

CASE STUDIES

Appellate Victory in Non-Compete Agreement Enforcement for Home Warranty Company

Breach of confidentiality/non-compete agreement

Client industry: Home warranty

Type of case: Breach of confidentiality/non-compete agreement

Court: U.S. District Court for the Western District of Tennessee and the Sixth Circuit Court of Appeals

Result: Granted preliminary injunction in favor of client

Buck Lewis successfully represented a Tennessee-based home warranty company in U.S. District Court (Western District of Tennessee) and before the Sixth Circuit Court of Appeals seeking enforcement of a non-compete agreement against a former employee who lived and worked solely in California. The former employee left the client's employ to work for one of the client's direct competitors and was actively soliciting the client's customers.

The case involved a complex issue of first impression regarding the enforcement of a Tennessee choice-of-law provision within a California employee's non-compete agreement. Under California law, most employee non-compete agreements are unenforceable. Some courts outside of Tennessee refuse to enforce non-compete agreements with California employees, regardless of the non-compete agreement's choice-of-law provision.

Utilizing the extensive resources available to the Firm, we were able to file multiple briefs in the District Court and the Sixth Circuit thoroughly addressing the issue of first impression, and successfully argued that the employee should be restrained from competing with the client at a lengthy preliminary injunction hearing.