

After Action Report: Sadler Clinic's bid to enforce its non-compete agreement

Sadler Clinic settled a highly-publicized lawsuit to enforce its non-compete agreements with 24 doctors. For an undisclosed amount, the doctors bought the right to practice locally. The press coverage left out a key detail.

Only months before the 24-doctor lawsuit started, Sadler Clinic filed another lawsuit for a temporary injunction against one doctor who had a nearly identical non-compete. And the clinic lost. The courts pointed out a flaw in Sadler Clinic's non-compete that other companies can learn from.

The problem with the non-compete, said the courts, was that it covered too much ground. The non-compete prevented the doctor from practicing in a 22 mile radius of Sadler Clinic's main facility in Conroe. That's larger than all of Montgomery County.

The trial judge commented that the county's population had almost doubled since Sadler Clinic wrote the non-compete roughly 20 years ago. Presumably since then, patients had stopped travelling as far to find a doctor because more medical practices had opened throughout the county. Yet, Sadler stuck to its guns on the 22 mile non-compete.

Companies might sidestep this problem by:

- Evaluating their non-competes occasionally against current market reality; or
- Using non-solicit agreements that only keep the employee from doing business with old clients.

[Sadler Clinic Association, P.A. v. Hart](#)



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