Insurance Employee Can't Take Ex-Firm's Clients



Alert the presses. An employer finally got a court to enforce a non-compete against a former employee. The case involved a commercial insurance client "magnet" who worked his way up from broker to executive who left his company high and dry by announcing that he was moving to a competing firm and taking a big hunk of the client base with him. But the court issued an injunction not letting him follow through with his plans until after a trial to determine if he had violated his non-compete. The clause was narrow and pretty well drafted; but the big reason the employer won was the personal nature of client relationships in the insurance industry [Hub Int'l (Richmond Auto Mall) Ltd. v. Mendham, 2011 BCSC 1780, Dec. 23, 2011].