

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Lina M. Khan, Chair
 Rebecca Kelly Slaughter
 Christine S. Wilson
 Alvaro M. Bedoya

In the Matter of)	
)	
Prudential Security, Inc. a corporation,)	
)	
Prudential Command Inc., a corporation,)	
)	
Greg Wier, a natural person,)	
)	
and)	
)	
Matthew Keywell, a natural person.)	
)	

DECISION AND ORDER
Docket No. C-XXXX

DECISION

The Federal Trade Commission initiated an investigation of certain acts and practices of Prudential Security, Inc. (“Prudential Security”); Prudential Command Inc. (“Prudential Command”); Greg Wier, individually and as an officer and owner of Prudential Security, Inc. and Prudential Command Inc.; and Matthew Keywell, individually and as an officer and owner of Prudential Security, Inc. and Prudential Command Inc. (collectively “Prudential 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 consideration. If issued by the Commission, the Draft Complaint would charge Respondents with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

Respondents and the Bureau of Competition executed an Agreement Containing Consent Order (“Consent Agreement”) containing (1) an admission by Respondents of all the jurisdictional facts set forth in the Draft Complaint, (2) a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in the Draft Complaint, or that the facts as alleged in the Draft Complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission’s Rules and (4) a proposed Decision and Order.

The Commission considered the matter and determined that it had reason to believe that Respondents have violated the said Act, and that a complaint should issue stating its charges in that respect. The Commission accepted the Consent Agreement and placed it on the public record for 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 Rule 2.34, the Commission makes the following jurisdictional findings:

1. Respondent Prudential Security, Inc. is a corporation organized and existing under, and by virtue of, the laws of the State of Michigan that, prior to August 26, 2022, maintained its executive offices and principal place of business at 20600 Eureka Road, Suite 900 Taylor, MI 48180.
2. Respondent Prudential Command Inc. is a corporation organized and existing under, and by virtue of, the laws of the State of Michigan that, prior to August 26, 2022, maintained its executive offices and principal place of business at 20600 Eureka Road, Suite 900 Taylor, MI 48180. Prudential Command Inc. is an affiliate of Respondent Prudential Security, Inc.
3. Respondent Greg Wier is a natural person with his principal office or place of business located at .
4. Respondent Matthew Keywell a natural person with his principal office or place of business located at .
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. "Prudential Security" means the entity with the following information: [redacted] -1.15.662 -14(0001 TJ Ohu [redacted] Tst.aaa15.662.k.a.u [redacted] Trthipru, is

B.

II. Injunction

IT IS FURTHER ORDERED that Respondents, directly or through any corporation, company, business, partnership, subsidiary, division, agent, servant, employee, trade name, or other device, in connection with their activities in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44, shall cease and desist from entering or attempting to enter into, maintaining or attempting to maintain, enforcing or attempting to enforce, or threatening to enforce a Noncompete Agreement or communicating to an Employee, or any prospective or current employer of that Employee, that the Employee is subject to a Noncompete Agreement.

III. Notice to Employees

IT IS FURTHER ORDERED that Respondents shall:

- A. No later than 60 days from the date this Order is issued, either directly or through a third party, deliver to each Employee who is or was party to a Noncompete Agreement at any time during the two years prior to the date this order is issued a letter in the form of Appendix A and a copy of this Order. Respondent shall deliver, or cause to be delivered, said letter to each Employee by name, either:
 1. By U.S. Mail to the last known address of each such Employee, return receipt requested; or
 2. Via email transmittal with a proof of a read-receipt.
- B. No later than 30 days from the date this Order is issued, and for a period of 10 years from the date this Order is issued, post a clear and conspicuous notice in: any documentation, electronic or otherwise, provided to new Employees of any of Respondents upon hire that states:

“IMPORTANT: Your employment with “I

- A. No later than 30 days after the date on which this Order is issued: (a) take all steps necessary to void and nullify all of its existing Noncompete Agreements and notify Commission staff in writing that all existing Noncompete Agreements are voided and nullified, once completed; and (b) not require any Employee who is or was party to an existing Noncompete Agreement to pay back any remuneration or otherwise to be penalized as a result of the voided and nullified Noncompete Agreement.
- B. For the duration of this Order, provide a copy of this Order and the Complaint to each of Respondent's directors, officers, and employees with responsibility for hiring and recruitment.
- C. For the duration of this Order, provide a copy of this Order and the Complaint to any Person who becomes a director, officer, or employee with responsibility for hiring and recruitment, and provide such copies within 30 days of the commencement of such Person's employment or term as a director or officer.
- D. Require each Person to whom a copy of this Order is furnished pursuant to Paragraph IV.B or IV.C above to sign and submit to the Respondent within 30 days of the receipt thereof a statement or written electronic acknowledgment that (1) represents that the undersigned has read the Order, and (2) acknowledges that the undersigned has been advised and understands that non-compliance with the Order may subject Respondent to penalties for violation of the Order.
- E. Retain documents and records sufficient to record the Respondent's compliance with its obligations under Section IV of this Order.

V. Compliance Reports

IT IS FURTHER ORDERED that Respondents shall file verified written reports ("Compliance Reports") in accordance with the following:

- A. Respondents, either separately or collectively, shall submit:
 - 1. Interim Compliance Reports 30 days after the date this Order is issued, and every 90 days thereafter for a period of one year;
 - 2. Annual Compliance Reports one year after the date this Order is issued, and annually for the next 9 years on the anniversary of that date; and
 - 3. Additional Compliance Reports as the Commission or its staff may request.
- B. Each Compliance Report shall contain sufficient information and documentation to enable the Commission to determine independently whether the Respondent is in compliance with this Order. Conclusory statements that the Respondent has complied with its obligations under the Order are insufficient. The Respondent shall include in its reports, among other information or documentation 0001 u.8.6(Conhdb)nc

compliance, (1) a full description of the measures Respondent has implemented and plans to implement to comply with each paragraph of this Order, including a description of how the notices required by Section III of this Order were sent, and if sent by a third party, a statement from the third party that the notices were sent, and a list of all persons who received such notice; (2) upon the Commission's request, a copy of employment Agreement that said Respondent enters or implements after execution of the Consent Agreement; and (3) if any Individual Respondent becomes an owner, operator, or becomes an officer or director in any corporation, company, business, partnership, or joint venture, a detailed description of the company and the role the Individual Respondent has within it, including how that company intends to comply with this Order.

- C. Each Compliance Report shall also (1) identify each of Respondent's businesses that could violate the Order by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (2) describe the activities of each such business, including the products and services offered, number of Persons employed, and the involvement of any other Respondent; (3) describe in detail the Respondent's involvement in each such business activity, including title, role, responsibilities, participation, authority, control, and any ownership; and (4) specifically identify any businesses that were created, founded, or acquired by or that came under the control of the Respondent at any time following the submission of the prior Compliance Report.
- D. For a period of 5 years after filing a Compliance Report, the Respondent shall retain all of its material written communications with each party that it identified in each Compliance Report as required by Paragraph IV.B and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondent's obligations under this Order during the period covered by such Compliance Report. The Respondent shall provide copies of these documents to Commission staff upon request.
- E. Each Respondent shall verify each Compliance Report in the manner set forth in 28 U.S.C. § 1746:
1. Each Compliance Report submitted by a Corporate Respondent shall be verified by its Chief Executive Officer or another officer or employee specifically authorized to perform that function; and
 2. Each Compliance Report submitted by an Individual Respondent shall be verified by the Individual Respondent or an agent or employee specifically authorized to perform that function.

Each Respondent shall file its 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 Corporate Respondents

IT IS FURTHER ORDERED that the Corporate Respondents, either separately or collectively, shall notify the Commission at least 30 days prior to:

- A. The dissolution of any Corporate Respondent;
- B. The acquisition, merger, or consolidation of any Corporate Respondent; or
- C. Any other change in any Corporate Respondent, including assignment and the creation, sale, or dissolution of subsidiaries, if such change might affect compliance obligations arising out of this Order.

VII. Change in Individual Respondents

IT IS FURTHER ORDERED that each Individual Respondent shall notify the Commission of any change in his, her, or their respective principal address within 20 days of such change in address.

VIII. Access

IT IS FURTHER ORDERED that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon 5 days' notice to any Respondent, such Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission:

- A. Access, during business office hours of the Respondent and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and all other records and documents in the possession, or under the control, of the Respondent related to compliance with this Order, which copying services shall be provided by the Respondent at their expense; and
- B. To interview directors, officers, or employees of the Respondent, who may have counsel present, regarding such matters.

IX. Purpose

IT IS FURTHER ORDERED that the purpose of this Order is to remedy the harm to competition the Commission alleged in its Complaint and to prevent the Respondents from entering into, attempting to enter into, maintaining or attempting to maintain, enforcing or attempting to enforce, or threatening to enforce a Noncompete Agreement.

X. Term

IT IS FURTHER ORDERED that this Order shall terminate 20 years from the date it is issued.

By the Commission

April J. Tabor
Secretary

SEAL:

ISSUED:

APPENDIX A

Letter to Employees

[Applicable letterhead]

[Name and address of Employee]

Re: Your Noncompete Agreement with Prudential

Dear [name of Employee]:

We are writing to you because you currently have, or recently had, a Noncompete Agreement with Prudential Security, Inc. or

1. Cancel and void all Noncompete Agreements we maintain with any current or former Employees and rescind any rights we have under those Noncompete Agreements;
2. Stop entering into Noncompete Agreements; and
3. Refrain from limiting your right to accept employment or start a business.

This means that Prudential cannot prevent you from:

- € seeking or accepting a job with any company or person even if they compete with companies that provide security guard services, as Prudential did.
- € running your own business even if it competes with companies that provide security guard services, as Prudential did.
- € otherwise competing with companies that provide security guard services, as following your employment with Prudential.

Where to get more information

To learn more about this case, please read the attached Decision and Order in Prudential Security, Inc., et al C-[xxxx], or visit [URL that goes to the ftc.gov press release]. This letter summarizes the main points of the case, but the only official source of information is the FTC