

# Microsoft V. Google - Kai-Fu Lee's Non-Compete Agreement

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Unless you've been on vacation all summer, the brawl between Google and Microsoft should be old news. New developments, however, have occurred with publication of the non-compete agreement signed by Kai-Fu Lee.

Google v. Microsoft

Earlier this year, Kai-Fu Lee quit Microsoft to go work for Google. In doing so, Lee allegedly violated a non-compete agreement he had signed with Microsoft. Predictably, Microsoft sued Lee to prevent the move and the brawl began. Microsoft landed the first punch by getting a temporary restraining order preventing Lee from working for Google until the case is resolved.

Non-Compete Language

As matters have moved forward, the language in the non-compete agreement has become public knowledge. Generally, Lee agreed not to work for a major competitor of Microsoft if he left the company for a period of one year. The specifics of the language, however, are grossly entertaining

In signing the non-compete agreement, Lee agreed:

1. "...not to accept employment or engage in activities competitive with products, services or projects...of Microsoft...I worked on or ...learned confidential or proprietary information or trade secrets while employed."
2. All litigation arising from the non-compete agreement would occur in the State of Washington.

Mr. Lee and Google have a serious problem. California courts rarely enforce non-compete agreements, while Washington courts do. Since Microsoft sued first and Lee specifically agreed to Washington jurisdiction, this case should remain in Washington. Google is trying to move jurisdiction to California, but Microsoft beat it to the punch. Google's attorneys simply blew it.

Prediction

Predictions in legal disputes are iffy at best, but Mr. Lee and Google have really fallen on their face in this one. Why they didn't sue Microsoft in California court before Microsoft could react is mind boggling. The deck is now stacked heavily in favor of Microsoft and you can expect an outright victory for Microsoft or a settlement on terms set by the company. Richard A. Chapo is a San Diego business lawyer with <http://www.sandiegobusinesslawfirm.com> - providing legal services and legal advice to businesses in San Diego, California.