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**IN THE COURT OF APPEALS OF OHIO
THIRD APPELLATE DISTRICT
ALLEN COUNTY**

SHEENA PATEL, M.D.,

CASE NO. 1-26-26

PLAINTIFF-APPELLEE,

v.

GCGA PHYSICIANS, LLC,

**J U D G M E N T
E N T R Y**

DEFENDANT-APPELLANT.

This appeal, having been placed on the accelerated calendar, is being considered pursuant to App.R. 11.1(E) and Loc.R. 11.1. This decision is therefore rendered by summary judgment entry, which is only controlling as between the parties to this action and not subject to publication or citation as legal authority under Rule 3 of the Ohio Supreme Court Rules for the Reporting of Decisions.

Defendant-appellant GCGA Physicians, LLC appeals the judgment of the Allen County Court of Common Pleas, arguing the trial court erred in granting the preliminary injunction requested by plaintiff-appellee Dr. Sheena Patel. For the reasons set forth below, the judgment of the trial court is affirmed.

In 2021, GCGA purchased a medical practice in Lima, Ohio from Dr. Patel and her partners. During this process, Dr. Patel signed agreements that included

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two non-compete clauses that stated she could not practice in the field of gastroenterology inside a twenty-five-mile radius of Lima, Ohio (1) within five years of when the practice was purchased or (2) within two years of any termination of employment with GCGA. On March 31, 2025, Dr. Patel was terminated.

Dr. Patel then received an offer to work as an “in-house” gastroenterologist at Mercy Health in Lima, Ohio. (Tr. 4). On May 23, 2025, Dr. Patel filed a complaint that named GCGA as a defendant and contested the grounds of her termination. She also filed a motion for a preliminary injunction that was granted in part by the trial court on March 12, 2026. GCGA filed its notice of appeal on March 25, 2026 and raises the following two assignments of error:

First Assignment of Error

The Trial Court erred by not applying the ‘sale of business’ standard for the enforceability of non-compete provisions arising from the sale-of-a-business. (March 11, 2026, Judgment Entry.)

Second Assignment of Error

Even assuming the employee-employer standard of analysis concerning the enforceability of a non-compete applied to this case, the Trial Court erred by failing to follow this Court’s guidance in *Owusu v. Hope Cancer Ctr. of NW Ohio, Inc.*, (*Ohio Ct. App. 3d Dist., Sep. 6, 2011*), 201 1-Ohio-4466. (March 11, 2026, Judgment Entry.)

First Assignment of Error

Under the test in *Raimonde v. Van Vlerah*, a noncompete agreement will be found reasonable and, therefore, enforceable if the restrictions (1) are “no greater

than is required for the protection of the employer”; (2) “do[] not impose undue hardship on the employee”; and (3) are “not injurious to the public.” *Id.* at 42 Ohio St.2d 21, 26 (1975). Courts should consider the following factors to evaluate the reasonableness of a noncompete agreement:

(1) the absence or presence of limitations as to time and space, (2) whether the employee represents the sole contact with the customer, (3) whether the employee is possessed with confidential information or trade secrets, (4) whether the covenant seeks to eliminate competition which would be unfair to the employer or merely seeks to eliminate ordinary competition, (5) whether the covenant seeks to stifle the inherent skill and experience of the employee, (6) whether the benefit to the employer is disproportional to the detriment to the employee, (7) whether the covenant operates as a bar to the employee’s sole means of support, (8) whether the employee’s talent which the employer seeks to suppress was actually developed during the period of employment, and (9) whether the forbidden employment is merely incidental to the main employment.

Reliant Servs. MJF, LLC v. Brown, 2025-Ohio-5364, ¶ 29 (12th Dist.), citing *Raimonde*, at 25 (1975). Importantly, “restrictive covenants not to compete are disfavored by the law” and must be evaluated on a case-by-case basis. *Brown* at ¶ 27, 28. Finally, appellate courts apply a de novo standard of review to questions of law. *Fahncke v. Fahncke*, 2020-Ohio-433, ¶ 18 (3d Dist.).

Legal Analysis

GCGA identifies a line of cases that held noncompete provisions in sale-of-business agreements should be “afforded less scrutiny” than ones in employer-employee agreements because (1) sellers generally have greater bargaining power than employees; (2) sellers are typically compensated for the restrictive covenant;

and (3) a noncompete agreement is often necessary to secure the value of the purchased business. *Century Bus. Servs., Inc. v. Urban*, 2008-Ohio-5744, ¶ 18, 21-25 (8th Dist.). See *DiAngelo v. Pucci*, 1987 Ohio App. Lexis 6318, (11th Dist. Mar. 31, 1987); *Basicomputer Corp. v. Scott*, 791 F.Supp. 1280, 1290 (N.D. Ohio 1991). We note that these cases still evaluated the noncompete provisions in the sale-of-business agreements under the *Raimonde* test. *Urban* at ¶ 25-26; 31-33; *Granzier v. Cabbage, Inc.*, 2003-Ohio-3532, ¶ 8 (8th Dist.).

On appeal, GCGA asserts that the trial court incorrectly applied the level of scrutiny for employee-employer agreements in this case because the judgment entry did not mention that a lower level of scrutiny was applied to the noncompete provisions Dr. Patel entered into alongside the sale-of-business agreement. But GCGA's argument overlooks an important consideration at issue in this case:

"Restrictive covenants are disfavored in the law, and '[t]his measure of disfavor is especially acute concerning restrictive covenants among physicians, which affect the public interest to a much greater degree.'" *Castillo-Sang v. Christ Hosp. Cardiovascular Assoc., LLC*, . . . 2020-Ohio-6865, ¶ 19 [(1st Dist.)], quoting *Ohio Urology, Inc. v. Poll*, 72 Ohio App.3d 446, 452-453 . . . (10th Dist. 1991). Noncompete restraints on physicians are, therefore, 'strictly construed in favor of professional mobility and access to medical care and facilities.' *Id.* . . . [N]oncompete restraints on physicians [are enforced] 'to the extent necessary to protect an employer's legitimate interests; if there is no legitimate interest to be protected, the noncompete is unreasonable.'

Wigton v. Univ. of Cincinnati Physicians, Inc., 2021-Ohio-3576, ¶ 7 (1st Dist.).

Thus, when examining a noncompete agreement for a physician,

the first prong of the *Raimonde* test requires the employer to prove that some legitimate business interest of the employer—trade secrets, customer lists, inside information, special training, or some other circumstance that makes the employer particularly vulnerable to competition from his former employee—needs protecting, and the trial court must find that the restrictive covenant restrains the employees only to the extent necessary to protect that legitimate business interest. Without the proof of circumstances that threaten the employer with unfair competition, the physician employee cannot be constrained because the competition is merely ordinary and its restraint would violate the long-standing public policy against agreements in the restraint of trade.

Pratt v. Grunenwald, 1994 Ohio App. Lexis 2805, *6-7 (2d Dist. Jun. 29, 1994).

See also Castillo-Sang, 2020-Ohio-6865, at ¶ 27 (1st Dist.). In this context, the employer has the “burden to prove there is a legitimate business interest to be protected.” *MetroHealth Sys. v. Khandelwal*, 2022-Ohio-77, ¶ 17 (8th Dist.).

While GCGA presents a choice between the sale-of-business standard of scrutiny and the employer-employee standard of scrutiny, the primary tension in this case arises from the fact that the noncompete provisions at issue address a medical professional *and* result from a sale-of-business agreement. In resolving this tension, we note that the standard of scrutiny for noncompete provisions in sale-of-business agreements addresses private interests. *Urban* at ¶ 18. In contrast, the more specific standard for noncompete provisions with medical professionals provides a framework that considers the “public interest” *and* the “legitimate business interest” at stake. *Wigton*, 2021-Ohio-3576, at ¶ 7 (1st Dist.); *Grunenwald* at *6-7.

In its judgment entry, the trial court considered whether GCGA established that a “legitimate business interest” was at stake and whether the “public interest” would be served by enjoining a medical professional from providing needed services. (Doc. 28). Thus, the trial court apparently relied upon the standard that takes into account the public interest in medical services *and* the need to protect legitimate business interests. On appeal, GCGA has not advanced an argument that explains how the trial court erred in prioritizing these considerations over the standard of scrutiny for sale-of-business agreements.

Having examined the record, we conclude that the trial court relied upon the proper considerations in evaluating the reasonableness of the noncompete provisions at issue in this case under the *Raimonde* test. Since GCGA has not demonstrated that the trial court applied an incorrect legal standard, the first assignment of error is overruled.

Second Assignment of Error

A trial court considers the following four factors in deciding whether to issue a preliminary injunction:

(1) whether the evidence presents a substantial likelihood that the plaintiff will prevail on the merits; (2) whether denying the injunction will cause the plaintiff to suffer irreparable injury; (3) whether granting the injunction will cause unjustifiable harm to third parties; and (4) whether the injunction serves the public interest.

Elec. Classroom of Tomorrow v. Ohio Dep't of Educ., 2017-Ohio-5607, ¶ 33 (10th Dist.). A decision to issue a preliminary injunction is reviewed on appeal under an abuse-of-discretion standard. *Martens v. Price*, 2023-Ohio-4359, ¶ 27 (3d Dist.).

Legal Analysis

GCGA argues that the trial court's determination was inconsistent with this Court's decision in *Owusu v. Hope Cancer Ctr. of Northwest Ohio, Inc.*, 2011-Ohio-4466, ¶ 27 (3d Dist.). In this prior case, Dr. Owusu entered into a noncompete agreement with Hope Cancer Center ("HCC") that restricted his ability to practice for two years after leaving HCC. *Id.* at ¶ 3-4. Thereafter, Dr. Owusu considered joining another oncology practice that was "two miles from HCC" or opening his own practice in the area. *Id.* at ¶ 6. At trial, HCC employees

testified about how the practice of oncology was almost exclusively dependent upon physician referrals and why it was important for HCC to protect the local physician referral network that it relied upon to provide its patients. If Dr. Owusu opened a practice in Lima, as he was planning to do, he would be utilizing this same physician referral network and taking patients and business away from HCC's practice.

...

Also, several witnesses testified that there was no shortage of oncologists in the Lima area to service the public, including the physician recruiter. There are at least six to eight oncologists in the Lima area and this was said to be more than sufficient to handle the area's needs. Dr. Madan and others testified that HCC, as well as other oncology practices in this area, had to maintain satellite offices because there were not enough patients in the area to sustain a practice based solely in Lima.

Id. at ¶ 13, 30. In examining the facts of this case, this Court noted that,

[w]hen Dr. Owusu started at HCC, he had no contacts or referral base in the area. During the sixteen months he worked for HCC, he developed physician referral connections as a result of his employment with HCC that he would like to utilize to build a new practice. This is specifically the business interest that HCC sought to protect with its Non-Compete Clause.

Id. at ¶ 25. This Court ultimately found the noncompete agreement to be enforceable under the *Raimonde* test. *Id.* at ¶ 23, 31.

Importantly, HCC provided extensive evidence of the impact that the failure to enforce the noncompete agreement would have on their practice. But in the case presently before us, the trial court noted that the record did not contain

any evidence, or even an estimate, of how many referrals defendant [GCGA] would get from St. Rita's Lima from now until April 2027 (the latest end-date for the non-compete clauses). There was similarly no evidence of whether St. Rita's refers patients to other gastrointestinal physicians in Lima beside defendant. There was also no evidence that referrals to defendant would necessarily decrease if plaintiff went to work for St. Rita's Lima. Defendants swore in their joint affidavit that it was their 'understanding' that St. Rita's had offered an inpatient-only position to another physician. There was no evidence, however, as to whether the position plaintiff wanted to take at St. Rita's was for 'inpatient-only' patients or for patients that might otherwise be referred to defendant.

(Doc. 52). The trial court also noted that no one alleged that Dr. Patel was the only contact with any of GCGA's patients or any portion of GCGA's referral network.

In summary, *Owusu* emphasized that the *Raimonde* test was "to be applied on a case-by-case basis, with each case being decided on its own facts." *Owusu* at ¶ 24. *Owusu* is distinguishable from this case because GCGA did not produce evidence that established enforcement of the noncompete agreement was needed to

protect a legitimate business interest. Having examined the record, we find no indication that the trial court abused its discretion in granting Dr. Patel's motion for a preliminary injunction. Accordingly, the second assignment of error is overruled.

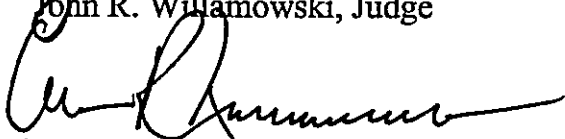
Conclusion

Accordingly, for the aforementioned reasons, it is the order of this Court that the Judgment of the Allen County Court of Common Pleas be, and hereby is, affirmed. Costs are assessed to Appellant for which judgment is hereby rendered. This cause is remanded to the trial court for execution of the judgment for costs.

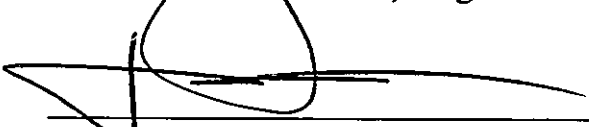
It is further ordered that the Clerk of this Court certify a copy of this judgment entry to the trial court as the mandate prescribed by App.R. 27, and serve a copy of this judgment entry on each party to the proceedings and note the date of service in the docket as prescribed by App.R. 30.



John R. Willamowski, Judge



William R. Zimmerman, Judge



Juergen A. Waldick, Judge

DATED: AUG 24 2026
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