

Marsh USA LLC v Hanrahan

2025 NY Slip Op 33801(U)

October 2, 2025

Supreme Court, New York County

Docket Number: Index No. 652798/2025

Judge: Andrea Masley

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART 48

-----X

MARSH USA LLC and MARSH & MCLENNAN
COMPANIES, INC.,

INDEX NO. 652798/2025

Plaintiff,

MOTION DATE _____

- v -

MOTION SEQ. NO. 006

GARRETT HANRAHAN, JOHN ANDREWS, and WILLIS
TOWERS WATSON US LLC,

**DECISION + ORDER ON
MOTION**

Defendant.

-----X

HON. ANDREA MASLEY:

The following e-filed documents, listed by NYSCEF document number (Motion 006) 45, 51, 52, 57, 58, 59, 60, 61, 62, 63, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 102, 103, 104, 105, 106, 112, 117, 118

were read on this motion to/for INJUNCTION/RESTRAINING ORDER.

Upon the foregoing documents, it is

In motion 006, plaintiffs Marsh USA LLC and Marsh & McLennan Companies Inc. (collectively Marsh) move pursuant to CPLR 6301 for a preliminary injunction enjoining

- (1) defendant Willis Towers Watson US LLC (WTW), without requiring admission to the existence of any such confidential information, to the extent defendant WTW is in possession of any confidential information regarding Marsh's Aviation and Space Practice employees which was furnished to WTW by defendants Hanrahan and Andrews, from using such confidential information while the law firm of Saul Ewing LLP works with defendant WTW to segregate and preserve such confidential information, if any;
- (2) defendants Hanrahan and Andrews, without requiring admission to the existence of any such confidential information and to the extent they each retain possession of any confidential information after their employment with Marsh ends, from using such confidential information while the law firm of Saul Ewing LLP works with defendants Hanrahan and Andrews to segregate and preserve such confidential information, if any;
- (3) Until May 12, 2026, defendant Hanrahan from soliciting employees, or soliciting or servicing clients, in violation of his Non-Solicitation Agreement, Confidentiality Agreement, and Restrictive Covenants Agreements that were

- attached to the Complaint, EXCEPT that defendant Hanrahan will be permitted to solicit and service the list of Marsh clients which has been exchanged and agreed to by the Parties;
- (4) defendant Hanrahan from soliciting or servicing the list of disputed Marsh clients that the Parties have exchanged but which has yet to be agreed to by the Parties;
 - (5) Until May 12, 2026, defendant Andrews from soliciting employees, or soliciting or servicing clients, in violation of his Non-Solicitation Agreement, Confidentiality Agreement, and Restrictive Covenants Agreements that were attached to the Complaint, EXCEPT that defendant Andrews will be permitted to solicit and service the list of Marsh clients which has been exchanged and agreed to by the Parties;
 - (6) defendant Andrews from soliciting or servicing the list of disputed Marsh clients that the Parties have exchanged but which has yet to be agreed to by the Parties;
 - (7) Until May 12, 2026, defendant WTW from soliciting the list of Marsh employees which has been exchanged and agreed to by the Parties, PROVIDED that should any of the listed Marsh employees who already have been offered employment with WTW, contact WTW— affirmatively and unprompted by WTW—for purposes of discussing employment, WTW will be permitted to have those discussions, with neither Hanrahan nor Andrews permitted to participate directly or indirectly in those discussions or otherwise assist WTW directly or indirectly in preparing for such discussions; and
 - (8) defendant WTW from inducing defendants Hanrahan and Andrews to violate any of their post-employment obligations to Marsh as set forth in their respective Non-Solicitation Agreement, Confidentiality Agreement, and Restrictive Covenants Agreements that were attached to the Complaint.

The parties came to an agreement as to all the above except as to solicitation and servicing of ten clients. (NYSCEF 117, tr 5:11-18.) This decision addresses clients A to J only and the relief requested in paragraphs 4 and 6 above. (See NYSCEF 57, Defendants' Memo of Law at 1 for list of clients which correspond to A to J.)

The court continued the TRO pending this decision. (NYSCEF 106, Decision and Order.)

Defendant Jospheh Garrett Hanrahan has been in the insurance business since 1993 and aerospace insurance since 1995. (NYSCEF 59, Joseph Garrett Hanrahan aff ¶5.) In 1998, AON acquired his employer and Hanrahan continued to work on aerospace insurance at AON. (*Id.* ¶6.) He joined Willis of New York (WNY) in 2001 and continued to work on aerospace insurance. (*Id.* ¶7.) He gave notice of termination to WNY on May 2, 2013. (NYSCEF 60, Hanrahan June 11, 2013 aff ¶68.) Sometime thereafter, he joined Marsh as Managing Director, US Aviation Practice Leader. (NYSCEF 69, Hanrahan Settlement §3[b].) Hanrahan's Non-Solicitation of clients Agreement with Marsh provides:

“Employee covenants and agrees that in the event of separation from employment with the Company, whether such separation is voluntary or involuntary, Employee will not, for a period of twelve (12) months following such separation, directly or indirectly: (i) solicit clients of Employer for the purpose of selling or providing consulting services, projects or products of the type sold or provided by Employee while employed by Employer; or (ii) induce clients or prospective clients of Employer to terminate, cancel, not renew, or not place business with Employer, or (iii) perform or supervise the performance of consulting services, projects or products of the type sold or provided by Employee while he or she was employed by Employer on behalf of any clients or prospective clients of Employer. This restriction shall apply only to those clients or prospective clients of Employer with whom Employee had contact or about whom Employee was provided and/or obtained Confidential Information or Trade Secrets during the last two (2) years of his employment with the Company. For the purposes of this Section, the term "contact" means interaction between Employee and the client which takes place to further the business relationship or making (or assisting or supervising the making of) sales to or performing or providing (or assisting or supervising the performance or provision of) services, products or projects for the client or prospective client on behalf of the Company.” (NYSCEF 11, Hanrahan and Marsh Employment Agreement ¶1.)

WNY initiated litigations¹ against Hanrahan and Marsh for breach of his employment agreement. (NYSCEF 59, Hanrahan aff ¶10.) The parties settled WNY's litigation on

¹ Index No. 651932/2013, Supreme Court, NY County and Index No. 652368/2013, Supreme Court, NY County.

February 12, 2014, with a list identifying clients, including clients A, C, D, E, and F, whom Hanrahan could not contact until July 31, 2014, because he had worked with those clients at WNY or solicited them while an employee of WNY. (*Id.* ¶¶17, 18, 19; NYSCEF 61, Hanrahan's Settlement Agreement with WNY §3[c].) Hanrahan resigned from Marsh on April 28, 2025, and immediately joined Willis Towers Watson Northeast, Inc. (WTW), the successor to WNY. (NYSCEF 59, Hanrahan aff ¶21.) This action ensued.

Defendant John Andrews has worked as an insurance broker in the aviation industry since 1996. (NYSCEF 58, Andrews aff ¶4.) He was at AON from 1996 to 2008 during which time he worked with Client J. (*Id.*) He joined Marsh in 2008 and agreed to the identical no solicitation provision as Hanrahan. (*Id.* ¶10.) He had no contact with his former employee contacts at Client J during a restriction period of two years pursuant to AON's noncompete Agreement. (*Id.* ¶11.) He began to solicit Client J in August 2010, contacting his former employee contacts at Client J. (*Id.* ¶12.) Client J transferred its business to Marsh in March 2012. (*Id.* ¶13.) Andrews worked with Client J until his resignation and last date of employment at Marsh on May 12, 2025. (*Id.* ¶14.) He joined WTW on May 13, 2025. (*Id.*) This action ensued.

Analysis

"A preliminary injunction may be granted in any action where it appears that the defendant threatens or is about to do, or is doing or procuring or suffering to be done, an act in violation of the plaintiff's rights respecting the subject of the action, and tending to render the judgment ineffectual." (CPLR 6301.)

To obtain a preliminary injunction, a movant must establish: "(1) a likelihood of ultimate success on the merits; (2) the prospect of irreparable injury if the provisional relief is withheld; and (3) a balance of equities tipping in the moving party's favor." (*Doe v*

Axelrod, 73 NY2d 748, 750 [1988] [citation omitted].) In the employment context, a preliminary injunction will issue “[u]nder New York law, [when] an employee’s noncompetition agreement is reasonable and, therefore, enforceable only if it: (1) is no greater than is required for the protection of the legitimate interest of the employer, (2) does not impose undue hardship on the employee, and (3) is not injurious to the public.” (*BDO Seidman v Hirshberg*, 93 NY2d 382, 388-389 [1999].)

For a preliminary injunction, the court must first evaluate the likelihood of success on the merits based on the limited record before it. For likelihood of success of a claim for breach of a noncompete agreement, the agreement must protect an employer’s “legitimate interest” in protecting client relationships “which [the employer] enabled [the employee] to acquire through his performance of [] services for the firm’s clientele during the course of his employment.” (*BDO Seidman v Hirshberg*, 93 NY2d 382 (1999) 393.) On the other hand, it is “unreasonable” to protect the employer’s client relationships with “personal clients of [the employee] who came to the firm solely to avail themselves of his services and only as a result of his own independent recruitment efforts, which [the employer] neither subsidized nor otherwise financially supported as part of a program of client development.” (*Id.*)

“[T]he only justification for imposing an employee agreement not to compete is to forestall unfair competition. It seems self-evident that a former employee may be capable of fairly competing for an employer’s clients by refraining from use of unfair means to compete. If the employee abstains from unfair means in competing for those clients, the employer’s interest in preserving its client base against the competition of the former employee is no more legitimate and worthy of contractual protection than when it vies with unrelated competitors for those clients.” (*BDO Seidman v Hirshberg*, 93 NY2d 382, 391 [1999].)

The analysis of legitimate interest or justification is based on client goodwill and “whether client goodwill developed as a result of the [employee’s] own independent

efforts, rather than being generated and maintained primarily at the employer's expense is a triable issue of fact.” (*Kanan, Corbin, Schupak & Aronow, Inc. v FD Int'l, Ltd.*, 8 Misc 3d 412, 419 [Sup. Ct. NY Cnty. 2005].) To find likelihood of success for claims of breach of the noncompete agreements against Hanrahan and Andrews, Marsh must establish a legitimate interest by showing that Marsh, and not defendants, is responsible for Client A to J joining Marsh as clients.

As to the second element, “the loss of client relationships and customer goodwill that results from the breach of a non-compete clause generally constitutes irreparable harm.” (*Marsh USA Inc. v Karasaki*, 28 IER Cases 577 [SDNY Oct. 31, 2008].)

Neither party addresses the third element whether the preliminary injunction injures the public.

Marsh asserts that Hanrahan is prohibited from soliciting and servicing nine clients and Andrews is prohibited from soliciting client J. As to Andrews, Marsh’s motion for a preliminary injunction is granted as admittedly, Andrews was in Marsh’s employ for years before Client J joined Marsh in 2012.² (NYSCEF 58, Andrews aff ¶13.) Andrews did not solicit Client J from July 2008, when he joined Marsh, to July 2010, when his restricted period ended. (*Id.* ¶¶11, 12.) While Andrews may have had a preexisting relationship with Client J, it took Marsh’s resources, time, and employees’ effort, including that of Andrews, to secure Client J as Marsh’s client, two years later. (*Id.* ¶12.) Client J did not immediately follow Andrews to Marsh. (See e.g. *Marsh USA Inc. v Doerfler*, 46 Misc 3d 1208(A), *6 [Sup Ct, NY County 2015].) This is not a case

² Murray asserts that Client J joined Marsh in 2013, but Murray has no first-hand knowledge as he did not join Marsh until October 2019. (NYSCEF 92, Stephen Murray, Managing Director in Marsh’s Aviation Practice, aff ¶4.)

where it is difficult to distinguish between the employee's goodwill and the employer's goodwill. (*Id.*)

As to Hanrahan, Marsh submits various affidavits denying that Hanrahan had anything to do with Clients A to I joining Marsh. Hanrahan counters that Client A was an active prospect when Hanrahan was at WNY as evidenced by the Settlement Agreement. (NYSCEF 59, Hanrahan aff ¶18.) However, Client A was a restricted prospect in the WNY Settlement, not a restricted client. (*Id.* ¶51.) According to Marsh, Client A became a client of Marsh in 2017 because of the work of Al Galinato, not Hanrahan. (NYSCEF 80, Anderson, Marsh's Client Executive on this account, aff ¶4.) Since 2017, Anderson, has not observed Hanrahan work on the account. (*Id.* ¶8.) Hanrahan does not state that he did anything to bring Client A to Marsh as a client, four years after he joined Marsh. Unsuccessfully soliciting Client A, four years earlier, as a prospect is not enough to demonstrate goodwill superior to Marsh's goodwill.

Marsh submits the affidavit of Brian Glod who has no firsthand knowledge about Client B. (NYSCEF 94, Brian Glod, United States Head of Marsh's Aviation and Space Practice, aff ¶4.) Although he states that he reviewed Marsh's records to prepare his affidavit, he fails to give any information, most critically dates are missing. According to Hanrahan, Client B joined Marsh in 2014, a year after Hanrahan joined Marsh. (NYSCEF 59, Hanrahan aff ¶57.) In 2011, Client B left WNY, long before Hanrahan left WNY. (*Id.* ¶56.) Clearly, Client B was not Hanrahan's client when Hanrahan moved to Marsh and Client B did not follow Hanrahan to Marsh. Nevertheless, as Marsh, the movant, failed to satisfy its burden, Marsh's motion is denied as to Client B.

Client C joined Marsh in the Spring of 2017, four years after Hanrahan joined Marsh. (NYSCEF 84, Michael McCray, Senior Vice President of Marsh's Aviation Practice, aff ¶7.) McCray had worked with Client C while he was employed at AON and WTW. (*Id.* ¶3.) He joined Marsh on September 3, 2016. (*Id.* ¶6.) Hanrahan had a preexisting relationship with Client C as evidenced by the 2013 Settlement and thus Hanrahan could not solicit until July 31, 2014. (NYSCEF 59, Hanrahan aff ¶¶18, 19.) It is undisputed that at some point during his Marsh tenure, Hanrahan solicited Client C with McCray. (*Id.* ¶26.) McCray avers that he was involved in Marsh's response to Client C's request for proposals in 2016 and he visited Client C. (NYSCEF 84, Mc Cray aff ¶7.) Hanrahan does not aver that he was involved in the RFP or any other solicitation of Client C, nor does he claim to have worked with Client C once he joined Marsh. Significantly, Client C did not immediately follow Hanrahan to Marsh, and at this juncture, it appears that it was Marsh's resources that brought Client C to Marsh. (NYSCEF 84, McCray ¶7.) Therefore, Marsh has established its goodwill regarding Client C for the purpose of a preliminary injunction.

According to Marsh, Client D joined Marsh in February 2022, years after Hanrahan arrived in 2013. (NYSCEF 90, Richard Nocella, Senior Vice President in Marsh's Aviation Practice, aff ¶5.) The parties agree that Client D joined Marsh following an event in Washington DC (dinner per Marsh and meeting per Hanrahan) with Client D at which Hanrahan was present. (NYSCEF 90, Nocella aff ¶3; NYSCEF 59, Hanrahan aff ¶35.) Hanrahan claims that it was his prior relationship with Client D and two meetings he had with Client D in Marsh's Washington DC office that brought Client D to Marsh. (NYSCEF 59, Hanrahan aff ¶35.) In any case, client D did not

immediately follow Hanrahan to Marsh, and it appears at this juncture that it was Marsh's resources that brought Client D to Marsh. Therefore, Marsh has established its goodwill regarding Client D.

Client E selected Marsh on June 20, 2014, and left AON because it was allegedly unhappy with the way AON handled some litigation. (NYSCEF 86, Richard Duncan, Global Engagement Partner at Marsh and Marsh employee since 1983, aff ¶¶4.) Duncan denies that Hanrahan was involved in soliciting or servicing of Client E. (*Id.* ¶¶5, 6.) Hanrahan had a preexisting relationship with Client E as evidenced by the 2013 Settlement list of restricted prospects and thus Hanrahan could not solicit until July 31, 2014. (NYSCEF 59, Hanrahan aff ¶¶18, 19.) Hanrahan does not assert that Client E followed him to Marsh. Indeed, Client E was a prospect, not a client. (*Id.*) While at Marsh, using Marsh resources, Hanrahan avers that he continued to solicit Client E. (*Id.* ¶48.) Further, Hanrahan does not assert that he had anything to do with Client E joining Marsh in 2014. Therefore, Marsh has established its goodwill regarding Client E.

Hanrahan had a preexisting relationship with Client F as evidenced by the 2013 Settlement and thus Hanrahan could not solicit his former client, Client F until July 31, 2014. (NYSCEF 59, Hanrahan aff ¶¶18, 19, 36, 37.) Marsh submits the affidavit of Stephen Murray who began serving the Client F account in 2023. (NYSCEF 92, Murray, Managing Director in Marsh's Aviation Practice, ¶15.) He has no first-hand knowledge and fails to state the source of his information regarding Marsh's history with Client F. Therefore, Marsh has failed to satisfy its burden for a preliminary injunction regarding Client F while Hanrahan has established that he developed a relationship with

Client F independent of Marsh. (See *Frank Crystal & Co., Inc. v Dillmann*, 84 AD3d 704, 705 [1st Dept 2011].)

Client G joined Marsh on July 26, 2013. (NYSCEF 82, David Ekes, Managing Director in Marsh's Aviation Practice aff ¶5.) According to Hanrahan, Client G followed Hanrahan and Ekes to Marsh. (NYSCEF 59, Hanrahan aff ¶¶20, 62.) Hanrahan claimed that he was instrumental to Client G transferring to Marsh and he continued to support Client G at Marsh. (*Id.* 62.) Hanrahan declares that he began working on Client G's account in the summer of 2001 while at AON as Executive Vice President of AON Risk Services and the Regional Managing Director of the Southwest region of AON's aviation practice. (*Id.* ¶16.) He describes the development of his close relationship with employees of Client G, one of whom eventually became its CFO. (*Id.* ¶¶59, 60.) In addition to managing the region, he worked on Client G's account. (*Id.*) Specifically, he declares that he "produced the workers' compensation line of business in 2003 while ..at AON." (*Id.* fn 8.) Hanrahan states that Client G moved its workers' compensation business to WNY because of him. (*Id.* ¶60.) In addition, while at WNY, he and Ekes provided brokering and advisory services on aviation insurance to Client G. (*Id.* ¶61.) "While at WNY, [Hanrahan] remained closely connected to Southwest, attending all trips for insurance renewals, many domestic market meetings and some claim review meetings.... I also remained highly active on advising on the aviation policy and claims matters." (*Id.*) Despite all of this involvement with Client G, it is not on the WNY settlement restricted list as either a client or prospect with which Hanrahan worked, but this could be explained by his preexisting relationship at AON. (*Id.* ¶18.) Ekes declares that he worked with Client G since 1995, but when Ekes left WTW and

joined Marsh in 2013, he and other Marsh employees successfully solicited Client G, but not Hanrahan. (NYSCEF 82, Ekes ¶¶ 3, 4, 5.) He denied that Hanrahan had any involvement in Client G's business either at WTW or after they joined Marsh. (*Id.* ¶¶ 7, 8.) The court finds Ekes's conclusory declarations insufficient to counter Hanrahan's detailed description of his lengthy relationship developing goodwill with Client G. At best, Ekes has established mixed goodwill. (See e.g. *Marsh USA Inc. v Doerfler*, 46 Misc 3d 1208(A), *6 [Sup Ct, NY County 2015].) Also issues of fact are better determined based on discovery and perhaps credibility. Therefore, Marsh has not satisfied its burden for a preliminary injunction regarding Client G.

Client H engaged Marsh in 2017, four years after Hanrahan joined Marsh's employ. (NYSCEF 88, Richard Michaels, Client Executive at Marsh, aff ¶2.) Hanrahan had a preexisting relationship with Client H as evidenced by the 2013 Settlement list of restricted clients and thus Hanrahan could not solicit Client H until July 31, 2014. (NYSCEF 59, Hanrahan aff ¶¶ 18, 19.) Michaels and Hanrahan worked on the Client H account together for years. (*Id.* ¶¶ 5-8.) Since Client H was going to market for new insurance in 2025, Michaels and Hanrahan worked together to plan Marsh's pitch to Client H. (*Id.* ¶¶ 9-10.) Clearly, Client H did not follow Hanrahan to Marsh. Therefore, Marsh has established its goodwill and has satisfied the elements necessary for a preliminary injunction.

Client I joined Marsh in 2013. (NYSCEF 59, Hanrahan aff ¶55.) Hanrahan states that he worked with Client I since 2009. (*Id.* ¶53.) Anderson has worked with Client I since 2017. (NYSCEF 80, Anderson aff ¶8.) He opines that another employee Galinato led Marsh's solicitation of Client I but fails to state when such solicitation

occurred. (*Id.*) Anderson also fails to state the source of his information. Marsh has failed to satisfy its burden for a preliminary injunction regarding Client I.

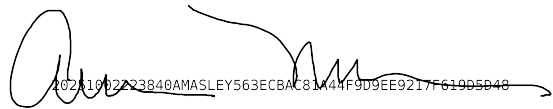
Accordingly, it appearing to this Court that a cause of action exists in favor of plaintiffs and against defendants for breach of contract and that plaintiffs are entitled to a preliminary injunction on the ground that the defendants threaten to breach their employment agreements, an act in violation of the plaintiff's rights respecting the subject of the action and tending to render the judgment ineffectual, as set forth in this decision, it is

ORDERED that Marsh's motion for a preliminary injunction is granted except as to Clients B, F, G, and I. The TRO is vacated; and it is further

ORDERED that the undertaking is fixed in the sum of \$500,000 conditioned that plaintiffs, if it is finally determined that they were not entitled to an injunction, will pay defendants all damages and costs which may be sustained by reason of this injunction; and it is further

ORDERED that defendants, their agents, servants, employees and all other persons acting under the jurisdiction, supervision and/or direction of defendants, are enjoined and restrained, during the pendency of this action, from doing or suffering to be done, directly or through any attorney, agent, servant, employee or other person under the supervision or control of defendant or otherwise, any of the following acts:

- defendant Hanrahan is enjoined from soliciting or servicing Clients A, C, D, E, H until twelve months from separation or May 12, 2026 (OSC ¶4); and it is further
- defendant Andrews is enjoined from soliciting or servicing Client J until twelve months from separation or May 12, 2026 (OSC ¶6).



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10/2/2025
DATE

ANDREA MASLEY, J.S.C.

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE