

LEGAL EASE

NONCOMPETE AGREEMENTS

What is a noncompete agreement?

Properly drafted noncompetition agreements are an essential tool to help you retain your workforce and fight off competition. Traditionally, employers have used these agreements to prevent former employees from working for a competitor and/or protect valuable trade secret information.

Do these agreements help retain employees?

Yes. Noncompete agreements act as a deterrent for employees who may consider leaving their current job to work for a competing firm. When faced with the possibility of litigation, many employees decide that the grass is not necessarily greener on the other side. As a result, noncompete agreements often serve as a mechanism to retain quality employees.

Are the contracts enforceable?

Ohio courts generally will enforce noncompete agreements so long as they are reasonable in geographical scope and duration. Typically, an employer cannot restrict competition in an area greater than that which the employer legitimately needs protection. Ohio courts generally consider two years as the maximum duration for a valid non-compete agreement. The courts also may revise overbroad agreements to make them reasonable.

All companies should consider using noncompete agreements—whether your company is looking to protect its trade secrets or retain its best employees. <<



MICHELE L. JAKUBS, ATTORNEY,
ZASHIN & RICH CO., LPA

PHONE ► (216) 696-4441

E-MAIL ► MLJ@ZRLAW.COM