



FRESHFIELDS BRUCKHAUS DERINGER

## Restrictive covenants across Europe and Asia

in collaboration with

**ROSCHIERRAIDLA**

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## Introduction

Recent studies confirm that the scramble for global talent is high on employers' agendas. Global companies that were largely introspective, focusing on cost-cutting and downsizing during 2009, are now considering how best to adapt to dealing with those long-awaited 'green shoots of recovery'. The steps taken during 2009 to reduce head count may not have left companies with the right blend of employee skill and experience to maximise the opportunities for recovery and therefore the search for global talent is now on. Employers are considering not just their own key staff, but, more important, are looking at the talent of their competitors.

It is critical that employers are alive to this possibility and consider now how best to protect both their workforce and their business. This will be of particular relevance for those employers who kept investing in their key people during the downturn and don't want these employees leaving and potentially damaging the business.

To do this effectively, employers need to understand the best ways of protecting their businesses using restrictive covenants. Global employers will also need to be conscious of the different approaches to these issues taken by courts across the globe and to understand how best to put in place protection in each of the jurisdictions in which they operate.

This guide considers these issues and gives guidance on how best to protect your workforce in a period of economic recovery. It gives a flavour of the types of protections available and associated issues that arise in some key jurisdictions.

If you would like to receive the full text of this guide or to access the online version please contact

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With highly respected teams in the UK, Germany, France and several other major European jurisdictions, this employment, pensions and benefits group is clearly a powerhouse in Europe. Beyond Europe, its network of offices extends to Asia, the Middle East, the USA and South America. *Chambers Global, 2010*

## **Freshfields Bruckhaus Deringer**

Freshfields Bruckhaus Deringer is one of the world's leading international law firms, with more than 2,500 lawyers working across 27 offices in 15 countries. We provide a comprehensive worldwide service to national and multinational corporations, financial institutions and governments.

The employment, pensions and benefits (EPB) team advises on domestic and international employment law, pensions, share plans and other employee benefits. Our team comprises 22 partners and over 100 lawyers worldwide.

We are experienced in cross-border advice and have an excellent record in delivering tailored multi-jurisdictional advice, having very strong working relationships with local lawyers in countries in which we do not have offices.

We advise on:

- all aspects of employment and industrial relations law, including: the individual and collective employment aspects of mergers and acquisitions (public and private, listed and unlisted), joint ventures, demergers and all manner of corporate reorganisations (including redundancies); executive remuneration and related regulatory and disclosure obligations; service contracts and related documents; confidentiality and restrictive covenants; works councils; individual and group severance arrangements; and contracting-out of services;
- all the legal aspects of establishing and operating pension schemes; restructuring pension arrangements, and merging and winding up schemes; and pension scheme disputes, including court proceedings; and
- designing, drafting and implementing share plans; corporate governance issues and senior executive remuneration and incentive arrangements (including the share plan and benefit aspects of senior executive terminations); age discrimination issues affecting share plans; and related tax, company and securities laws.

There is an entrepreneurial spirit at the firm, and its successful recruitment policy has resulted in a 'good mix of hungry lawyers', report market observers. Clients appreciate the lawyers' 'strong technical expertise, pragmatism and excellent understanding of business objectives', and praise the 'responsive service at a competitive price' that they offer.  
*Chambers Europe, 2009*

## **RoschierRaidla**

The RoschierRaidla network is an integrated cross-border operation of leading law firms in Finland, Sweden, Estonia, Latvia and Lithuania, specialising in demanding international business law assignments and large-scale transactions.

In Finland and Sweden, RoschierRaidla is represented by Roschier, Attorneys Ltd, one of the leading legal service providers in Northern Europe. The Baltic arm of RoschierRaidla, Raidla Lejins & Norcou, comprises three leading law firms in Estonia, Latvia and Lithuania. The network offers one-stop access to premier cross-border and local expertise in five capitals of the Nordic-Baltic region. Today, RoschierRaidla employs some 270 lawyers and over 420 professionals in total.

The employment and labour law team advises employers on all aspects of domestic and international employment law: from the recruitment process and the term of the employment through to the end of the employment relationship. We also represent employers in union negotiations and dispute resolution processes. Transactional support and strategic guidance on business reorganisation and outsourcing is an important part of our practice, since employment and labour law issues often play a significant role in M&A transactions. Further, we provide advice on pensions and benefits, including incentive schemes for company management and employees.

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