

The Legal Counselor

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HOOTERS SUES COMPETITOR FOR TRADE SECRET THEFT

By: Chad Purdie, Miami Office

The mobility of the workforce can be a downright menace for companies whose competitive edge depends on proprietary information, and whose doesn't these days? A disgruntled employee can literally walk out the door with the company's secrets in his pocket. Such is the case in *Hooters of America, LLC v. La Cima Restaurants, LLC*. Hooters, the world famous restaurant known for its overly-friendly female waitresses, has recently sued a competitor, alleging misappropriation of trade secrets and seeking various injunctive relief. The lawsuit claims that Joseph Hummel, Hooters' former vice president of operations and purchasing, took valuable trade secrets and delivered them to the competitor upon being employed there.

Corporate executives need to know that they have the recourse to aggressively protect their trade secrets. In this article, Chad provides valuable insight into the legal issues that often underlie trade secrets litigation and some of the practical steps that employers can take to help safeguard their confidential information.

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THINGS TO CONSIDER BEFORE HIRING EMPLOYEES IN BRAZIL

By: Carol Incarnação-Schirm, Miami Office

If Brazilian employment law could be summed up in a sentence, it might be: The purpose of the law is to provide extensive protections to employees. Brazil's employment law is extremely employee-friendly. One of the benefits that this law confers is the thirteenth salary, earned at the end of each year for every employee, and 30 days of vacation. Employees whose working hours exceed the maximum hours of work prescribed by law earn overtime, ordinarily one of the

major sources of labor litigation. To top it all, courts tend to favor protecting employees and usually grant whatever benefit for which the individual has petitioned.

In this article, Carol provides an overview of the key legal issues that employers face when dealing with their workforce in Brazil; including minimum wages, employee benefits, and restrictions on working time. Carol also highlights some of the recent changes in the legal landscape relating to reduction in the social contribution rate by employers engaged in certain types of industries—which is some good news for employers in Brazil.

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LEGAL ISSUES WITH APPOINTING COMMERCIAL AGENTS IN COLOMBIA

By: Marcela Blanco, Bogota, D.C. Office

Engaging commercial agents in Colombia may be an attractive way of doing business for foreign entities wishing to enter and operate in the country without a legal presence. However, the Colombian Commercial Code provides special protections for local commercial agents against termination of their agency. It is therefore crucial for foreign companies to be aware of the key legal issues prior to entering the market through an agency arrangement. Moreover, adequate due diligence should be conducted on prospective commercial agents, and agency agreements should be carefully drafted.

In this article, Marcela highlights the mandatory provisions of local laws regulating agency relationships in Colombia. In addition, she discusses the Colombian Supreme Court's views concerning the special protections given to commercial agents in Colombia and the changes in agency laws that are expected following the imminent approval of the **Colombia-U.S. Free Trade Agreement**.

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SANCTIONS IN IRAN: ARE THEY EFFECTIVE?

By: Sumeet Chugani, Miami Office; Arti Sangar, Dubai Office

Sanctions are increasingly used to combat terrorism and to discourage regimes or individuals from acting in ways condemned by the international community or individual nations. However, the burning question is—How effective are these sanctions? In Iran's case, economic sanctions

have not stopped Iran's leaders from moving forward with a nuclear program. They have instead prompted Iranians to open new, thriving black markets for prohibited goods and services.

In this article, Arti and Sumeet measure the effects of the current sanctions regime against Iran and provide guidance to companies operating in Iran or doing business with Iran. Arti and Sumeet also discuss the complex nature of sanction compliance and the alarming emergence of the black market in Iran as a result of these sanctions.

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DUBAI AND HAWKAMAH TO DEVELOP A CORPORATE GOVERNANCE CODE

By: Arti Sangar, Dubai Office

In recent years the government of Dubai has arrested and charged a number of senior corporate executives from financial and real estate firms in connection with allegations of fraud and illegal financial transactions. With the office of Dubai's Ruler, HH Sheikh Mohammed Bin Rashid Al Maktoum, issuing a warning that "there will be no tolerance shown to anybody who tries to exploit his position to make illegal profits," corporate governance is being discussed with fervor among the business community in Dubai. Objectives of promoting sound corporate governance policies and stable growth recently prompted the government of Dubai to engage Hawkamah – the regional institute for corporate governance – to develop a corporate governance framework for small and medium enterprises (SMEs).

In this article, Arti expounds the key principles of Hawkamah and their impact on the evolution of corporate governance in the U.A.E., specifically regarding SMEs in Dubai.

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