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[Illinois Court Holds That, Absent Other Consideration, Two Years Of Employment Is Required Consideration For A Restrictive Covenant](#)

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In [Fifield v. Premier Dealer Services, Inc.](#), an Illinois Appellate Court recently held that, absent other consideration, two years of employment is required for a restrictive covenant to be deemed supported by adequate consideration – even where the employee signed the restrictive covenant as a condition to his employment offer – and even where the employee voluntarily resigned.

This case involved an individual, Eric Fifield, whose employment was terminated as a result of the sale of his employer to Premier Dealership Services (“PDS”).

PDS offered to employ Fifield – but only if he agreed to sign a two-year, post-employment restrictive covenant. Fifield did so, but then resigned from PDS after working there for just over three months.

The Appellate Court held that the restrictive covenant was unenforceable because “there must be at least two years or more of continued employment to constitute adequate consideration in support of a restrictive covenant.” The Court further held that, for purposes of this two-year requirement, it does not matter whether the employee is terminated or resigns voluntarily.

The opinion does not indicate whether Fifield had a restrictive covenant with his prior employer which was transferred as a matter of law and/or assigned as part of the corporate transaction by which PDS purchased his prior employer. Similarly, the opinion does not indicate whether Fifield received any other consideration (other than the three months of employment) for his agreement to the restrictive covenant.

To our knowledge, this is the first Illinois state court decision to hold that an offer of employment by itself is not sufficient consideration for a restrictive covenant. Following the Illinois Supreme Court’s 2011 [Reliable Fire](#) decision, in which it modestly eased an employer’s burden when seeking to enforce a restrictive covenant, it will be interesting to see whether the Illinois Supreme Court chooses to weigh in on this issue if asked to do so.

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