# NONCOMPETE AND NON-SOLICITATION CLAUSES

## What is a noncompete or noncompetition clause?

A noncompetition clause is a provision, typically found in an employment contract or a contract for sale of a practice, in which an employee or seller of a practice agrees not to compete with the employer or purchaser of a practice within a certain geographic area for a certain period of time following termination of the employment relationship or purchase of the practice.

## Are noncompete clauses enforceable against physicians?

Generally, yes.[[1]](#footnote-1) Noncompete clauses are generally enforceable, as long as the duration, geographic area, and scope covered by the noncompete restriction are reasonable.[[2]](#footnote-2)

A physician should carefully review any contract containing a noncompete clause before signing to ensure that the duration, and geographic area, and scope of the noncompete area restriction are acceptable.

## What is a non-solicitation clause?

A non-solicitation clause is a provision, typically found in an employment contract, or contract for sale of a practice, in which an employee or seller of a practice agrees not to solicit business from patients or referral sources of the employer or purchaser of the practice following termination of the employment relationship or purchase of the practice.

## Are non-solicitation clauses enforceable?

Generally, yes. Non-solicitation clauses are a type of covenant not to compete, and are therefore generally enforceable as long as they are reasonable.[[3]](#footnote-3)

1. *Racine v. Bender*, 141 Wash. 606, 611 (1927) [↑](#footnote-ref-1)
2. *Wood v. May*, 73 Wn. 2d 307, 309 (quoting *Racine v. Bender*, 141 Wash. 606, 611); *see also*: *Sheppard v. Blackstock Lumber Co*.*,* 85 Wn. 2d 929*,*933. (quoting Blake,  *Employment Agreement not to Compete*, 73 Harv. L. Rev. 625 (1960)).. [↑](#footnote-ref-2)
3. *Vernon v. Lopez*, 2000 Wash. App. LEXIS 351, \*19; *see also*: *Perry v. Moran*, 109 Wn. 2d 691, 697 (quoting *Racine*, 141 Wash., at 607). [↑](#footnote-ref-3)