

Wyatt v KF [1933]

Evidence

Kreglinger and Fernau company offered their former manager, Mr. Wyatt, a pension reward equal to 200 pounds per year and asked him to refrain from the wool trade in return. By doing so, the company wanted to elude the competition by restricting Mr. Wyatt's activity. The former manager agreed for such indemnification.

Problematics

The complainant received a pension for nine years but afterward, he was informed that the payments stopped. Mr. Wyatt claimed that the letters he received from Kreglinger and Fernau had obligatory force over the company, which was entitled to pay him the pension throughout his life.

Resolution

In the Wyatt v Kreglinger and Fernau case, the main requirement for the pension benefits for the complainant was that the latter should refrain from competition with his former employers—that is the wool trade. The requirement was proclaimed to have no legal force, as it contradicted the public good. However, it should not be considered illegal. Mr. Wyatt lost the case.