

#### 29<sup>TH</sup> ANNUAL

#### LABOR AND EMPLOYMENT LAW CONFERENCE

### TRADE SECRET AND NON-COMPETE UPDATE

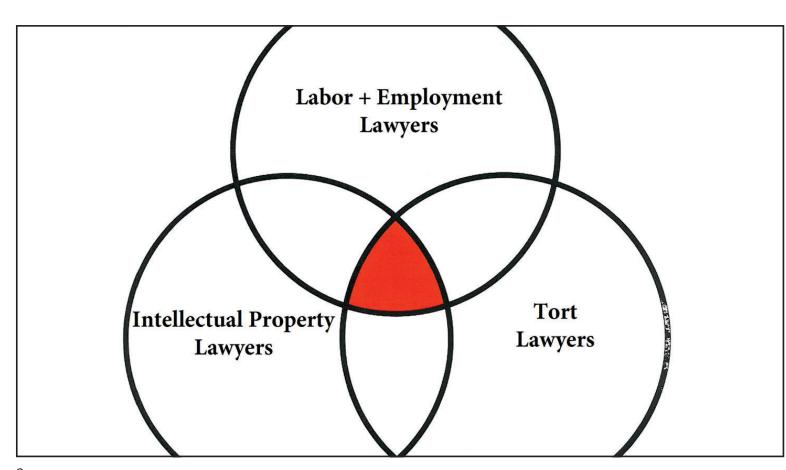
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#### Can feel like...



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#### Refresher on Non-Compete Principles

- Restriction on Trade→Strictly Construed Tex. Bus. & Com. Code § 15.50 have reasonable restrictions:
  - <u>time limitations</u>
  - geographical restrictions, and
  - scope of activity limitations; and
- <u>No more restrictive than necessary</u> to protect the goodwill/other legitimate business interest of the employer
- Enforced as written?
- Former employers do not "own their brain" and cannot restrict use of general education, knowledge, skills, & experience, even if gained during employment

## Planning for the Non-Compete Injunction Hearing--Employer

- What is most important?
- What is "fall back" if reformation?
- Could that preclude damages?
- Contract Damages Are Available
  - Lost profits
  - Costs to restore goodwill

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# Irreparable Injury

- Imminent risk of injury is required
- Must prove injury is irreparable
- Proof damages cannot be reasonably calculated
- Valid cause(s) of action





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#### Title search: Trade Secret and Non-Compete Update

Also available as part of the eCourse 2022 Labor and Employment Law eConference

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