



Business Law Alert

Non-Compete Agreements and At-will Employees

Yesterday a client asked me whether he could require that his current, at-will employees sign an agreement not to compete with him after their employment is terminated. He wanted to know whether his agreement not to fire the employee is enough "consideration" to support a covenant not to compete.

The answer is 'No'. In Pennsylvania, continued employment is not enough to make a non-compete agreement enforceable once the employment relationship has begun. This is true even if the employee is an "at-will" employee. At-will employment is an employment relationship in which either party can terminate the relationship with no liability. That is, the employer is free to discharge individuals "for good cause, or bad cause, or no cause at all," and the employee is equally free to quit, strike, or otherwise cease work.

To make a non-compete agreement enforceable with a current, at-will employee, the new agreement must involve new or different parameters. For example, an employee's salary increase and classification change (promotion) must be based on the employee's following through with the employment contract and its new details. Otherwise, a non-compete agreement that is signed after the at-will employee has begun working is not binding.

There is a very narrow line between enforceability and non-enforceability for current employees, even at-will employees. If you have an at-will employee that you would like to sign an agreement not-to-compete, then I would highly suggest that you speak with an attorney before acting.

By: [Sharmil McKee, Esq.](#)

If you have questions, please contact Ms. McKee at 215-242-5260 or sm@mckeeoffice.com

Seminars::

Best Legal Entities for Your Business

August 10th at 7:00 pm

Speaker: Sharmil McKee, Esq.

[More Webinars](#) at MckeeOffice.com

Networking::

Roundtable Networking Breakfast

August 15th at 7:30 a.m.

Host: Center City Proprietors Association

[More Events](#) at MckeeOffice.com

McKee Law Office
Business Attorneys
Philadelphia, PA
215-242-5260
www.mckeeoffice.com



Business Law Alert

Firm News

McKee Law Office would like to welcome Ronmil Hoop as a new addition to the team. Ronmil is our first Sales Assistant. She will be responsible for coordinating the firm's sales activities. She brings over 5 years experience and knowledge. To congratulate her, she can be reached at 215-242-5260 or rh@mckeeoffice.com

We would like to congratulate, our client, Michael Pearson, President of Union Packaging, LLC, for winning the prestigious New York Regional Minority Enterprise Development Award last week.

Good Luck to Tracey Parson, President of Nursing On Demand, LLC, also a client, on the formation of her new 501(c)(3) organization, Nursing on Demand Education and Training Center, Inc.

Our Practice Areas

- Entity Selection, Legal Structure, Incorporation & Start up
- Contracts/Agreements
- Dispute Resolution
- Employment Law & Human Resources
- Intellectual Property
- Financing and Angel/Venture/Dept Capital
- Debt Collection
- WBE and MBE Certification

Referrals Welcome

Do you need a speaker at your next meeting?

We are happy to help.

As a speaker, Ms. McKee translates business law into plain English so that owners learn how to avoid future legal problems.

Call today at 215-242-5260

McKee Law Office
Business Attorneys
Philadelphia, PA
215-242-5260
www.mckeeoffice.com