

practice chair

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Carter Ledyard has a nationally known restrictive covenants practice. For many of our clients, protecting their key employees through employment agreements or restrictive covenant agreements is critical to protecting their business, trade secrets and goodwill. Our practice starts with counseling clients about post-employment restrictions on employees, independent contractors and consultants. We help our clients determine whether they can or should have restrictive covenants in place, and we have unique knowledge to craft agreements that are capable of withstanding legal challenges to enforcement posed by likely competitors and disloyal employees.

We work closely with clients to develop strategies to protect the assets, goodwill and confidential information of clients who are concerned that a competitor is hiring, or is about to hire, the clients' employees. We also consult with clients who are considering hiring employees from a competitor to minimize the risk to our clients.

We often prosecute and defend litigation involving recruitment and retention of employees, including claims of theft of trade secrets, breach of fiduciary duty, breach of non-solicitation and non-competition restraints and related claims. Our group has a notable record of success both in enforcing and defending against the enforcement of restrictive covenants that preclude competition or solicitation of clients and employees and misuse of confidential information and trade secrets. These actions frequently involve seeking emergency relief, including temporary restraining orders and preliminary injunctions, that is often crucial to an employer seeking to prevent the improper dissemination of confidential information and other forms of injurious competition.

Because of the firm's close work with many financial institutions and brokerage firms, we often represent our clients in arbitrations and other alternative dispute proceedings to resolve employment disputes.

We represented a New York based Wealth Management Organization when it was faced with the en masse resignation of virtually all the members of one of its asset management groups to form a competing business. We initially obtained an injunction against the defendants' use of our client's confidential information, their solicitation of its clients and their use of a name similar to the asset management group. After nearly two weeks of trial before a

Manhattan jury, the defendants were persuaded to reach a confidential settlement.

We have long represented a well-known New York based investment bank in designing its restrictive covenants and enforcing their terms.

We helped a leading inter-dealer broker design and enforce its restrictive covenants. As part of this representation, we are involved in numerous litigations, arbitrations and applications for injunctive relief in disputes with competitors regarding hiring of our clients' employees, as well as our client's hiring of employees who formerly worked for competitors.

Professional Activities

The members of our Restrictive Covenants Practice routinely write and speak on topics relating to restrictive covenants, including garden leave, trends in enforcement of restrictive covenants, protecting trade secrets and confidential information, variations on non-solicitation agreements, and fiduciary duties of employees and others including headhunters.