



Office of the Chair

UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

**Statement of Chair Lina M. Khan
In the Matter of Planned Building Services, Inc.
Commission File No. 2410029**

January 6, 2025

The Commission has issued an administrative complaint against Planned Building Services, Inc. and related entities (collectively, “Planned”), subsidiaries of one of the largest property management companies in North America. Planned directly employs more than 3,000 workers to perform security, janitorial, and concierge services at residential and commercial buildings. The FTC’s complaint charges that Planned illegally uses “No-Hire” clauses that restrict building owners from directly hiring Planned’s employees. The Commission alleges that the No-Hire agreements “eliminate direct, horizontal, and significant forms of competition to attract labor in the U.S. building services industry,” with the likely effect of impeding the entry and expansion of Planned’s rivals, restricting employee mobility by denying them access to job opportunities, and causing lower salaries, reduced benefits, worse working conditions, and personal hardship for employees.¹ The complaint charges that these No-Hire clauses are unlawful restraints of trade that violate Section 1 of the Sherman Act and an unfair method of competition that violates Section 5 of the FTC Act.²

To resolve these charges, the Commission has proposed an order that would prohibit Planned from using No-Hire clauses in their customer contracts, allowing workers to freely

in one of two ways.”⁵ Restraints that have an inherently anticompetitive “nature and character”⁶ are condemned as per se unreasonable, while all other restraints are assessed under the rule of reason, a “fact-specific assessment” of “the restraint’s actual effects on competition.”⁷

Nonetheless, I am glad my colleagues have started to value the importance of the Commission's efforts to protect workers from violations of the statutes that we enforce.¹³ Since 2021, the Commission has deepened and expanded its focus on protecting Americans in their capacity as working people as well as in their capacity as consumers. This effort has included regularly bringing enforcement actions when workers are the target of unfair methods of competition or unfair or deceptive practices.¹⁴ It has also included updating the tools and screens

¹³ By contrast, Commissioners Ferguson and Holyoak dissented on the Commission's rule to free millions of American workers from noncompete clauses, opposed labor-related provisions in the updated Hart-Scott-Rodino form, and criticized the Commission's work protecting gig drivers from unfair and deceptive practices by Lyft. Dissenting Statement of Comm'r Andrew N. Ferguson Joined by Comm'r Melissa Holyoak, In the Matter of the Non-Compete Clause Rule (June 28, 2024), <https://www.ftc.gov/legal-library/browse/cases-proceedings/public-statements/dissenting-statement-commissioner-andrew-n-ferguson-joined-commissioner-melissa-holyoak-matter-non>; Dissenting Statement of Comm'r Melissa Holyoak Joined by Comm'r Andrew N. Ferguson, In the Matter of the Non-Compete Clause Rule (June 28, 2024), <https://www.ftc.gov/legal-library/browse/cases-proceedings/public-statements/dissenting-statement-commissioner-melissa-holyoak-joined-commissioner-andrew-n-ferguson-matter-non>; Statement of Comm'r Melissa Holyoak, Final Premerger Notification Form and the Hart-Scott-Rodino Rules (Oct. 10, 2024), <https://www.ftc.gov/legal-library/browse/cases-proceedings/public-statements/statement-commissioner-melissa-holyoak-regarding-final-premerger-notification-form-hart-scott-rodino>, Concurring Statement of Comm'r Andrew N. Ferguson In the Matter of Amendments to the Premerger Notification and Report Form and Instructions, and the Hart-Scott-Rodino Rule (Oct. 10, 2024), <https://www.ftc.gov/legal-library/browse/cases-proceedings/public-statements/concurring-statement-commissioner-andrew-n-ferguson-matter-amendments-premerger-notification-report>; Dissenting Statement of Commissioner Melissa Holyoak In the Matter of Lyft, Inc. (Oct. 25, 2024), <https://www.ftc.gov/legal-library/browse/cases-proceedings/public-statements/dissenting-statement-commissioner-melissa-holyoak-matter-lyft-inc>; Statement of Commissioner Andrew N. Ferguson Concurring in Part and Dissenting in Part In the Matter of Lyft, Inc. (Oct. 25, 2024), <https://www.ftc.gov/legal-library/browse/cases-proceedings/public-statements/statement-commissioner-andrew-n-ferguson-concurring-part-dissenting-part-matter-lyft-inc>. Notably, while Commissioner Ferguson continues to claim the FTC's noncompete rule exceeds the Commission's authority under Section 6(g) of the FTC Act, two of the three courts that have freshly reviewed the question have said during preliminary injunction rulings that Section 6(g)

we use for assessing and detecting in the first instance whether workers are being unlawfully harmed.¹⁵ Because this had not been a top Commission priority for decades, we've had to invest in developing the muscle to do this work effectively. This has required, among other things, regularly engaging with workers and labor organizations.¹⁶ Continuing and deepening this engagement will be critical for ensuring that the Commission's efforts reflect the realities of how labor markets function and the real impact of various business practices on workers.