

How Would the FTC Proposed Ban on Non-Compete Clauses Affect Workers?

FEATURED ATTORNEY



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Of Counsel

Non-Compete Agreements Overview

[Sharon Stiller](#), Partner and Director of the [Employment Law Practice](#), was recently interviewed on the Connections with Evan Dawson show and discussed the proposed FTC ruling on non-compete clauses. The segment was broadcast on WXXI, a Rochester-based radio station.

Ms. Stiller stated that there are “a lot of misunderstandings” regarding the rules for the non-compete clauses, and that the regulations are not straightforward, as can be complex.

While each case depends upon an individual’s situation, to help clarify the complexities, the New York State Attorney General’s Office provides an [FAQ on non-compete](#) clauses.

In her interview, Ms. Stiller did clarify the overall concept behind these clauses.

- They are **not intended** to prohibit the skills that the employee developed.
- They are **intended** to serve the purpose of preventing someone from stealing a company’s intellectual property and trade secrets.

“Where do you draw the line?” Ms. Stiller said, and emphasized that this is why non-compete cases must be treated on an individual basis. She provided the example of the Kodak company, who lost a case against a former employee who left the company to work for an industry competitor after it was ruled that the former employee did not steal any trade secrets.

Why Younger People Are Most Vulnerable to Non-Compete Clauses

Younger people are most vulnerable as they are forced to sign these agreements which are essentially “lopsided”, Ms. Stiller advised. They are advantageous for the company and these young people do not have the means to hire a lawyer to negotiate on their behalf. “Younger people should be allowed to move on and maximize their earnings”.

Ms. Stiller said that “this is where you need the help of the federal government to step in” and put a balance to what is currently an uneven agreement.

Corporations Do Have a Right to Seek Legal Action

Ms. Stiller stressed that there are two sides to everything and there are circumstances where companies do have a legitimate reason to litigate their non-compete agreement.

She has represented corporations that have found employees who have stolen intellectual property, such as a case where defense information was stolen and she defended another company where an employee took information from a computer and then deleted it.

If you need to speak to an attorney regarding non-compete agreements or labor laws, please contact Sharon Stiller in Rochester at (585) 218-9999, ext. 406, or email ssiller@abramslaw.com.