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Does *Edwards v. Arthur Anderson* Bar The Use of Employee Confidentiality Agreements?

In *Edwards v. Arthur Andersen*, the California Supreme Court reaffirmed California's strong public policy against covenants not to compete. The primary issue in *Edwards* was whether the Ninth Circuit's "narrow restraint" exception was a proper interpretation of California law. Under the narrow restraint exception, employers could enforce noncompetition agreements that did not "entirely preclude" an employee from practicing his or her trade, such as an agreement not to solicit specified customers for a specified period of time after employment. The agreement in *Edwards* was drafted to fall under this judicially-created exception. The Court rejected the "narrow restraint" exception, expressed a stark disapproval for judicially created exceptions to California Business and Professions Code Section 16600, and held that any time an agreement restricts an employee's "ability to practice his [] profession" in any way not explicitly excepted by the statute, it is void.

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