UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:

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

In the Matter of

COMPLAINT

RESPONDENTS' NO-HIRE AGREEMENTS

- 10. This action challenges Respondents' use of No-Hire Agreements. The term No-Hire Agreement, as used in this complaint, refers to a term in an agreement between two or more companies that restricts, imposes conditions on, or otherwise limits a company's ability to solicit, recruit, or hire another company's employees, during employment or for some period of time after the employment ends, directly or indirectly, including by imposing a fee or damages on the other company in connection with such conduct, or that otherwise inhibits competition between companies for each other's employees' services.
- 11. For over a decade, Respondents have used standard form agreements with their customers that include No-Hire Agreements, styled as "Restrictive Covenants." The No-Hire Agreements typically require that a customer "and any person or entity retained by the [customer] to replace [Respondents] agree to refrain from directly or indirectly soliciting or employing [Respondents'] employees to work for them in a similar job classification for six (6) months after either the termination of [the agreement] or such employee voluntarily or involuntarily leaves [Respondents'] employment . . ." The No-thla.itu.02 ((t)- (a emve(,.d6txi1a. a4))

industry, in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

18. Such conduct, or the effects thereof, will continue or recur in the absence of appropriate relief.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this ______ day of ______, 2025, issues its complaint against Respondents.

By the Commission.

April J. Tabor Secretary