

Insights

When it comes to Cybersecurity Services, Non-compete Agreements remain Viable Tools to Protect your Workforce and Competition

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When it comes to cybersecurity services, non-compete agreements remain viable tools to protect your workforce and competition. Recently, Krieg DeVault successfully enforced a non-compete agreement on behalf of our client Rook Security ("Rook"). Rook Security is a managed security services provider (MSSP) based in Indianapolis, Indiana.

The Court emphasized the following factors as reasons to enforce the agreement. Rook spent years developing its unique service offerings that provide it with competitive advantages over its competition; the former employee had access to the technology and IP underlying those service offerings; the former employee had direct customer contact; a shortage of qualified candidates in the cyber security field exists in Indiana; the former employee had job opportunities that did not compete directly with Rook; and the former employee did not take advantage of Rook's outplacement assistance program. In all, the restrictions were reasonable given the circumstances before the Court. Furthermore, the court found Rook's legal remedies inadequate, the threatened injury to Rook outweighed the harm to the former employee and the public interest would not be disserved by the preliminary injunction.

The Court issued a preliminary injunction enforcing the non-compete clause and found Rook entitled to recover its reasonable attorneys' fees. On the parties' joint motion, the Court extended the injunction to the full 18 months provided in the employment agreement.