

BERMUDA SUPREME COURT

In The Matter Of An Injunction Application For 'Springboard' Relief 2011 Civil Jurisdiction No. 35 [Original Location: Sc Vol. 76, P. 239], [2012] Sc (Bda) 15 Com (9 March 2012)

EMPLOYMENT - SPRINGBOARD RELIEF - RESTRICTIVE COVENANTS

In the first decided case in Bermuda on the developing area of 'Springboard' relief, the Court granted the Plaintiff Company *ex parte* injunctive relief against a group of former employees who had resigned in concert from the Plaintiff and, it was alleged, had taken confidential information with a view to assisting a competing business.

The Plaintiff sought and obtained various injunctive orders, including that the Defendants deliver up material taken, be restrained from use of confidential information, honour their contractual restrictive covenants, and provide sworn evidence answering the allegations.

In reliance on the English decision in *UBS Wealth Management UK Limited -v- Vestra Wealth LLP* [2008] EWHC 1974 (QB), the Court also applied the balance of convenience test before ordering an initial period of 'Springboard' relief. This was to prevent the Defendants from using their own wrongdoing as a springboard from which to gain an unlawful head-start with the competing business.

The Order for springboard relief was subsequently discharged at a later hearing although the other restraints continued. This decision shows the Bermuda Court is prepared to restrain parties where appropriate under this equitable doctrine.

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