 1087.
- ³⁰⁰ *Tech. Aid*, 591 A.2d at 266–67.
- ³⁰¹ *Concord*, 702 A.2d at 1276.
- ³⁰² N.H. Rev. Stat. Ann. § 350-B:1 *et seq.*
- ³⁰³ *Coskey's TV & Radio Sales and Serv., Inc. v. Foti*, 602 A.2d 789, 794 (N.J. Super. App. Div. 1992); *The Community Hosp. Group, Inc. v. More*, 869 A.2d 884, 897 (N.J. 2005).
- ³⁰⁴ *United Bd. & Carton Corp. v. Britting*, 164 A.2d 824, 830 (N.J. Super. Ch. Div. 1959), *aff'd*, 160 A.2d 660 (N.J. Super. App. Div. 1960).
- ³⁰⁵ *Coskey's*, 602 A.2d 789 at 794.
- ³⁰⁶ *Solari Industries, Inc. v. Malady*, 264 A.2d 53, 56 (N.J. 1970); *Pathfinder, LLC v. Luck*, 2005 WL 1206848, at *7 (D.N.J. May 20, 2005).
- ³⁰⁷ *The Community Hosp. Group*, 869 A.2d at 898–900; *Platinum Mgt., Inc. v. Dahms*, 666 A.2d 1028, 1040 (N.J. Super. L. Div. 1995).
- ³⁰⁸ *Solari*, 264 A.2d at 61.
- ³⁰⁹ *Id.*
- ³¹⁰ *Eichorn v. AT&T Corp.*, 248 F.3d 131, 145 (3d Cir. 2001).
- ³¹¹ N.J. Stat. Ann. § 56:15-1 *et seq.*
- ³¹² *Id.* § 56:15-2.
- ³¹³ *Nichols v. Anderson*, 92 P.2d 781, 783 (N.M. 1939).
- ³¹⁴ *Lovelace Clinic v. Murphy*, 417 P.2d 450, 454 (N.M. 1966).
- ³¹⁵ *Nichols*, 92 P.2d at 784.
- ³¹⁶ N.M. Stat Ann. §§ 57-3A-1 to -7.
- ³¹⁷ *Geritrex Corp. v. Dermarite Indus., LLC*, 910 F. Supp. 955, 959 (S.D.N.Y. 1996) (internal citations omitted).
- ³¹⁸ *Innovative Networks, Inc. v. Satellite Airlines Ticketing Centers, Inc.*, 871 F. Supp. 709, 728 (S.D.N.Y. 1995).
- ³¹⁹ *Ivy Mar Co. v. C.R. Seasons, Ltd.*, 907 F. Supp. 547, 555 n. 7 (E.D.N.Y. 1995) (internal citations omitted), *disapproved of on other grounds by Faiveley Transport Malmo AB v. Wabtec Corp.*, 559 F.3d 110 (2d Cir. 2009).
- ³²⁰ *AM Medica Communications Group v. Kilgallen*, 261 F. Supp. 2d 258, 263 (S.D.N.Y. 2003) (“However, the Court declines to exercise such discretion because the contract as a whole overreaches.”); *Heartland Secs. Corp. v. Gerstenblatt*, 2000 WL 303274, at *10 (S.D.N.Y. March 22, 2000) (“This Court declines to exercise its discretion to ‘blue pencil’ the provisions at issue in an effort to make them enforceable.”).
- ³²¹ *BDO Seidman v. Hirshberg*, 712 N.E.2d 1220, 1226 (N.Y. 1999); *Veramark Technologies, Inc. v. Bouk*, 10 F. Supp. 3d 395, 404 (W.D.N.Y. 2014).

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- 322 *BDO Seidman*, 712 N.E.2d at 1225 (N.Y. 1999).
- 323 *Id.* at 1224–25.
- 324 *Id.*
- 325 *FTI Consulting v. Graves*, 2007 WL 2192200, at *8 (S.D.N.Y. July 31, 2007).
- 326 *Glob. Telesystems Inc. v. KPNQWEST, N.V.*, 151 F. Supp. 2d 478, 482 (S.D.N.Y. 2001).
- 327 *Ashland Mgmt. v. Fanien*, 624 N.E.2d 1007, 1012-13 (N.Y. 1993).
- 328 *Id.*
- 329 N.C. Gen. Stat. § 75-4; *New Hanover Rent-A-Car, Inc. v. Martinez*, 525 S.E.2d 487, 489 (N.C. App. 2000).
- 330 *VisionAIR, Inc. v. James*, 606 S.E.2d 359, 362 (N.C. App. 2004).
- 331 *Farr Associates, Inc. v. Baskin*, 530 S.E.2d 878, 881 (N.C. App. 2000).
- 332 *United Labs v. Kuykendall*, 370 S.E.2d 375, 380–81 (N.C. 1988) (internal citations omitted).
- 333 *Hartman v. W.H. Odell and Associates, Inc.*, 450 S.E.2d 912, 920 (N.C. App. 1994).
- 334 *Id.* at 920.
- 335 *Id.* at 916.
- 336 *See, e.g., Triangle Leasing Co., Inc. v. McMahon*, 393 S.E.2d 854, 857–58 (N.C. 1990).
- 337 *Sunbelt Rentals Inc. v. Head & Engquist Equipment LLC*, 620 S.E.2d 222, 230–31 (NC Ct. App. 2005) (ruling that defendants’ “conduct devastated, rather than competed with” plaintiff’s existing sales business “in violation of the Unfair and Deceptive Trade Practices Act”).
- 338 N.C. Gen. Stat. §§ 66-152 to -162.
- 339 *Id.* § 66-152.
- 340 *Id.* § 66-152(1).
- 341 *Id.* § 66-154(a).
- 342 *Analog Devices, Inc. v. Michalski*, 579 S.E.2d 449, 453 (N.C. App. 2003) (internal citations omitted).
- 343 N.D. Cent. Code § 9-08-06.
- 344 *Id.* §§ 9-08-06 (1)-(2).
- 345 *Warner & Co. v. Solberg*, 634 N.W.2d 65, 71–73 (N.D. 2001).
- 346 N.D. Cent. Code §§ 47-25.1-01 to -08.
- 347 *Brentlinger Enterprises v. Curran*, 752 N.E.2d 994, 1001 (Ohio App. 10th Dist. 2001) (internal citations omitted). *But see FirstEnergy Solutions Corp v. Flerick*, 521 Fed. Appx. 521, 528 (6th Cir. 2013) (applying Ohio law and limiting the holding of *Brentlinger* to its facts, and noting that *Bretlinger* merely held that the trial court did not abuse its discretion and should not be read broadly).
- 348 *E. P. I. of Cleveland, Inc. v. Basler*, 230 N.E.2d 552, 555 (Ohio App. 8th Dist. 1967).
- 349 *Briggs v. Butler*, 45 N.E.2d 757, 761-62 (Ohio 1942).
- 350 *Id.* at 762.
- 351 *Id.*
- 352 *Id.*
- 353 *Raimonde v. Van Vlerah*, 325 N.E.2d 544, 547 (Ohio 1975).
- 354 *Id.*
- 355 *Id.*
- 356 *Id.*

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- ³⁵⁷ *Cent. Bus. Servs., Inc. v. Urb.*, 900 N.E.2d 1048, 1053 (Ohio App. 8th Dist. 2008) (citations omitted).
- ³⁵⁸ Ohio Rev. Code Ann. §§ 1333.61–69.
- ³⁵⁹ 15 Okla. Stat. Ann. § 217.
- ³⁶⁰ *Id.* §§ 218–19.
- ³⁶¹ *Id.* § 219A.
- ³⁶² *Inergy Propane, LLC v. Lundy*, 219 P.3d 547 (Okla. App. Div. 2 2008).
- ³⁶³ 15 Okla. Stat. Ann. § 219B; *See also Helmerich & Payne Intl. Drilling Co. v. Schlumberger Tech. Corp.*, 2017 WL 6597512, at *6 (N.D. Okla. Dec. 26, 2017) (citing statutory provision, collecting cases, and noting that “Oklahoma statutes include an exception from section 217’s prohibition for non-solicitation agreements pursuant to which an employee is prohibited from soliciting employees of one business to becomes [sic] employees of another”).
- ³⁶⁴ 78 Okla. Stat. Ann. §§ 85–95.
- ³⁶⁵ *IKON Off. Sols., Inc. v. Am. Off. Products, Inc.*, 178 F. Supp. 2d 1154 (D. Or. 2001), *aff’d*, 61 Fed. Appx. 378 (9th Cir. 2003)(unpublished).
- ³⁶⁶ *See* Or. Rev. Stat. § 653.295.
- ³⁶⁷ *See id.* §§ 653.295(1)(a)-(c).
- ³⁶⁸ *See Bernard v. S.B., Inc.*, 350 P.3d 460, 464-65 (Or. App. 2015) (concluding that non-compete agreements before the 2007 statutory amendment are likely *void ab initio*; but that non-compete agreements entered after 2007 are voidable).
- ³⁶⁹ *Olsten Corp. v. Sommers*, 534 F. Supp. 395 (D. Or. 1982).
- ³⁷⁰ Or. Rev. Stat. § 653.295(6).
- ³⁷¹ *Id.* § 653.295(5)(b).
- ³⁷² *Id.* § 653.295; *First Allmerica Fin. Life Ins. Co. v. Sumner*, 212 F. Supp. 2d 1235, 1238 (D. Or. 2002).
- ³⁷³ Or. Rev. Stat. § 646.461 *et seq.*
- ³⁷⁴ *Wellspan Healthy v. Bayliss*, 869 A.2d 990, 997 (Pa. Super Ct. 2005) (internal citations omitted).
- ³⁷⁵ *Hess v. Gebhard & Co. Inc.*, 808 A.2d 912, 920 (Pa. 2002).
- ³⁷⁶ *Rullex Co. v. Tel-Stream, Inc.*, 232 A.3d 620, 625-27 (Pa. 2020).
- ³⁷⁷ *Id.* at 920, 920 n.7; *Sidco Paper Co. v. Aaron*, 351 A.2d 250, 255 n.8 (Pa. 1976); *Mrozek v. Eiter*, 805 A.2d 535, 539 (Pa. Super. 2002). *See also Hillard v. Medtronic, Inc.*, 910 F. Supp. 173, 176-77 (M.D. Pa. 1995) (concluding that overwhelming Pennsylvania authority supports the principle that a court sitting in equity may reform or “Blue Pencil” or “blue-line” a non-competition covenant).
- ³⁷⁸ *Natl. Bus. Services, Inc. v. Wright*, 2 F. Supp. 2d 701, 707 (E.D. Pa. 1998); *Gagliardi Bros. v. Caputo*, 538 F. Supp. 525, 527 (E.D. Pa. 1982); *Thermo-Guard, Inc. v. Cochran*, 596 A.2d 188, 193 (Pa. Super. 1991) (superseded by rule on other grounds).
- ³⁷⁹ *Unisys Corp. v. Entex Info. Services, Inc.*, 45 Pa. D. & C.4th 405, 411 (Pa. Com. Pl. 2000).
- ³⁸⁰ 12 Pa. Cons. Stat. § 5301 *et seq.*
- ³⁸¹ R.I. Gen. Laws Ann. § 28-59-3.
- ³⁸² *Durapin, Inc. v. Am. Products, Inc.*, 559 A.2d 1051, 1053 (R.I. 1989).
- ³⁸³ *Koppers Prods. Co. v. Radio*, 60 R.I. 207, 209 (1938); *see also Astro-Med, Inc. v. Nihon Kohden Am., Inc.*, 591 F.3d 1, 14 (1st Cir. 2009) (re-affirming rule in modern context).
- ³⁸⁴ *Cranston Print Works Co. v. Pothier*, 848 A.2d 213, 221 (R.I. 2004).
- ³⁸⁵ *See, e.g., Baris v. Steinlage*, 2003 WL 23195568, at *22 (R.I. Super. Dec. 12, 2003) (collecting cases).
- ³⁸⁶ R.I. Gen. Laws §§ 6-41-1 to -11.

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- ³⁸⁷ *Oxman v. Profitt*, 126 S.E. 2d 852, 854 (S.C. 1962).
- ³⁸⁸ *Carolina Chem. Equip. Co. v. Muckenfuss*, 471 S.E.2d 721, 723-24 (S.C. Ct. App. 1996). This limitation does not extend to non-disclosure agreements in reference to inventions “derived from . . . work for the employer.” *Milliken & Co. v. Morin*, 731 S.E.2d 288 (S.C. 2012). The Supreme Court of South Carolina held a non-disclosure clause in a research physicist’s contract enforceable because the employer has a right to inventions and ideas related to the work performed for that employer. *Id.* at 32.
- ³⁸⁹ *Poynter Invs., Inc. v. Century Builders of Piedmont, Inc.*, 694 S.E. 2d 15, 18 (S.C. 2010).
- ³⁹⁰ *Rockford Mfg. v. Bennet*, 296 F. Supp. 2d 681, 688 (D.S.C. 2003).
- ³⁹¹ *Wolf v. Colonial Life and Accident Ins.*, 420 S.E. 2d 217, 221 (S.C. 1992) (citing *Oxman v. Sherman*, 122 S.E. 2d 559 (S.C. 1961)).
- ³⁹² S.C. Code Ann. § 39-8-10 *et seq.*
- ³⁹³ S.D. Codified Laws § 53-9-8.
- ³⁹⁴ *Id.* § 53-9-9.
- ³⁹⁵ *Id.* § 53-9-10.
- ³⁹⁶ *Id.* § 53-9-11.
- ³⁹⁷ *Id.* § 53-9-12.
- ³⁹⁸ *Id.* § 53-9-11.1(1)-(2).
- ³⁹⁹ *Franklin v. Forever Venture, Inc.*, 696 N.W. 2d 545, 551 (S.D. 2005) (collecting cases).
- ⁴⁰⁰ S.D. Codified Laws § 53-9-11.
- ⁴⁰¹ *Id.* § 53-9-11.1(3).
- ⁴⁰² *Commun. Tech. Sys., Inc. v. Densmore*, 583 N.W.2d 125 (S.D. 1998).
- ⁴⁰³ S.D. Codified Laws § 37-29-1 *et seq.*
- ⁴⁰⁴ *Hasty v. Rent-A-Driver, Inc.*, 671 S.W.2d 471, 472 (Tenn. 1984).
- ⁴⁰⁵ *Cent. Adjustment Bureau, Inc. v. Ingram*, 678 S.W.2d 28, 37 (Tenn. 1984).
- ⁴⁰⁶ Tenn. Code. Ann. § 63-1-148.
- ⁴⁰⁷ *Id.*
- ⁴⁰⁸ *Cent. Adjustment Bureau, Inc.*, 678 S.W.2d at 37.
- ⁴⁰⁹ *See id.*
- ⁴¹⁰ Tenn. Code Ann. §§ 47-25-1701, *et seq.*
- ⁴¹¹ Tex. Bus. & Com. Code Ann § 15.50(a).
- ⁴¹² *Id.* § 15.51(c)
- ⁴¹³ *Id.*
- ⁴¹⁴ *SafeWorks, LLC v. Max Access, Inc.*, No. H-08-2860, 2009 WL 959969 (Tex. Apr. 9, 2009) (“A non-solicitation provision in a contract is also a restraint on trade and must meet the requirements of § 15.50 to be enforceable.”).
- ⁴¹⁵ *Hosp. Consultants v. Potyka*, 531 S.W. 2d 657 (Tex. Civ. App. 1975) (holding no-hire agreements invalid when restrictions on an employee are the result of an agreement between others rather than the employee him or herself entering freely into the agreement).
- ⁴¹⁶ *See also Blasé Indus. Corp. v. Anorad Co.*, 442 F.3d 235 (5th Cir. Tex. 2006).
- ⁴¹⁷ Tex. Civ. Prac. & Rem. Code Ann. § 134A.001.
- ⁴¹⁸ *StoneCoat of Texas, LLC v. ProCal Stone Design, LLC*, 426 F. Supp. 3d 311, 333 (E.D. Tex. 2019).
- ⁴¹⁹ Utah Code Ann. § 34-51-201

⁴²⁰ *Id.*

⁴²¹ *Kasco Servs. Corp. v. Benson*, 831 P.2d 86, 88 n.1 (Utah 1992).

⁴²² *TruGreen Co., LLC. v. Mower Brothers*, 199 P.3d 929, 932 (Utah 2008). (“In an employment context, it is not uncommon for an employer to require an employee to sign a contract stating that the employee will not compete with the employer, disclose private information, or solicit the employer’s customers. We have held that such covenants are enforceable as long as they are supported by consideration, negotiated in good faith, necessary to protect a company’s good will, and reasonably limited in time and geographic area.”).

⁴²³ Utah Code Ann. § 13-24-1 *et seq.*

⁴²⁴ *Roy’s Orthopedic v. Lavigne*, 454 A.2d 1242, 1244 (Vt. 1982).

⁴²⁵ *Vt. Elec. Supply Co. v. Andrus*, 315 A.2d 456, 458 (Vt. 1974).

⁴²⁶ *Roy’s Orthopedic*, 487 A.2d at 175.

⁴²⁷ *A.N. Deringer, Inc. v. Strough*, 103 F.3d 243 (2nd Cir. 1996).

⁴²⁸ *Id.* at 248.

⁴²⁹ *Majestic Corp. of Am., Inc. v. Crepeau*, 2007 WL 922267, at *6 (D. Vt. Mar. 23, 2007) (citation omitted).

⁴³⁰ Vt. Stat. Ann. tit. 9 § 4601 *et seq.*

⁴³¹ Va. Stat Ann. § 40.1-28.7:8.

⁴³² *Id.*

⁴³³ *Id.*

⁴³⁴ *Id.*

⁴³⁵ *Richardson v. Paxton Co.*, 127 S.E.2d 113, 117 (Va. 1962).

⁴³⁶ *Id.*

⁴³⁷ *New River Media Group, Inc. v. Knighton*, 429 S.E.2d 25, 26 (Va. 1993) (citations omitted).

⁴³⁸ *See, e.g., O’Sullivan Films, Inc. v. Neaves*, 352 F. Supp. 3d 617, 626 (W.D. Va. 2018) (holding that non-competition agreement was enforceable as it met common law test and prohibited competition from direct competitor, and collecting cases); *Omniplex World Services Corp. v. U.S. Investigations Services, Inc.*, 618 S.E.2d 340, 342 (Va. 2005) (same).

⁴³⁹ *Modern Environments, Inc. v. Stinnett*, 561 S.E.2d 694, 696 (Va. 2002).

⁴⁴⁰ *Id.*; *Lasership Inc. v. Watson*, 79 Va. Cir. 205 (Va. Cir. 2009) (citing cases); *Home Paramount Pest Control Companies, Inc. v. Shaffer*, 718 S.E.2d 762 (Va. 2011) (overturning prior Virginia common law and holding that non-competition agreements attempting to bar employees from working for *any* other business in the same industry in any capacity was overbroad and therefore unenforceable. The employer must confine the non-competition provision to the specific activities engaged in by the employee).

⁴⁴¹ *E.g., Lanmark Tech., Inc. v. Canales*, 454 F.Supp.2d 524, 529 (E.D.Va. 2006).

⁴⁴² Va. Code Ann. § 40.1-28.7:7.

⁴⁴³ *See Paramount Terminate Control Co., Inc. v. Rector*, 380 S.E.2d 922, 925 (Va. 1989), overruled in part on other grounds by *Home Paramount Pest Control Companies, Inc. v. Shaffer*, 718 S.E.2d 762 (Va. 2011).

⁴⁴⁴ *Mona Elec. Group, Inc. v. Truland Serv. Corp.*, 193 F.Supp.2d 874, 876-77 (E.D.Va. 2002).

⁴⁴⁵ *Therapy Serv. Inc. v. Crystal City Nursing Ctr., Inc.* 389 S.E.2d 710, 711 (Va. 1990).

⁴⁴⁶ *Id.*; *Lumber Liquidators, Inc. v. Cabinets To Go, LLC*, 415 F. Supp. 3d 703, 716 (E.D. Va. 2019).

⁴⁴⁷ *Therapy Serv. Inc.*, 389 SE.2d at 711 (citing *Merriman v. Cover, Drayton & Leonard*, 51 S.E. 817, 819 (Va. 1905)).

⁴⁴⁸ *Id.* at 711.

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- 449 Va. Code Ann. § 59.1-336 *et seq.*
- 450 *Id.*
- 451 Wash. Rev. Code. § 49.62.010
- 452 *Id.* §§ 49.62.020(1)(a)-(c).
- 453 *Id.* § 49.62.080.
- 454 *Id.*
- 455 *Id.* § 49.62.020(2).
- 456 *Id.*
- 457 *Racine v. Bender*, 252 P. 115 (Wash. 1927); *Alexander & Alexander, Inc. v. Wohlman*, 578 P.2d 530, 539 (Wash. App. 1978).
- 458 *Copier Specialists, Inc. v. Gillen*, 887 P.2d 919, 920 (Wash. Ct. App. 1995). *See also Perry v. Moran*, 748 P.2d 224, 230 (Wash. 1987), modified by 766 P.2d 1096 (Wash. 1989); *Copier Specialists, Inc. v. Gillen*, 887 P.2d 919 (Wash. App. 1995).
- 459 *Hometask Handyman Serv. v. Cooper*, 2007 WL 3228459, at *4 & n.3 (D. Wash. Oct. 30, 2007); *Sheppard v. Blackstock Lumber Co.*, 540 P.2d 1373, 1377 (Wash. Ct. App. 1975).
- 460 Wash. Rev. Code § 49.62.010.
- 461 *See Pacific Aerospace & Elec., Inc. v. Taylor*, 295 F. Supp. 2d 1205, 1216 (E.D. Wash. 2003).
- 462 *Id.* at 1216-17.
- 463 Rev. Code Wash. § 19.108, *et seq.*
- 464 *Torbett v. Wheeling Dollar Sav. & Trust Co.*, 314 S.E.2d 166, n.5 (W. Va. 1983) (employment related covenants do not *per se* violate the West Virginia antitrust statute); *see W.Va. Code § 47-18-3(a)*.
- 465 *Reddy v. Cmty. Health Found. of Man*, 298 S.E. 2d 906, 910 (W. Va. 1982); *Costanzo v. EMS USA, Inc.*, 2017 WL 4215952, at *2 (N.D.W. Va. Sept. 21, 2017).
- 466 *Gant v. Hygeia Facilities Found., Inc.*, 384 S.E.2d 842, 843, 845 (W. Va. 1989).
- 467 *Voorhees v. Guyan Mach. Co.*, 446 S.E. 2d 672, 676-77 (W. Va. 1964) (setting forth test but refusing to uphold covenant); *Moore Business Forms v. Foppiano*, 382 S.E.2d 499, 501 (W. Va. 1989) (same).
- 468 *Gant*, 384 S.E.2d at 846.
- 469 Physicians Freedom of Practice Act, W. Va. Code §47-11E-2.
- 470 *Reddy*, 298 S.E. 2d at 914 (alterations in original).
- 471 *Wood v. Acordia of W. Va.*, 618 S.E. 2d 415, 420-21 (W.Va. 2005).
- 472 *Id.*
- 473 W. VA. Code. § 47-22-1 *et seq.*
- 474 *Id.* § 47-22-1(d).
- 475 *Haught v. Louis Berkman LLC*, 417 F. Supp. 2d 777, 784 (N.D. W.Va. 2006).
- 476 Wis. Stat. Ann. § 103.465.
- 477 *Selmer Co. v. Rinn*, 789 N.W.2d 621, 628 (Wis. Ct. App. 2010).
- 478 *Pollack v. Calimag*, 458 N.W.2d 591, 598 (Wis. Ct. App. 1999).
- 479 *Chuck Wagon Catering, Inc. v. Raduege*, 277 N.W.2d 787, 792 (Wis. 1979).
- 480 *Gary Van Zeeland Talent, Inc. v. Sandas*, 267 N.W. 2d 242, 250 (Wis. 1978).
- 481 *Manitowoc Co., Inc. v. Lanning*, 906 N.W.2d 130, 133 (Wis. 2018).

⁴⁸² *Farm Credit Serv. of N. Cent. Wis., ACA v. Wysocki*, 627 N.W. 2d 444 (Wis. 2001).

⁴⁸³ *Heyde Companies, Inc. v. Dove Healthcare, LLC*, 654 N.W.2d 830, 836 (Wis. 2002).

⁴⁸⁴ *Id.* at 834 (explaining that statute applies because such covenants “essentially deal[] with restraint of trade” by having the effect of restricting employment of an organization’s employees).

⁴⁸⁵ *Mutual Service Casualty. Ins. Co. v. Brass*, 625 N.W. 2d 648, 655 (Wis. Ct. App. 2001), *overruled on other grounds by Star Direct, Inc. v. Dal PRA*, 767 N.W. 2d 898 (Wis. 2009), *citing Gary v. Van Zeeland Talent, Inc. v. Sandas*, 267 N.W.2d 242 (Wis. 1978).

⁴⁸⁶ Wis. Stat. Ann. § 134.90 *et seq.*

⁴⁸⁷ *Id.* § 134.90(1)(c).

⁴⁸⁸ *CBM Geosolutions, Inc. v. Gas Sensing Tech. Corp.*, 215 P.3d 1054, 1059 (Wyo. 2009); *Hopper v. All Pet Animal Clinic, Inc.*, 861 P.2d 531, 540 (Wyo. 1993).

⁴⁸⁹ *See, e.g., Hopper* 861 P.2d at 545 (applying Restatement (Second) of Contracts § 188 (1981) and determining there was no reasonable relationship between the three year durational requirement and the protection of the employer’s alleged interest, rendering non-compete invalid).

⁴⁹⁰ *Id.* at 546.

⁴⁹¹ *Hassler v. Circle C. Res.*, 505 P.3d 169, 178 (Wyo. 2022).

⁴⁹² *USI Ins. Services LLC v. Craig*, 2018 WL 9868577, at *3 (D. Wyo. Aug. 9, 2018).

⁴⁹³ *Ridley v. Krout*, 180 P.2d 124, 129 (Wyo. 1947).

⁴⁹⁴ Wyo. Stat. Ann. § 40-24-101 *et seq.*

⁴⁹⁵ *Id.* § 40-24-101(iv).

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