

White House Takes Aim at Noncompetes in New Report

News

5.13.16

The article, “White House Takes Aim at Noncompetes in New Report,” featured in *Corporate Counsel*, discussed findings from a new report in which the Obama Administration argued that companies are overusing noncompete agreements to the detriment of workers.

Mike Greco weighed in on the findings.

Further, factors like education and income level, explained Mike, aren’t necessarily the best indicator of whether someone should have a non-compete or another type of restrictive covenant added to their contract. He emphasized that even lower-level employees of a company can have access to trade secrets and other important business information—the sort of “confidential information and relationships that you ought to be able to protect,” Mike said.

Besides saying that noncompetes are being given to the wrong workers, the White House report also pointed to other problems that the administration sees with their application—and how states have addressed these issues.

Some of these complaints are easier to address than others.

For instance, the report said that at least 37 percent of workers who have to sign noncompetes are asked to do so after they have already accepted a job offer. The practice forces a job hire to accept or reject the job before knowing whether they will be bound to a noncompete. Greco says he thinks most people would be in favor of stopping this practice—as a few states have already. “Who is going to stand up and say: no, we want to be able to do that?” he said.

To read the full article, please visit [Corporate Counsel](#).

Please reach out to our [Media team](#) for any news inquiries.

Related People





Michael R. Greco
Regional Managing Partner
303.218.3655
Email