

Greenbaum Litigator Alan S. Pralgever Secures Preliminary Injunction Enforcing Restrictive Covenant Against Former Dealership Sales Manager

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Alan S. Pralgever, a partner in the firm's Litigation Department, was granted a preliminary injunction confirming a temporary restraining order in a civil action before the Superior Court of New Jersey, Chancery Division, Union County, on behalf of plaintiffs Salerno Duane, Inc. and Salerno Duane Ford, Inc., who own and operate a number of car dealerships in New Jersey.

In this case, the plaintiffs brought an application for an Order to Show Cause with Temporary Restraints against defendant Michael R. Podell, who was employed by plaintiffs as the General Manager and Shareholder of the car dealership prior to his termination for cause in August 2019.

The defendant had previously entered into an employment agreement with Salerno Duane that contained a restrictive covenant which prohibited competition for a period of 24-months, within a 25-mile radius of Salerno Duane's Summit, NJ location. This preliminary injunction continued the temporary restraints imposed by the Court a month earlier.

Following his termination, Podell breached the restrictive covenant by: (1) advertising on Facebook his involvement with B&S Auto Solutions in Rahway, NJ, where he is employed as an internet-based "broker" seeking to match buyers with automobiles, and (2) attempting to solicit an employee of Salerno Duane to become a partner in B&S Auto Solutions. The Rahway location is within the 25-mile radius proscribed by the restrictive covenant.

The Court's ruling represents an important victory for the dealership and protect their business interests going forward.

Mr. Pralgever concentrates his practice in business and commercial litigation, with a special focus in corporate, partnership and LLC split-ups and dissolutions, condominium matters and representation of associations, estate litigation, employment issues, consumer fraud act litigation, real estate and intellectual property disputes. He has handled a wide variety of complex commercial and corporate litigation in state and federal courts, as well as arbitrations in both New Jersey and New York, and is certified by the New Jersey Superior Court as a civil mediator.