

Rebalancing IP Protection and Employee Mobility? [Daily Business Review]

Samuel Lewis authored an article discussing the complexities and challenges of using noncompetition agreements in intellectual property law to protect a company's trade secrets. Sam highlighted the evolving legal landscape, in which some states currently ban noncompetes while others impose strict requirements for their enforcement. The Federal Trade Commission recently issued a final rule, effective August 2024, aiming to ban nearly all noncompetes nationwide, except for senior executives, with the intent to promote competition and employee mobility. However, Sam explained that the rule faces legal challenges, with business associations suing the FTC as they argue violations of the Administrative Procedure Act, signaling possible future legal battles over its implementation.

Despite recognizing that noncompetes may be subject to abuse, organizations like the American Intellectual Property Law Association oppose the FTC's rule, advocating for a more balanced approach to address unfair business practices involving noncompetes. Sam noted that the rule's impact remains uncertain amid ongoing legal disputes, with potential implications for businesses, employees, and the legal framework surrounding noncompetes across different states.

To read more, [click here](#).

Related Practice Areas

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- Trade Secrets, Restrictive Covenants, and Computer Abuse