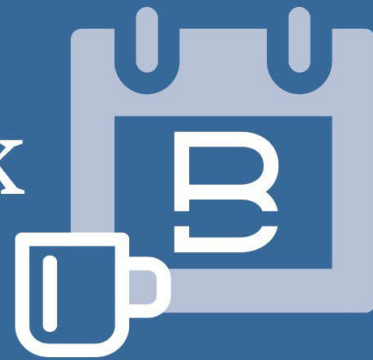


The Work Week

Bassford Remele Employment Practice Group



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Welcome to another edition of *The Work Week with Bassford Remele*. Each Monday morning, we will publish and send a new article to your inbox to hopefully assist you in jumpstarting your work week.

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Eighth Circuit Rules on Permissible Scope of Minnesota Restrictive Covenants

[Michael J. Pfau](#)

On December 12, 2025, the U.S. Court of Appeals for the Eighth Circuit issued a noteworthy decision in [C.H. Robinson Worldwide, Inc. v. Traffic Tech, Inc.](#), No. 24-3069 (8th Cir. 2025), addressing the enforceability of restrictive covenants in employment agreements governed under Minnesota law.

In *C.H. Robinson*, a logistics company sought to enforce restrictive employment covenants against former employees who left to work for a competitor. The covenants at issue were contained within Confidentiality and Protection of Business (CPB) Agreements and included broad restrictions on solicitation and business contact after employment termination.

Specifically, the CPB Agreement for each Employee contained the following Restrictive Covenants:

C. For a period of two (2) years after the termination of my employment with the Company . . . , I will not:

1. Directly or indirectly . . . solicit, engage, sell or render services to, or do business with any Business Partner or prospective Business Partner of the Company with whom I worked or had regular contact, on whose account I worked, or with respect to which I had access to Confidential Information about such Business Partner at any time during the last two years of my employment with the Company; or

...

3. Directly or indirectly cause or attempt to cause any Business Partner of the Company with whom the Company has done business or sought to do business within the last two (2) years of my employment to divert, terminate, limit, or in any manner modify, decrease or fail to enter into any actual or potential business relationship with the Company.

The Eighth Circuit affirmed summary judgment for the defendants and refused to enforce the restrictive covenants under Minnesota law because Minnesota courts strictly construe restrictive covenants, including non-solicitation and similar post-employment restraints and the challenged provisions were overbroad in scope and geographic reach and not reasonably necessary to protect the employer's legitimate business interests.

The Court noted that the covenant went far beyond banning customer solicitation by restricting almost any direct or indirect contact with a very broad group of "Business Partners." Because that defined term included not only existing customers but virtually anyone who might do business with the company, the restriction could apply to nearly any future business interaction. As a result, the provision was broader than necessary to protect the company's interests and was unenforceable. The Court also noted that while the duration (two years) of the restrictions is not by itself unreasonable, the unlimited geographic scope was "problematic."

Although the restrictive covenants contained a severability provision preserving the remainder of the CPB Agreement if any covenant were found unenforceable, the Eighth Circuit invalidated the Agreement in its entirety.

C.H. Robinson provides a practical guide for how Minnesota courts are likely to scrutinize non-solicitation provisions:

- Courts will examine scope, necessity, and geographic limitations with overbroad language likely to render a covenant unenforceable.
- A restrictive covenant that goes beyond what is necessary to protect a business's legitimate interests will be stricken or modified under Minnesota law.
- Severability covenants are not an end all be all protection to save the remaining agreement. Employers must carefully craft restrictive covenants to withstand judicial scrutiny.

C.H. Robinson reinforces Minnesota's traditional common-law approach to restrictive covenants, disfavoring broad restraints on post-employment conduct unless they are carefully tailored and necessary to protect legitimate business interests.

The Bassford Remele Employment Group helps employers thoughtfully draft and strategically navigate restrictive covenants. We work with businesses to create enforceable non-solicitation and confidentiality agreements tailored to protect legitimate business interests while complying with evolving state and federal law. When disputes arise, our team provides practical guidance

and experienced advocacy to help employers manage risk, protect their workforce and customer relationships, and move forward with confidence. Please reach out with any questions.

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