

Ignorance Is Bliss

By: Jack Greiner on November 12, 2012 on graydon.law

According to the U.S. Court of Appeals for the [Sixth Circuit](#), an employee didn't breach his non-compete clause when he redesigned another company's Web site and set up its LinkedIn account.

The employee, Don McGowan, worked in Automotive Support Group's marketing and human resource outsourcing services division. Another employee, his supervisor, had previously purchased the domain name for the new company. The supervisor solicited McGowan's help and provided him content for the Web site and LinkedIn account. All the while, the supervisor assured McGowan that the online accounts were simply placeholders and not real businesses. Seems plausible.

During a bout of downsizing, Automotive terminated McGowan and the supervisor. After that, Automotive discovered the Web site and LinkedIn account and sued McGowan for breach of the non-compete clause of his employment contract. The clause prohibited him from directly or indirectly soliciting business or performing services for any customer or potential customer of the company.

Everyone acknowledged that McGowan worked on the Web site and LinkedIn page. But McGowan cast enough doubt about whether he knew the online accounts were for a real business. Automotive attempted, but ultimately failed, to prove otherwise. So, the court sided with McGowan.

Oh yeah, and the court also ordered Automotive to pay the employee's unpaid wages, severance package, attorneys' fees, costs, and treble damages. Sometimes it pays not to ask too many questions.