

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Lina, M. Khan, Chair
Rebecca Kelly Slaughter
Alvaro M. Bedoya
Melissa Holyoak
Andrew Ferguson

In the Matter of

Planned Building Services, Inc,
a corporation,

DECISION AND ORDER
Docket No. C[XXXX]

Planned Lifestyle Services, Inc.,
a corporation,

Planned Security Services, Inc.,
a corporation, and

Planned Technology Services, Inc.,
a corporation.

DECISION

The Federal Trade Commission initiated an investigation of certain acts and practices of Planned Building Services, Inc., Planned Lifestyle Services, Inc., Planned Security Services, Inc., and Planned Technology Services, Inc. (individually or collectively, "Planned" or "Respondents"). The Commission's Bureau of Competition prepared and furnished to Respondents the Draft Complaint, which it proposed to present to the Commission for its

a period of 30 days for the receipt and consideration of public comments; at the same time, it issued and served its Complaint. The Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34. Now, in further conformity with the procedure described in Commission Rule 2.34, the Commission makes the following jurisdictional findings:

1. Respondent Planned Building Services, Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of New Jersey, with its executive offices and principal place of business at 150 Smith Road, Parsippany, New Jersey 07054.
2. Respondent Planned Lifestyle Services, Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of New Jersey, with its executive offices and principal place of business at 150 Smith Road, Parsippany, New Jersey 07054.
3. Respondent Planned Security Services, Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of New Jersey, with its executive offices and principal place of business at 150 Smith Road, Parsippany, New Jersey 07054.
4. Respondent Planned Technologies Services, Inc. is a corporation organized, existing, and doing business under, and by virtue of, the laws of New Jersey, with its executive offices and principal place of business at 150 Smith Road, Parsippany, New Jersey 07054.
5. The Commission has jurisdiction of the subject matter of this proceeding and over Respondents, and the proceeding is in the public interest.

ORDER

I. Definitions

IT IS HEREBY ORDERED that, as used in this Order, the following definitions shall apply:

- A. “Planned Building Services” means Planned Building Services, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Planned Building Services, Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. “Planned Lifestyle Services” means Planned Lifestyles Services, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Planned Lifestyle Services, Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- C. “Planned Security Services” means Planned Security Services, Inc., its directors, officers,

employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Planned Security Services, Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

- D. “Planned Technologies Services” means Planned Technologies Services, Inc., its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, partnerships, divisions, groups, and affiliates controlled by Planned Technologies Services, Inc., and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- E. “Agreement” means any agreement, contract, understanding, or provision or term of each.

IV. Compliance Obligations

IT IS FURTHER ORDERED that Respondents shall:

- A. Immediately cease enforcing all existing No-Hire Agreements, and not require any Person who is party to an existing No-Hire Agreement to pay any fees or penalties relating to a No-Hire Agreement.
- B. No later than 30 days after the date on which this Order is issued, provide a copy of this Order and the Complaint to Respondents' directors, officers, and employees with responsibility for hiring or recruitment of employees or negotiating Customer contracts in the United States.
- C. For a period of 10 years from the date this Order is issued, provide a copy of this Order and the Complaint to any Person who becomes a party to the Complaint (see (b)(5) of the Order).

enable the Commission to determine independently whether Respondents are in compliance with this Order. Conclusory statements that Respondents have complied with their obligations under the Order are insufficient. Respondents shall include in their reports, among other information or documentation that may be necessary to demonstrate compliance, (1) a full description of the measures Respondents have implemented and plan to implement to comply with each paragraph of this Order, including a list of all Persons who received the notice required by Paragraphs III.A and III.B of this Order, together with proof of service of the notice (which service may be satisfied by sending the notice via email, as described in Paragraphs III.A and III.B) and (2) upon the Commission's request, a copy of any Customer agreement that Respondents enter or implement after execution of the Consent Agreement.

- C. For a period of 5 years after filing a Compliance Report, Respondents shall retain all material written communications with each party identified in each Compliance Report as required by Paragraph V.B and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondents' obligations under this Order during the period covered by such Compliance Report. Respondents shall provide copies of these documents to Commission staff upon request.
- D. Respondents shall verify each Compliance Report in the manner set forth in 28 U.S.C. §1746 by the Chief Executive Officer or another officer or employee specifically authorized to perform this function. Respondents shall file their Compliance Reports with the Secretary of the Commission at ElectronicFilings@ftc.gov and the Compliance Division at bccompliance@ftc.gov; as required by Commission Rule 2.41(a), 16 C.F.R. §2.41(a).

VI. Change in Respondent

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request and upon 5 days' notice to Respondents, that Respondents shall, without restraint or

APPENDIX A

[Letter to Customer]

[Respondent Planned letterhead]

APPENDIX B

[Letter to Employee]

[Respondent Planned letterhead]

Current or Former Planned Employee:

VIA U.S. MAIL, EMAIL, or HAND DELIVERED

Re: Your Ability to Seek Employment with other Companies

Dear Employee:

You are receiving this letter because you are an employee affected by a Consent Order that we have entered into with the Federal Trade Commission (“Commission”).

As you may know, Planned included no-hire agreements in our customer contracts that did not allow our customers (the owners of the buildings where you work) to solicit or hire you during your employment with Planned, or for up to 6 months after your employment with Planned has ended, without the customer having to pay a penalty. As of _____, we have either canceled all no-hire agreements in our customer contracts or will no longer enforce the no-hire agreements.

The Commission has been investigating the use of no-hire agreements in the building services industry. As part of this investigation, Planned entered into a settlement agreement with the Commission. The Commission alleged that Planned’s use of no-hire agreements with its customers restricts job mobility, harms competition, and is unlawful. A no-hire agreement that may have affected your employment is now null and void.

How the FTC Order Affects You

The FTC Order requires us to:

1. Cease enforcement of no-hire agreements in our customer contracts;
2. Stop including no-hire agreements in our customer contract ; and
3. Release Planned’s Customers from the no-hire agreements that Planned currently has the ability to enforce so that Customers or any building servicing company succeeding Planned at any property may hire Planned employees without the customer incurring a penalty.

Where To Get More Information

To learn more about this case, please read the attached FTC Order or visit [URL that goes to the ftc.gov press release]. This letter summarizes the main points of the matter, but the only official source of information is the FTC Order. The FTC Order reflects an agreement between the FTC and Planned that settles the FTC's allegations. It does not constitute an admission by Planned that it has violated the law or that any of the facts alleged by the FTC regarding Planned's conduct are true.

If you have concerns about whether Planned is complying with its obligations under the Order – or questions about how the Order applies to you or your colleagues – contact [], Planned's counsel, at [phone number], [email address], or the following FTC representatives: Victoria Lippincott, (202) 326-2983, vlippincott@ftc.gov, or Jacqueline Mendel, (202) 326-2603, jmendel@ftc.gov.

Sincerely,

[name and title]