

Arrangement of Non-Competition in Work Agreement: Comparative Study between Indonesia and the United States

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Abstract. This study means to decide and dissect the guideline of non-rivalry provisos overall in the US explicitly in regards to the explanations behind the guideline and sensible cutoff points on its guideline. Moreover, this concentrate likewise means to find out and examine what illustrations realized can be imitated by Indonesia to further develop the current non-contest provision rules. This sort of exploration is regularizing juridical lawful examination. The methodology utilized is a relative methodology. The sort of information utilized is auxiliary information, which comprises of essential legitimate materials, optional lawful materials, and tertiary lawful materials. Information acquired from library research (library research). Then the information is organized efficiently, and afterward examined subjectively. In light of the aftereffects of exploration and conversation closed as understands: First, in everyday the explanations behind the guideline of non-rivalry characterizations as per the Demonstrations in Oregon, Alabama, and Arkansas basically to safeguard the interests of the organization (protectable interest). The sensible limitations on the utilization of non-rivalry provisions are restricted by time and district. This non-contest proviso may not surpass 2 (two) years after the conclusion of the business friendship. In the mean time the region limitations are estimated by the spot, the hour of consenting to the work arrangement, and the overall idea of the organization's business. Second, there are 3 (three) examples gained from the plan of non-contest provisions in the territories of Oregon, Alabama and Arkansas to be adjusted later in Indonesia. To begin with, Indonesia needs to manage the capabilities of laborers that can apply non-contest statements. Second, Indonesia needs to manage what financial matters are really kept up with by the organization as "protectable interest" in the utilization of non-rivalry conditions. Third, Indonesia needs to draw sensible lines with respect to overall setting in the utilization of non-contest provisos.

Keywords: non-competition clause; protectable interest; lessons learned

1 Introduction

Today we live in an information economy [1] where every company, especially information technology companies, is in need of knowledge for its workers. A successful company depends on success in recruiting smart workers, skilled product developers, and business strategists, so that each company competes aggressively to get the most talented workers [2]. Meanwhile, on the other hand, talented workers often move from one company to another according to their wishes, sometimes with a motive to get more wages but often with reasons to find the most attractive job [2]. In this setting the organization moves by making a non-contest statement (hereinafter alluded to as a non-rivalry proviso) in a work understanding.

The non-rivalry provision is essentially an agreement of work between the business and the specialist that disallows the laborer from working at a contender's organization for a specific timeframe after the laborer didn't work at the first organization [3]. The expectation, with the presence of this non-rivalry proviso can upset the development of laborers from one organization to its rivals [2].

Looking at the dynamics of business competition today, inserting non-competition clauses is the choice. This is also in line with the increasing need to protect the disclosure of confidential information to competing companies or from business activities of former workers. At first the modern reason for establishing a non-competition class was more than protecting company investment in training workers. However, along with the growing demand for intellectual property, currently the reasons for establishing a non-competition class are more focused on protecting intellectual property, especially trade secrets.^[3] The standardizing meaning of proprietary advantages is formed as data that isn't known to the general population in the area of innovation and/or business, has monetary worth since it is helpful in business exercises, and is kept mystery by the proprietor of the proprietary innovation [4].

This clause has been used in many European countries, America, the Middle East, Asia and Australia, or at least 40 (forty) countries have also announced clauses that are not competition in their countries [5]. The steps of these countries lead to one goal which is to lay the foundation for a balanced legal rule between protecting company secrets and guaranteeing workers' rights.

Various legitimate diaries have investigated a lot of regarding the utilization of non-contest statements in work arrangements [2]. Regarding the positive impact of non-competition clauses, legal experts [6] contend that non-rivalry provisos give motivators to organizations to put resources into worker preparing, urge representatives to share privileged insights inside the organization, and safeguard against revelation of private data to contending organizations. Obviously, as far as organization interests, it will be exceptionally hindering as far as the best representatives who have turned around and worked for contenders or even become contenders by starting their own business [7].

Meanwhile on the negative side, legal experts [8] stress that non-contest provisos block the fundamental freedoms of people to earn enough to pay the bills. Non-rivalry provisos likewise upset the progression of data that is produced normally when laborers change organizations. Specialists contend that this "overflow of data" assumes a significant part in prodding development in the innovation business [9].

As a substantial illustration of the use of this non-contest provision in California, US there are situations where Kai Fu Lee previously worked at Macintosh PC filling in as VP of an intelligent media bunch that created QuickTime, QuickDraw 3D, and QuickTime VR. Then Lee halted at Apple to become VP and senior supervisor at Silicon Illustrations (SGI), where Lee was answerable for some of SGI's organization's product offerings and Web methodologies. Sooner or later at SGI, Lee passed on SGI to join Microsoft. At Microsoft, Lee filled in as VP of the Normal Administrations Intuitive Division (NISD) organization, where he was a central participant in Microsoft Organization [10].

Subsequent to working for quite a while at Microsoft, Google Inc., enrolled Lee to lead China's innovative work community, which at last prompted claims in Washington and California and ignited struggle between these cutting edge organizations. Microsoft documented a claim in court by suing Lee and Google Inc., charging infringement of representative and class privacy that were not contest among Lee and Microsoft. For this situation, the court gave a decision that restricted the work Lee could accomplish for Google [10].

In the context of Indonesian law, regulations regarding non-competition clauses have actually been regulated in the provisions of Article 1601x of the Civil Code (hereinafter referred to as the Civil Code). However, according to the author's search, there are no other laws governing this problem. The provisions of Article 1601x state that:

An agreement that reduces the rights of the worker, that after ending the employment relationship, he is not permitted to do certain work, only valid if it is made in a written agreement or regulation with adult workers.

Both for the worker's demands and for his requests made in his defense in a case, the Court may cancel such an agreement, in whole or in part, on the grounds that compared to the interests of the protected employer, the worker is unjustly disadvantaged by the agreement.

And an agreement mentioned in the first paragraph, the employer cannot take away his rights if he terminates the employment relationship illegally or if the worker terminates it because of insistence on something explicitly made or with employer mistakes. The employer also cannot do so, if the Court, at the request or request of the worker, has declared the dissolution of the agreement based on urgent reasons, which was given to the worker because of the employer's intention or error.

If the employee promises to compensate the employer if he acts contrary to the agreement referred to in the first paragraph, the Court is always authorized to reduce the amount of compensation that has been determined, only the amount in his opinion is more than appropriate.

That by observing the provisions of Article 1601x, it can be understood that the Indonesian legal regime allows companies to enforce non-competition clauses in work agreements. However, the provisions of this article are too general because they do not reasonably limit the extent to which the company can limit or curb the rights of workers after termination of employment. Of course, this overly general arrangement has the potential to be abused by companies by using it beyond reasonable limits for reasons, which in turn impedes workers' basic rights to earn a living.

The case between two former employees of PT General Food Industries (hereinafter referred to as PT GFI) with the company is one proof of legal issues regarding the regulation of non-competition clauses that are too common in employment agreements [11]. PT GFI is a cocoa processing company located in Dayeuh, Kulot, Bandung which is a subsidiary of Petra Food Limited, based in Singapore. Meanwhile Bumi Tangerang Mesindotama (hereinafter referred to as PT BTM) also conducts business activities in the cocoa processing industry [12].

This case began when two former employees of PT GFI worked for PT BTM and allegedly leaked trade secrets of GFI. The two workers were named ATGS and RH. ATGS has worked at PT GFI since 1995 as a toasting engineer, who has the task of ensuring that all production processes are carried out according to standards. ATGS left PT GFI in September 2005. Meanwhile, RH has worked at PT GFI since 1997 as a process engineer, with the main task of overseeing production. RH left PT GFI in June 2005 [12].

ATGS and RH were accused of not having the right to provide trade secrets to PT BTM after working at PT BTM, bearing in mind the position of two employees at PT GFI was very close to the production secrets owned by PT BTM. In addition, ATGS and Reproductive Health are also considered not complying with the statement signed on the stamp duty in May 2001 [12]. The contents of the statement include: loyal and honest with the company and holding company secrets, for two years after leaving the company, it is not permitted to work in a competing company, and if violated, will be prosecuted in court [12].

In this case the Bandung District Court as stated in the list of cases No. 632/Pid/B/2007/PN.BDG decided that two former PT GFI workers were proven legally and convincingly to have committed a crime as regulated in Article 17 of Law 30 of 2000 concerning

Trade Secrets which states "... intentionally and without the right to use the other party's Trade Secrets ... ". Then in this ruling, two former PT GFI workers appealed, with the Bandung High Court as listed in Case No. 380/Pid/2007/. Until finally the case was stopped after a legal appeal against the appeal of two former PT GFI workers was given by the Panel of Judges at the cassation level as in case list No. 2085 K / PID. SUS / 2008, which overturned the first sentence and appeal.

That by paying attention to the description of the case above, it has been shown that non-competition clause regulations that are not adequately regulated in the Indonesian legal regime have caused extraordinary legal problems for workers in the form of threats of criminal sanctions in matters relating to alleged violations of trade secrets. Likewise, extraordinary legal problems can also be accepted by companies if they do not set up non-competition clauses in work agreements, where workers can easily move the company while the company has spent large investments in these workers.

Indonesia needs to learn from countries that have long applied non-competition clause rules in a balanced manner while still paying attention to justice for workers and the interests of companies, in this case the United States. In its development, companies in the United States often use non-competition clauses in an effort to protect customer relationships and their intellectual property [13]. Currently non-competition clauses have been enforced in 18 (eighteen) countries [14] and in the last few years 3 (three) countries namely Arkansas, Alabama and Georgia also enacted laws regarding non-competition clauses [12]. In addition, a study conducted by the Wall Street Journal showed significant growth in the use of non-competition clauses in which 18 (eighteen percent), or 30 (thirty million) million United States workers are currently protected by non-competition clauses [15].

That in light of their involvement with applying non-rivalry provisos and as a type of acclimation to the requests of laborers in a few states for the use of non-contest conditions, a few nations have made changes to the regulations overseeing non-rivalry statements not being abused or applied to be not sensible what the organization does. A portion of these states incorporate New Hampshire (Senate Bill 351) in 2014; and Oregon (Fire up. Detail. 653,295) in 2015 which specified that non-rivalry provisions could be toppled by the court due to absence of thought when the organization did exclude it in the first business understanding. Requiring that non-contest provision be given alongside a proposition for employment and not after a deal is one potential answer for safeguard laborers. On account of inner advancements, the state might expect that businesses give non-contest workers before the representative beginnings another position [3].

The US has an alternate overall set of laws from Indonesia, the Precedent-based Regulation Framework. In any case, considering the legitimate substance of the non-rivalry provisions that go into the legally binding domain, where not a couple of agreement regulation conventions from nations that take on the Precedent-based Regulation Framework are likewise embraced by Indonesia in light of lawful turns of events and the powerful necessities of individuals. The other way around, nations that comply to the Overall Regulation Framework frequently likewise embrace the legitimate standards of nations that comply with the Common Regulation Framework. A model is the utilization of the guideline of pure intentions which as per birth history is gotten from Roman regulation which was then consumed by the Common Regulation Framework. In its turn of events, this guideline was likewise acknowledged by nations that embraced the Precedent-based Regulation Framework, like the US, Canada, and Australia. Indeed, even this standard has likewise been acknowledged by worldwide regulation, for example, article 1.7 UNIDROIT and article 7.1 of the Assembled Countries Show on Agreements for the Global Offer of Merchandise [16] by expressing "In the translation of this

Show, considers to have global person and the need to advance consistency in its application and consistence with completely honest intentions in worldwide exchange". [17].

Therefore, in this research proposal, the author tries to dissect the regulations related to non-competition clauses in the United States and whether the regulatory advantages in the United States can be used as test material for non-competition clause regulations in the United States. Indonesia, in fact the regulations are still lacking.

Based on the background description of the problem above, the writer formulates the problem as follows, namely:

1. how to regulate non-competition clauses in the United States specifically regarding regulations and restrictions in accordance with the regulations?
2. how are the learning or learning points of establishing non- competition clauses in the United States applied in Indonesia?

2 Methodology

The exploration strategy utilized in this paper is juridical regularizing. The methodology utilized is a near approach. The kind of information utilized is auxiliary information, which comprises of essential legitimate material as related regulations, Oregon Non-Contend Regulation, Alabama Prohibitive Contracts Act, and Arkansas Rule Pledge for not rivaling the understanding. Auxiliary lawful material as works of legitimate specialists applicable to this examination. Tertiary legitimate material as a public word reference. Information acquired from library research. Then, at that point, the information is organized deliberately, and afterward dissected subjectively.

3 Research and Analysis

Arrangement of Non-Competition clauses in General in the United States Specifically Regarding Regulations and Fair Limits to Regulations

At first this non-contest provisions in the US were for the most part despised on the grounds that it was viewed as a "exchange restriction" under English Precedent-based Regulation. Yet, eventually, the advancement of the Custom-based Regulation permits the authorization of non-contest provisos as long as it seems OK [18].

Basically the principal reason organizations use non-contest provisions is as a work to safeguard proprietary innovations and generosity to their clients from maltreatment by previous representatives [19] non-contest provisions can likewise be viewed as apparatuses that safeguard organization data or other selective data that doesn't satisfactorily meet the capabilities as proprietary advantages [20].

Most states check non-contest provisos under the sensibility test [21]. In particular, this class must: (1) notwithstanding a current work contract or, or independently, be upheld by satisfactory thought; (2) explicit for time and district; (3) expected to safeguard real financial matters of the business; and (4) not being excessively cruel on workers or hurting the public [22]. This is *reasonableness* test approach that provides the possibility of applying non-competition classes to workers [23].

In general, laws governing non-competition clauses in the United States can be classified into three categories. First, the law generally prohibits trade barriers. Second, this law deals specifically with non-competition clauses in employment agreements, and third, this law addresses clauses that are not competition but only related to certain professions [24].

a. Arrangement of General Non-Competition Clauses in Oregon Specifically Regarding Rationale for Regulations and Fair Limits for Regulations

The Oregon law governing non-competition clauses is regulated in Oregon Rev. Stat. 653,295 2007 concerning Noncompetition Agreement. Based on the provisions of Article 1 section c of this law, it is regulated that: [25]

“The employer has a protectable interest. As used in this paragraph, an employer has a protectable interest when the employee:

- 1) Has access to trade secrets, as that term is defined in ORS 646.461 (Definitions for ORS 646.461 to 646.475);
- 2) Has access to competitively sensitive confidential business or professional information that otherwise would not qualify as a trade secret, including product development plans, product launch plans, marketing strategy or sales plans”.

Furthermore, the time limit for the imposition of this non-competition clause is regulated in the provisions of Article 2 which states:

“The term of a noncompetition agreement may not exceed 18 months from the date of the employee’s termination. The remainder of a term of a noncompetition agreement in excess of 18 months is void and may not be enforced by a court of this state”.

Regarding this, the Oregon court stated that the time and place of non- competition clauses must make sense. Restrictions must provide fair protection for the interests of bound parties, and which should not be too large in their operations so that they interfere with the public interest [26]

Then in Article 7 paragraph B states: "Competition by employees with employers is limited or maintained after termination of employment, but restrictions are limited to certain time periods, geographical areas and certain activities." that competition between workers and companies is limited after termination of employment, but the limits are limited to certain periods of time, geographical areas, and certain activities, all of which must make sense.

b. Arrangement of General Non-Competition Clauses in Alabama Specifically Regarding Rationale for Regulations and Fair Limits for Regulations

The Alabama law governing non-competition clauses is regulated in The Restrictive Covenants Act and is codified in Ala. Code § 8-1-190. Based on the provisions in letter a of this law, it is regulated that: “Every contract by which anyone is restrained from exercising a lawful profession, trade, or business of any kind otherwise than is provided by this section is to that extent void”.

The provisions of this article can be understood if this law emphasizes public policies that do not like trade restrictions, while also indicating that these restrictions will be interpreted narrowly by the court [26].

Furthermore, regarding the interests allowed by this law to use non- competition clause and their reasonable limitations can be referred to the provisions of letter b which states:

“Except as otherwise prohibited by law, the following contracts are allowed to preserve a protectable interest:

- 1) A contract between two or more persons or businesses or a person and a business limiting their ability to hire or employ the agent, servant, or employees of a party to the contract where the agent, servant, or employee holds a position uniquely essential to the management, organization, or service of the business.

- 2) An agreement between two or more persons or businesses or a person and a business to limit commercial dealings to each other.
- 3) One who sells the good will of a business may agree with the buyer to refrain from carrying on or engaging in a similar business and from soliciting customers of such business within a specified geographic area so long as the buyer, or any entity deriving title to the good will from that business, carries on a like business therein, subject to reasonable time and place restraints. Restraints of one year or less are presumed to be reasonable.
- 4) An agent, servant, or employee of a commercial entity may agree with such entity to refrain from carrying on or engaging in a similar business within a specified geographic area so long as the commercial entity carries on a like business therein, subject to reasonable restraints of time and place. Restraints of two years or less are presumed to be reasonable.
- 5) An agent, servant, or employee of a commercial entity may agree with such entity to refrain from soliciting current customers, so long as the commercial entity carries on a like business, subject to reasonable time restraints. Restraints of 18 months or for as long as post-separation consideration is paid for such agreement, whichever is greater, are presumed to be reasonable.
- 6) Upon or in anticipation of a dissolution of a commercial entity, partners, owners, or members, or any combination thereof, may agree that none of them will carry on a similar commercial activity in the geographic area where the commercial activity has been transacted.”

According to this law, a court can cancel an agreement using a non-competition clause if the restraints: (i) are too broad or (ii) make no sense in their duration. Furthermore, and even more concerning for employers, if restraints are not included in the limited exceptions provided in Part 1 (b) of this law, the court can cancel the total restraint [26].

c. Arrangement of General Non-Competition Clauses in Arkansas Specifically Regarding Rationale for Regulations and Fair Limits for Regulations

Similar to Oregon and Alabama, the State of Arkansas also regulates the use of non-competition clauses. The Arkansas Government regulates it in the Title of the Arkansas Code 4. Business and Commercial Law § 4-75-101. Covenant Not to Compete Agreements. Based on the provisions of article 1 letter a, it is stated that:

“A covenant not to compete agreement is enforceable if the agreement is ancillary to an employment relationship or part of an otherwise enforceable employment agreement or contract to the extent that:

- 1) The employer has a protectable business interest; and
- 2) The covenant not to compete agreement is limited with respect to time and scope in a manner that is not greater than necessary to defend the protectable business interest of the employer”.

In addition, this law also regulates what business interests can be protected in connection with the use of this non-competition clause, which can be referred to in letter b which states that:

“The protectable business interest of the employer includes the employer's:

- 1) Trade secrets;
- 2) Intellectual property;
- 3) Customer lists;
- 4) Goodwill with customers;
- 5) Knowledge of his or her business practices;
- 6) Methods;
- 7) Profit margins;

- 8) Costs;
- 9) Other confidential business information that is confidential, proprietary, and increases in value from not being known by a competitor;
- 10) Training and education of the employer's employees; and
- 11) Other valuable employer data that the employer has provided to an employee that an employer would reasonably seek to protect or safeguard from a competitor in the interest of fairness”.

As is the case with the states of Oregon and Alabama, based on the Arkansas Code of Agreement for Non-Competing, the court has the authority to conduct a justice test against the use of non-competition clauses. However, the difference lies in, in the event that the court finds unreasonable use of non-competition clauses, then the court can change with a class that makes more sense in its application. This provision can be referred based on Article 2 which states that:

“The reasonableness of a covenant not to compete agreement shall be determined after considering:

- 1) The nature of the employer's protectable business interest;
- 2) The geographic scope of the employer's business and whether or not a geographic limitation is feasible under the circumstances; and
- 3) Whether or not the restriction placed on the employee is limited to a specific group of customers or other individuals or entities associated with the employer's business”.

Meanwhile, the period of time to use the competition class is limited to a maximum of 2 (two) years, except the facts and circumstances of certain cases clearly indicate that the 2 (two) year period does not make sense compared to the business interests that the company intends to protect. This arrangement is stated in the provisions of letter d which states that:

“A post-termination restriction of two (2) years is presumptively reasonable as to length of time under subdivision (a) (2) of this section unless the facts and circumstances of a particular case clearly demonstrate that two (2) years is unreasonable compared to the employer's protectable business interest”.

In addition, in the event that the court finds the use of a non- competition clause that exceeds the fairness limit of time as mentioned above, the court can change the contents of the agreement to create restrictions that are not greater than necessary to protect the business interests that the company intends to protect. This can be referred to based on the provisions of the letter f which states that:

“If restrictions in a covenant not to compete agreement are found to be unreasonable and impose a greater restraint than is necessary to protect the protectable business interest of the employer under subdivision (a)(1) of this section, the court shall reform the covenant not to compete agreement to the extent necessary to:

- 1) Cause the limitations contained in the covenant not to compete agreement to be reasonable; and
- 2) Impose a restraint that is not greater than necessary to protect the protectable business interest”.

Lesson Learned of Arrangement of Non-Competition Clauses in the United States to be Implemented in Indonesia

Article 1601x Common Code. In any case, this article is excessively broad, since it makes no financial matter that is really consented to by the organization as a "safeguarded interest" in the utilization of non-contest statement, and decency plans to increment where the organization can help or tap on work. Obviously, make this a general manual for beating difficulty.

The principal thing that turned into an example gained from the guideline of non-contest proviso in the US particularly in the Province of Oregon is the capabilities of laborers that can be applied to non-rivalry statement. For this situation, Indonesia can take gaining focuses from the arrangements of Article 1 letter c Oregon Fire up. Detail. 653,295 concerning Non-rivalry Arrangements expressing the capabilities of laborers that can apply to non-contest provision are gathering of laborers who approach proprietary advantages, or approach business or expert private data that is delicate to rivalry, or kinds of secret data including item improvement plans, advancement plans item, showcasing plan or deals plan.

The subsequent illustration gained from the guideline of non-rivalry provision in the US particularly in the territories of Oregon, Alabama and Arkansas is the ability of business intrigues that are really concurred by organizations as "safeguarded interests" in the utilization of non-contest proviso. For this situation, Indonesia can take gaining focuses from Oregon, Alabama and Arkansas, in particular just tolerating three fundamental interests as a legitimate support for the implementation of non-rivalry provision, specifically the organization's relationship with clients, clients, and sellers (likewise called "generosity"), proprietary advantages and other classified business data.

The third example gained from the guideline of non-rivalry provisions in the US, particularly in the provinces of Oregon, Alabama and Arkansas, is that there are sensible cutoff points in regards to the overall setting in the utilization of non-contest statements. For this situation Indonesia can take examples from Oregon Fire up. Detail. 653. Concerning Non-contest Understanding, in view of the arrangements of Article 2 of this regulation, the time of non-rivalry conditions should not surpass 18 (eighteen) months from the date of end of business. If the term of a non-contest provision surpasses 18 (eighteen) months, then, at that point, the statement might be dropped and can't be upheld by a court.

In addition, Indonesia can learn from the Alabama Code § 8-1-190, which under this law specifically prohibits workers from engaging in business similar to their previous employer, a limitation for a period of 2 (two) years is considered reasonable. In addition, this is related to the prohibition of taking company customers to a certain extent, so the limitation for a period of 18 (eighteen) months is considered reasonable.

Indonesia can also take lessons from Arkansas Code Title 4. Business and Commercial Law § 4-75-101. Covenant Not to Compete Agreements. According to the authors, the indicator determines the time period for the use of non-competition clauses under Arkansas law more wisely. This is because the parameters used are the nature of business interests that the company wants to protect. In other words, the use of un competition clauses in the state of Arkansas should not be greater than necessary to maintain the business interests protected by the company from its employees.

Based on the provisions of letter d of this law, the period of use of the class competition is limited to a maximum of 2 (two) years, except if the facts and circumstances of certain cases clearly indicate that the two (2) year period does not apply. doesn't make sense compared to the business interests that the company wants to protect.

In addition, due to the limitations of the non-competition clause, Indonesia can take lessons as stated by Jennifer Divine and Joseph Vance, which states that the determination of reasonableness is assessed from the point of view of time and place when and where the contract is conducted, and from the general nature of the business. from the company, and that is a very specific thing. What is acceptable in time, scope or geography will vary greatly from case to case depending on the business of the company, and the interests of those who are entitled to protection and what restrictions are needed to protect those interests [26].

In connection with learning lessons from non-competition clause arrangements in the United States as explained above, a theoretical basis is needed on how to adopt these lessons so that they can later be adapted to Indonesian laws and regulations. In this case the author uses the theory of legal transplantation.

The reason the author chose this theory is in the theory of legal transplantation, the focus of comparative studies is done by finding similarities between different legal systems and establishing relationships between these legal systems. This legal transplant approach according to Watson is the most suitable way to track this relationship

According to Watson, legal transplants are developed internally through a process of trials, innovations, corrections, and with the participation and involvement of legal users, legal professionals, and other interested parties. That by basing on this legal transplantation theoretical basis, lessons learned from the regulation of non-competition clauses in the United States as described above can be adapted in Indonesia through innovation, correction, and with the participation and involvement of legal users, legal professionals, and stakeholders the other.

4 Conclusion

Based on the results of the study accompanied by the discussion listed in the previous chapter, there are 2 (two) conclusion points that can be drawn from this paper, namely:

- a. In general, the justification for non-contest condition guideline under the Regulations in Oregon, Alabama, and Arkansas is fundamentally to safeguard the interests of the organization (interests that can be secured). A sensible limit on the utilization of non-rivalry conditions is restricted by time and region. This non-contest condition may not surpass 2 (two) years after the end of the work relationship. In the mean time, as far as possible are estimated in light of area, season of consenting to the work arrangement, and the overall idea of the organization's business.
- b. There are 3 (three) illustrations gained from the guideline of non-rivalry provisions in the provinces of Oregon, Alabama and Arkansas for later transformation in Indonesia. To start with, Indonesia needs to manage the capabilities of laborers who can apply non-contest provisos. Second, Indonesia needs to direct what financial matters are really kept up with by organizations as "safeguarded interests" in the utilization of non-contest provisions. Third, Indonesia needs to draw sensible lines in regards to the overall setting of utilizing non-rivalry provisions.

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