

CONTRACTS IN RESTRAINT OF TRADE.

In the recent case of *Eastes v. Russ* (110 L.T. Rep. 296; (1914) 1 Ch. 468) the Court of Appeal held that a covenant binding the covenantor for life not to engage in a certain kind of scientific work within a radius of ten miles from a certain spot in London was an unreasonable restriction and void under the doctrine of law which refusee to sanction the validity of contracts in restraint of trade.

A covenant whereby the vendor of some professional or other business undertakes to refrain from carrying on his profession or trade or business within a proscribed area is a highly useful and often an absolutely necessary provision, from the point of view of the purchaser of that business. In many cases it is practically the only way of preserving the subject-matter of the sale. All this supposed protection may fall to the ground if the covenant entered into be so stringent that the law may, at the instance of the vendor, vitiate it under the doctrine mentioned above. It follows that it is a matter of first-rate importance to know how far such a covenant can be safely made to extend; and it is proposed in this article to extract from the authorities the principles by reference to which this question may be answered in any particular case.

In the first place, it will be observed that restraints of this kind are usually either restraints in point of space, or restraints in point of time. A man may prohibit himself from carrying on a particular profession or trade within a proscribed area. This is restraint in point of space. Or he may prohibit himself from carrying it on for a specified period. This is restraint in point of time. Often the restraint is one both in point of space and in point of time.

In the second place, the reader is warned from giving much weight to the distinction, between general and partial restraints, which he will find drawn in a great number of cases, especially in the older cases. It was once thought that a general restraint not to carry on a trade in the realm was *ipso facto* void, as being a general restraint. "Any deed," said Chief Justice Best in