

Advisory | Labor & Employment



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GT Publishes a Multi-Country Survey with the ACC on Covenants Not to Compete

Greenberg Traurig recently published a [multi-country survey InfoPAKSM](#) on covenants not to compete through the [Association of Corporate Counsel \(ACC\)](#). Covenants not to compete are important for employers to consider in order to protect proprietary information such as trade secrets, intellectual property, and highly confidential information. However, these post-employment restrictions vary country by country. These differences should be considered when an employer enters into an agreement with an employee.

The InfoPAKSM provides a comprehensive summary of the law governing covenants not to compete in 14 different countries, including the key statutes, whether consideration is required, whether they are enforceable, and the geographic and time restrictions courts have found to be reasonable. The InfoPAKSM is intended to be used by in-house counsel to understand the law surrounding covenants not to compete in each country. This resource may aid in the counseling and drafting of covenants and provide guidance regarding commonly-occurring contract issues, including factors that courts consider when analyzing a covenant not to compete.

One way to prevent your critical employees from walking out your doors with your intellectual and proprietary information may be through the contractual agreements containing provisions that prevent or restrict movement, such as covenants not to compete or non-competition agreements. Accordingly, in-house counsel should understand the applicable law concerning a specific type of restrictive covenant, namely non-competition agreements, which also are known as covenants not to compete. Non-competition agreements restrict one party, usually an employee, from entering into or starting a similar

business that is in competition with another party, usually an employer. Many courts do not favor non-competition agreements, and where enforceable, may require that such agreements be narrowly-tailored as to, time, scope of activity to be restrained and duration. The law, practice and court enforcement of non-competition agreements varies markedly between jurisdictions. A well-written non-competition covenant in one country may not be enforceable in another country, and in some locations, non-competition covenants are not enforceable at all.

Organized by country, the InfoPAKSM discusses some of the most important factors to consider when drafting a covenant not to compete and is intended to provide users with a basic understanding of these different areas and guide further research on specific topics by providing references to relevant statutes and case law. The survey includes the following countries:

- Australia
- Canada (save for Quebec)
- France
- Germany
- India
- Italy
- Japan
- Mexico
- The Netherlands
- Russia
- Singapore
- South Africa
- United Arab Emirates
- United Kingdom (England & Wales)

Please click [here](#) to access the multi-country survey on covenants not to compete. It is reprinted with permission from Association of Corporate Counsel 2018. All Rights Reserved. www.acc.com. Or, members of the ACC can download the InfoPAKSM on the [ACC's website](#).

In 2015, Greenberg Traurig published a [50-state survey on covenants not to compete](#), also through the ACC. Members of the ACC can download the InfoPAKSM on the [ACC's website](#).

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