

U.S. Supreme Court: State Court Should not have Ruled on Validity of Noncompete Clause; Issue Was for Arbitrator

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The [U.S. Supreme Court held](#) that the Oklahoma Supreme Court erroneously struck down a noncompete agreement, declaring it invalid under state law. The problem with the state court's decision, however, was that there was an arbitration agreement in the employer's employment agreements; thus, the U.S. Supreme Court found that the state court should have allowed an arbitrator to determine whether the non-compete was valid or not.

This case presents two very important employment law topics which seem to be at the center of many employment disputes these days: arbitration agreements and non-compete clauses. State law and federal law in these areas don't always work together to bring about the same result. It is therefore important that employers work closely with counsel to ensure that these types of agreements comply with the applicable laws and that they will be able to be enforced if and when challenged.

For more information read [Nitro-Lift Technologies, LLC v. Eddie Lee Howard, et al.](#)

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Topics

Arbitration, Non-Compete