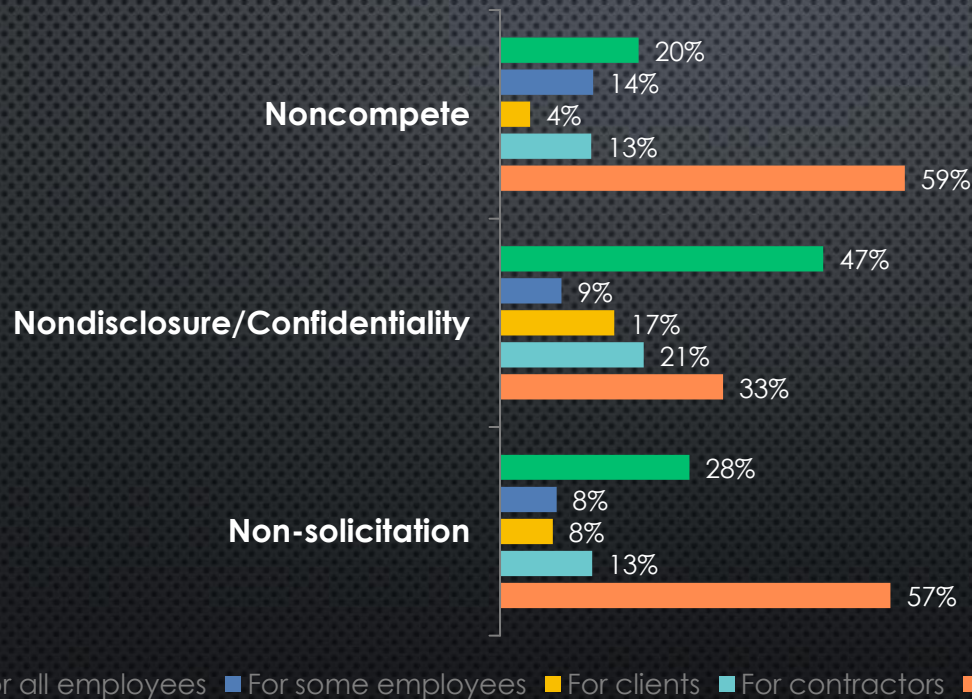




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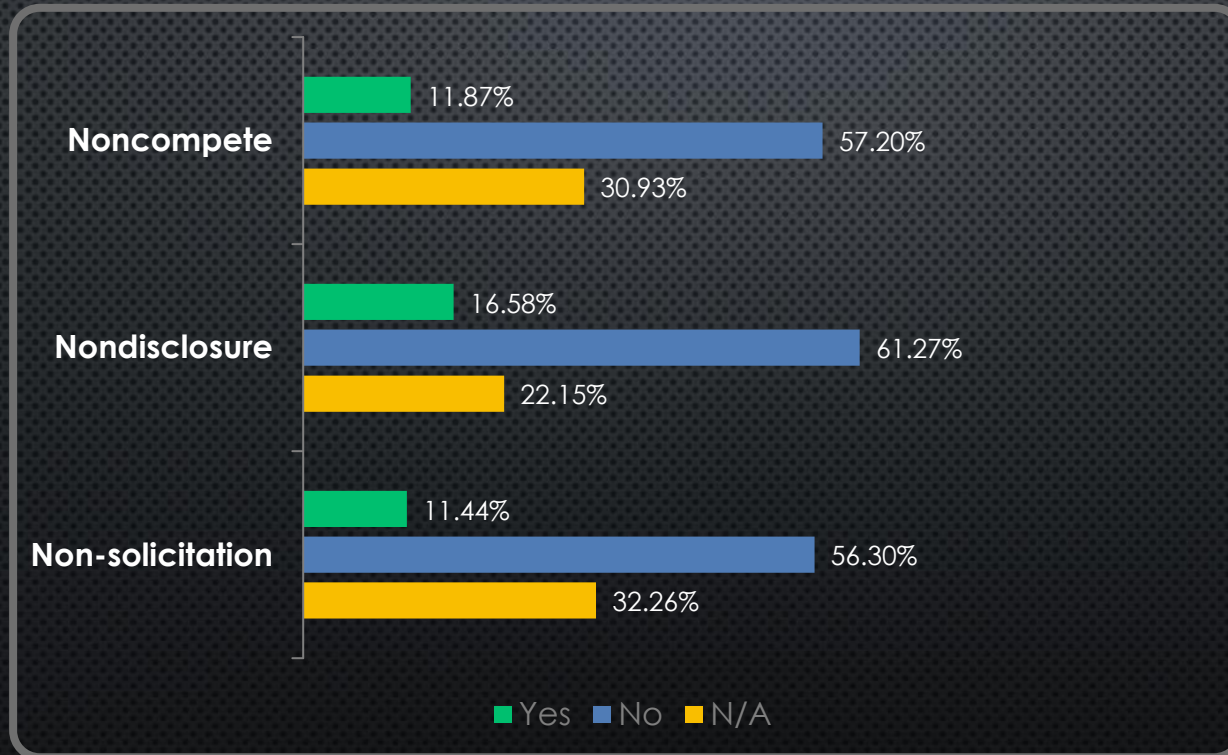
2023 SMALL BUSINESS SURVEY:
NONCOMPETE & NONDISCLOSURE AGREEMENTS

PLEASE SELECT WHICH OF THE FOLLOWING AGREEMENTS YOU UTILIZE IN YOUR BUSINESS.



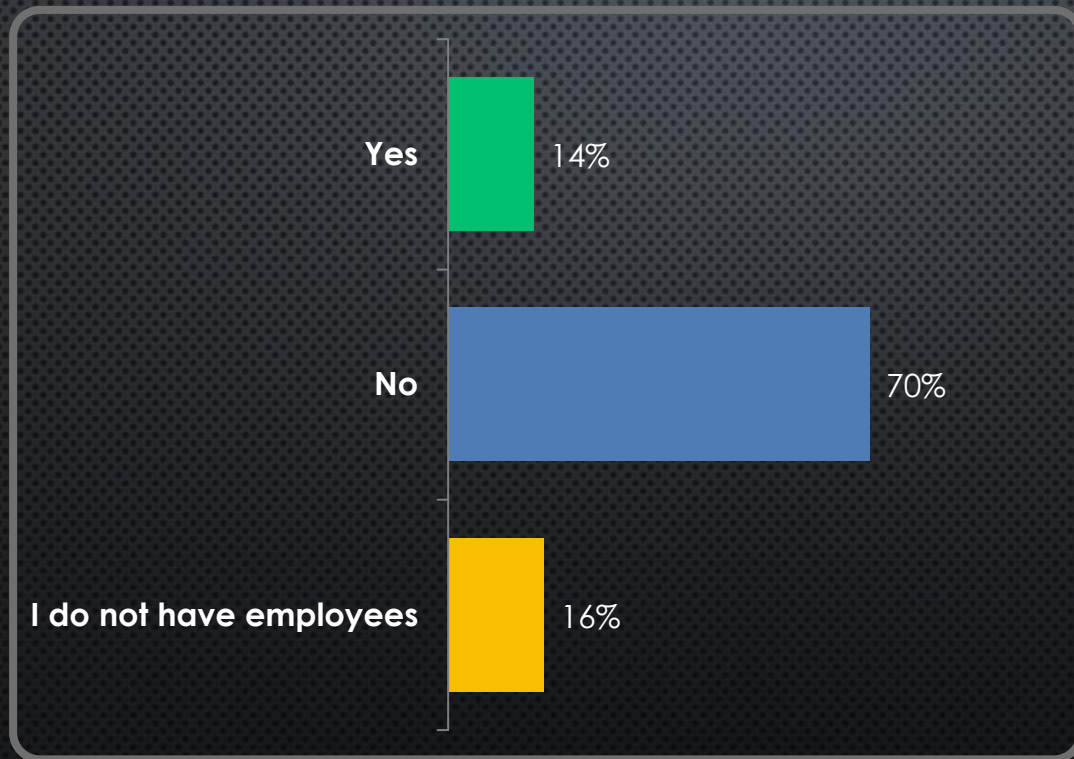
The number of larger small companies (those with 100-499 employees) that require some or all employees to sign a noncompete or nondisclosure is notably higher than companies with fewer than 10 employees.

HAVE YOU EVER TRIED TO ENFORCE A NONCOMPETE, NONDISCLOSURE/CONFIDENTIALITY OR NON-SOLICITATION AGREEMENT?



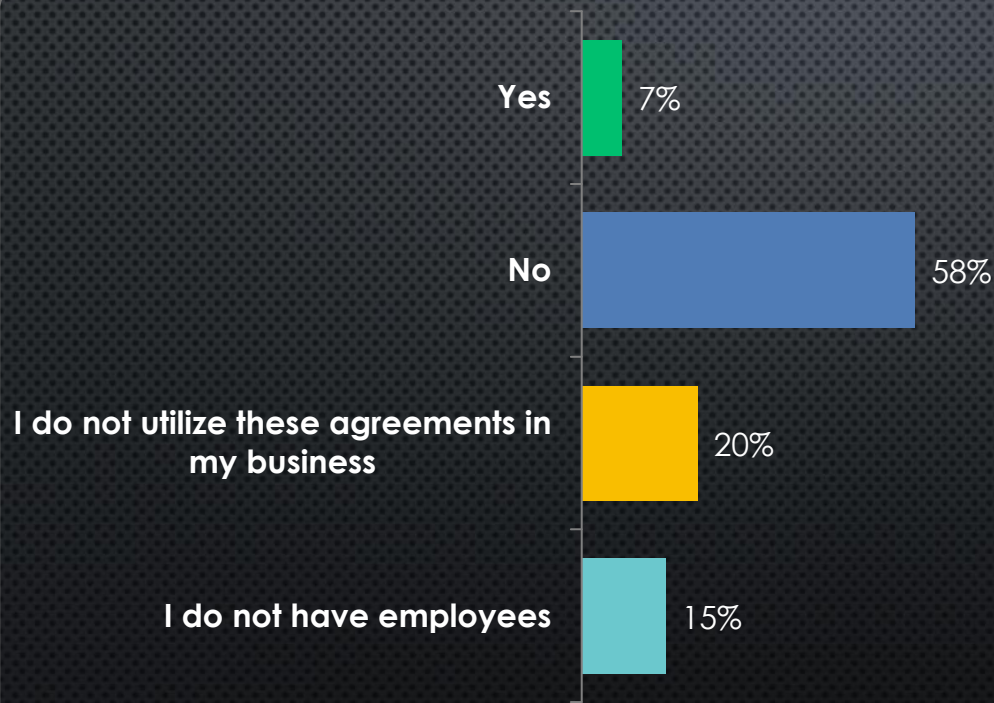
The largest small businesses, 100 or more employees, enforce noncompete agreements at four times the rate of the smallest businesses.

HAVE YOU EVER HAD DIFFICULTY HIRING AN EMPLOYEE DUE TO HIS/HER NONCOMPETE OR NONDISCLOSURE AGREEMENT WITH ANOTHER COMPANY?



Among employer firms, the smallest firms (1-9 employees), 17 percent say they've had trouble hiring a prospective employee due to a preexisting noncompete - that rate doesn't change notably among larger small businesses.

HAVE YOU EVER HAD DIFFICULTY HIRING AN EMPLOYEE BECAUSE HE/SHE REFUSED TO SIGN YOUR NONDISCLOSURE AND/OR NONCOMPETE AGREEMENT?

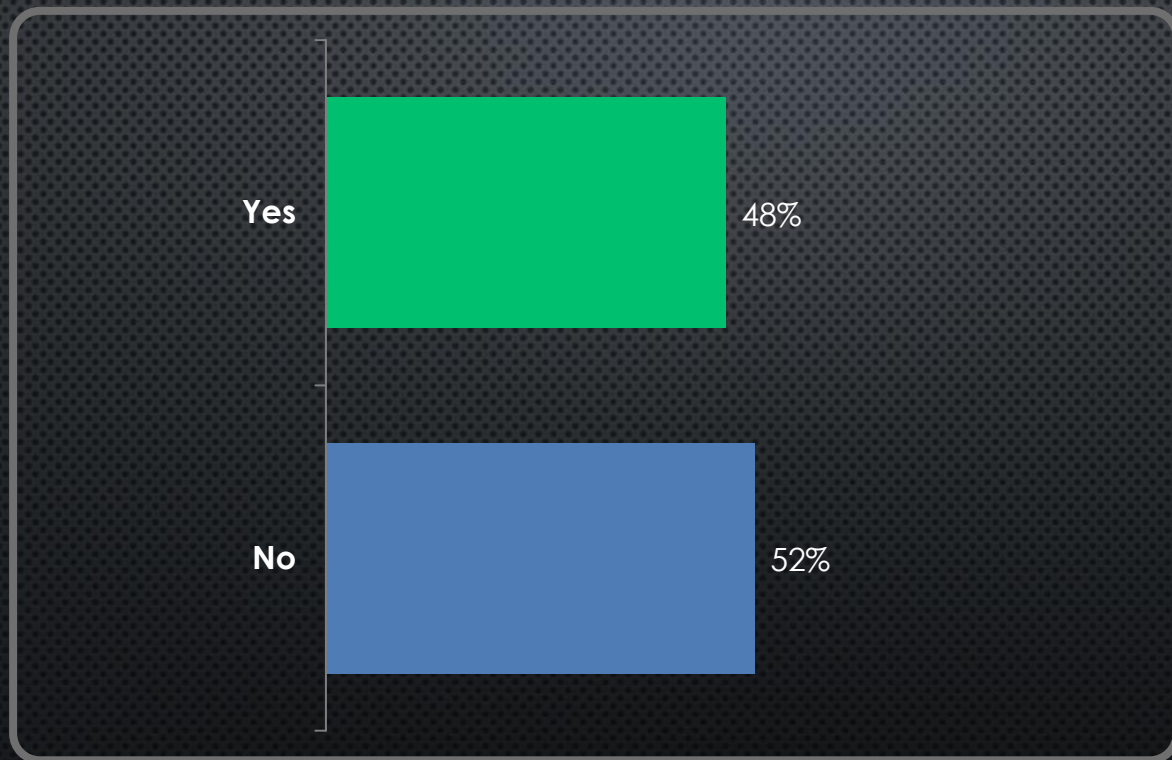


Among employers who utilize noncompete or nondisclosure agreements for their employees, 10 percent of the smallest employers they've had difficulty hiring due to a refusal of a potential employee to sign his/her company's noncompete compared to 80 percent for employers with more than 100 employees

PLEASE SELECT WHICH OF THE STATEMENTS IS TRUE WHEN IT COMES TO HIRING EMPLOYEES. (CHECK ALL THAT APPLY)

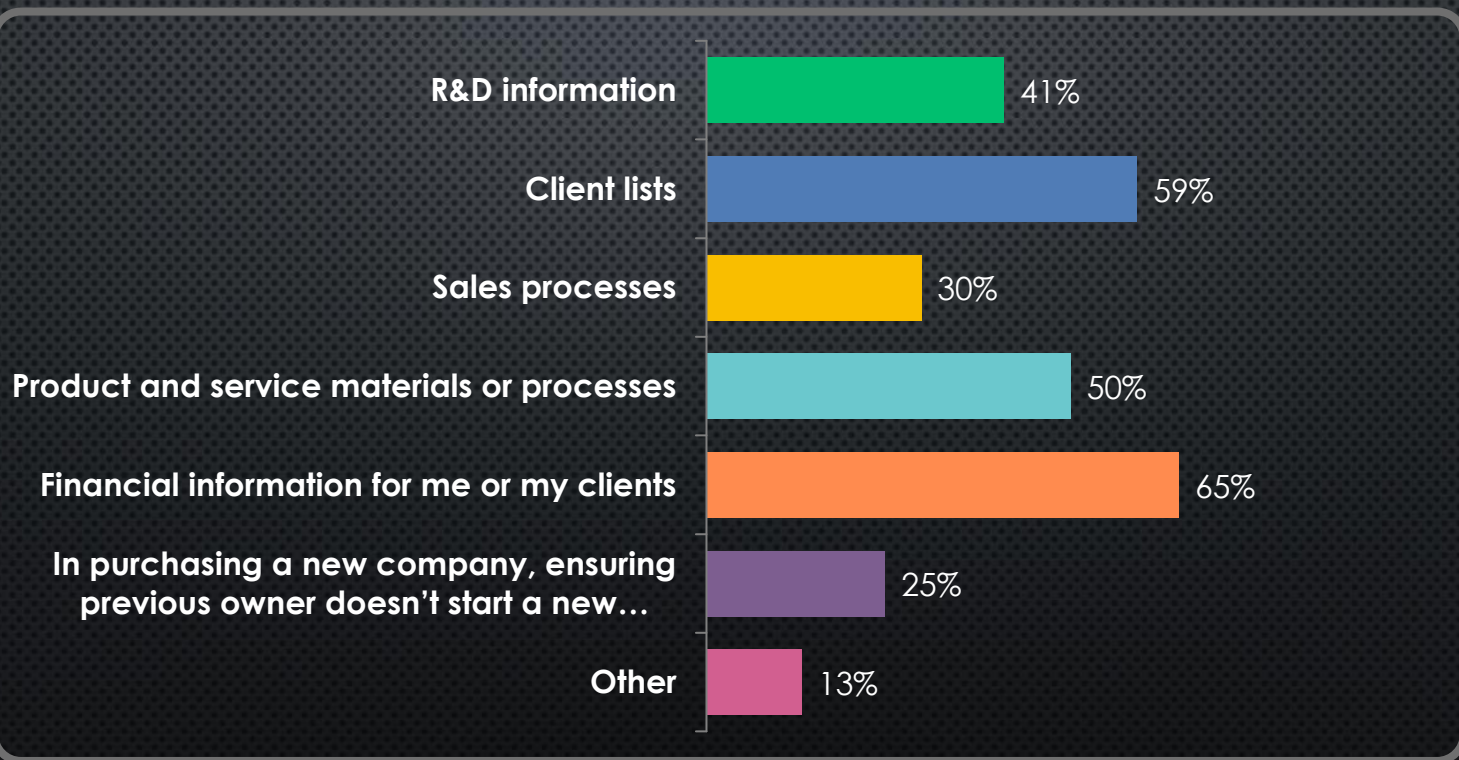


ARE YOU YOURSELF AND/OR YOUR BUSINESS SUBJECT TO ANY NONDISCLOSURE AGREEMENTS?

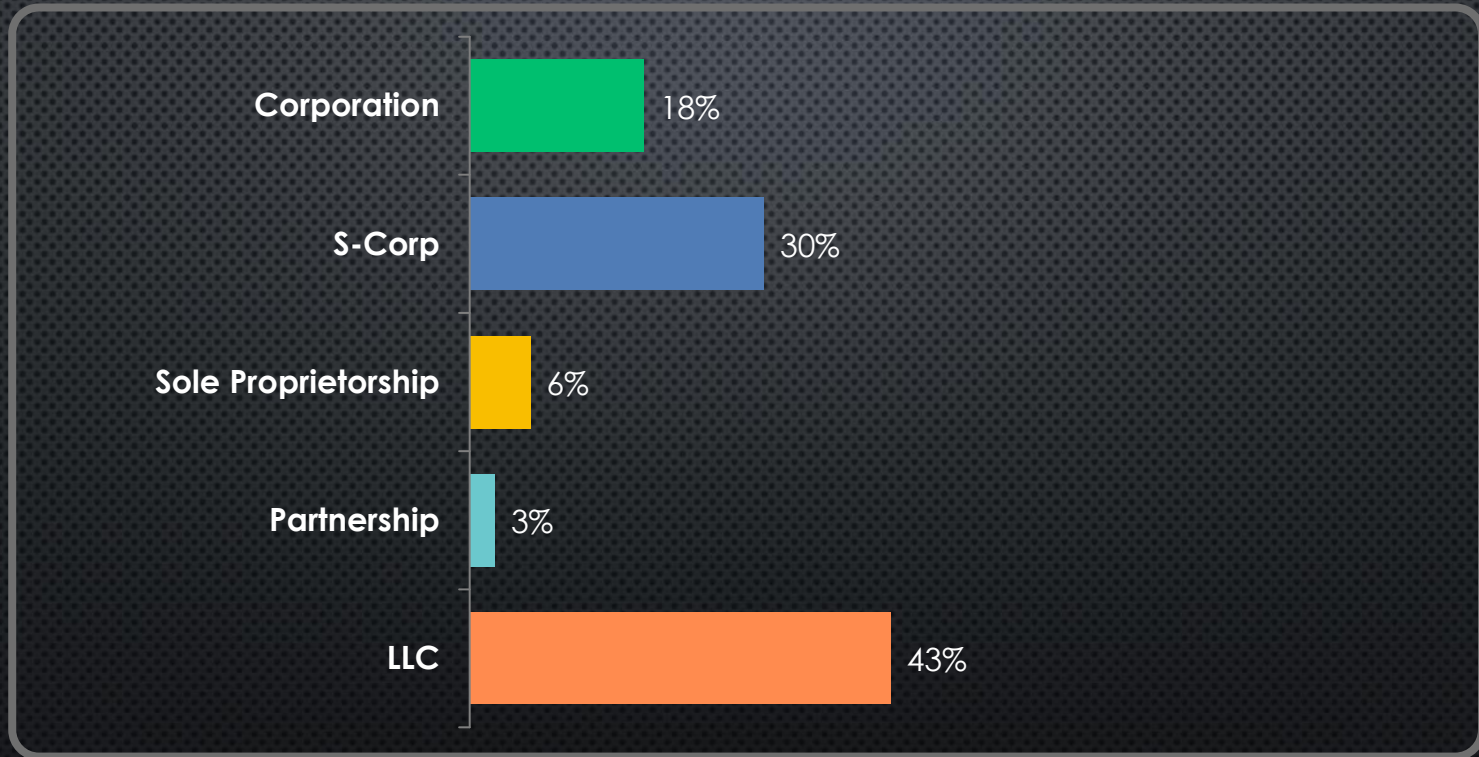


Nearly half of small businesses are subject to some kind of nondisclosure agreements, and this doesn't change significantly as the businesses are larger.

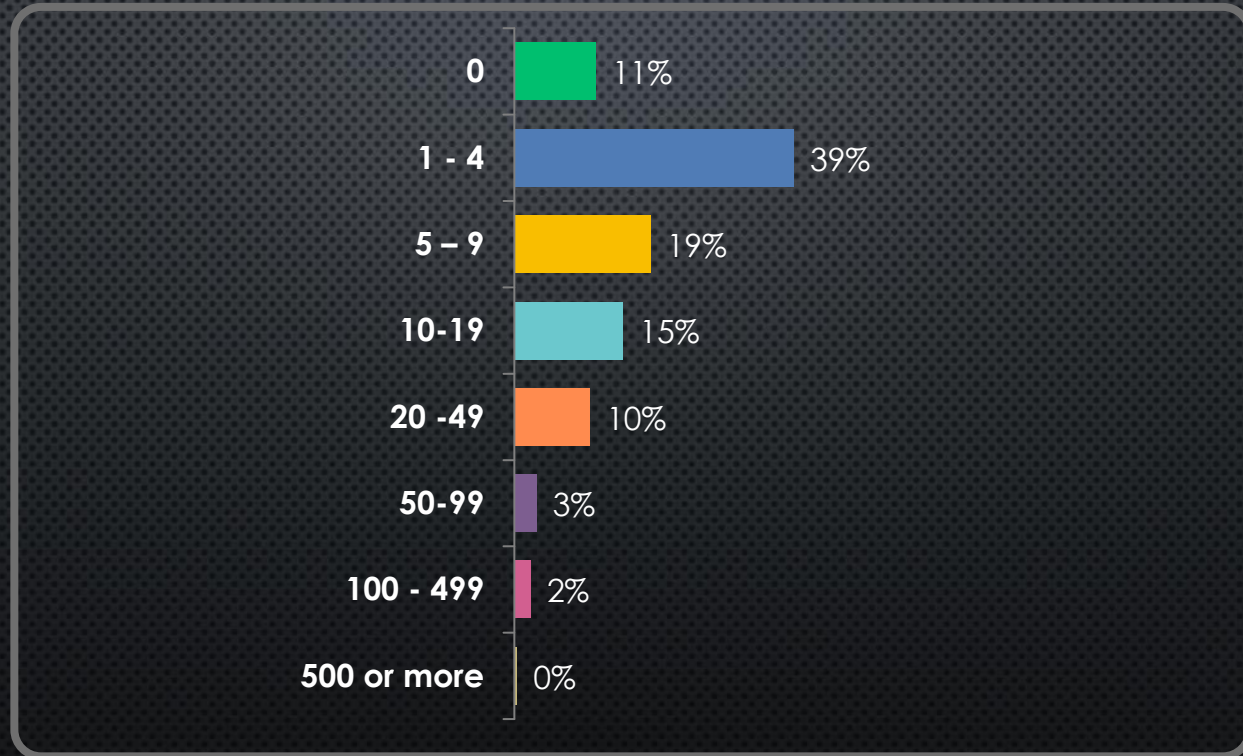
PLEASE SELECT WHICH OF THE FOLLOWING ITEMS YOU ARE MOST INTERESTED IN PROTECTING IN TERMS OF EMPLOYEES, CLIENTS OR CONTRACTORS POTENTIALLY WORKING FOR A COMPETITOR. (CHECK ALL THAT APPLY)



WHICH OF THE FOLLOWING BEST DESCRIBES THE STRUCTURE OF YOUR BUSINESS?



HOW MANY TOTAL FULL-TIME PERSONNEL ARE CURRENTLY EMPLOYED BY YOUR BUSINESS?

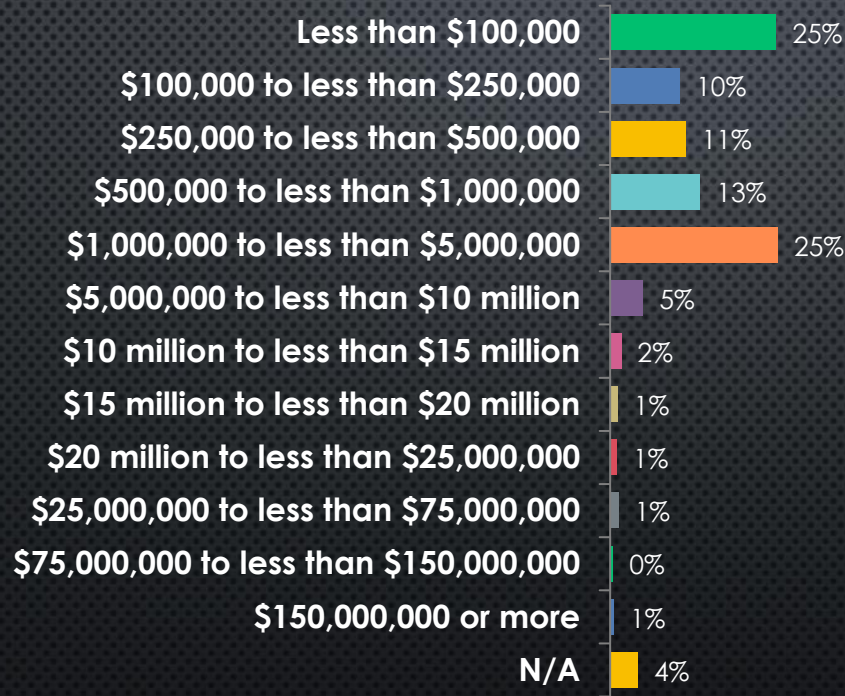


WHICH OF THE FOLLOWING BEST DESCRIBES THE INDUSTRY OR SECTOR IN WHICH YOUR BUSINESS OPERATES?



The industries with the highest occurrence of requiring noncompete agreements are: Administrative and Support, public information and information.

WHAT WERE YOUR GROSS SALES OR REVENUES FOR YOUR MOST RECENT FISCAL YEAR?



Methodology

This survey was conducted online Feb. 19 - March 5 among 809 small-business respondents from all industries and all states across the nation. Please contact the NSBA Media Affairs department for additional information: press@nsba.biz

