



Office of the Chairman

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

**Statement of Chairman Andrew N. Ferguson
Joined by Commissioner Mark R. Meador
In the Matter of Rollins, Inc.
Matter Number 2510011**

April 15, 2026

Over 18,000 workers are free from the constraints of unlawful noncompete agreements. The Commission has secured this victory by issuing an administrative complaint and accepting for public comment a proposed consent agreement with Rollins, Inc. (“Rollins”), one of the largest pest-control services companies in the United States, and the parent company of the Orkin brand, among others.¹ Rollins provides pest-control services, including insect identification and treatment, trapping and removing wildlife, and termite treatment and prevention,² through more than 700 locations in 49 States.³ Its customers are owners of residential and commercial real estate.⁴

The unlawful conduct the Commission today proscribes was the alleged widespread imposition and enforcement of unfair and anticompetitive noncompete agreements.⁵ As I have said before, a priority for the Commission under my leadership is protecting American workers from practices that adversely impact competition in labor markets, including unlawful noncompete agreements.⁶ Of course, not all noncompete agreements are unlawful. “Sometimes noncompete agreements have anticompetitive effects, and other times they have procompetitive effects.”⁷ For

¹ Rollins, Brands, <https://www.rollins.com/brands> (last visited Apr. 13, 2026); Complaint, *In re Rollins, Inc.*, Matter No. 2510011 (Apr. 13, 2026) (“Complaint”); Decision and Order, *In re Rollins, Inc.*, Matter No. 2510011 (Apr. 13, 2026) (“Order”).

² Western Pest Services, Pest Control, <https://www.westernpest.com/pest-control> (last visited Apr. 13, 2026); Orkin, Pest Control Services, <https://www.orkinglobal.com/services/> (last visited Apr. 13, 2026).

³ See Today’s Homeowner, Orkin Review, <https://todayshomeowner.com/pest-control/reviews/orkin-reviews/> (last visited Apr. 13, 2026).

⁴ Rollins, About Us, <https://www.rollins.com/about-us> (last visited Apr. 13, 2026).

⁵ Compl. ¶¶ 7–11.

⁶ See Press Release, FTC, FTC Launches Joint Labor Task Force to Protect American Workers (Feb. 26, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/02/ftc-launches-joint-labor-task-force-protect-americanworkers>; Statement of Chairman Andrew N. Ferguson, Joined by Comm’r Melissa Holyoak, *In re Gateway Pet Mem’l Servs.*, Matter No. 2210170, at 1 (Sept. 4, 2025) (“Ferguson Gateway Statement”); Statement of Chairman Andrew N. Ferguson, Joined by Comm’r Melissa Holyoak, *Ryan, LLC v. FTC*, No. 24-10951, at 2, 3 (Sept. 5, 2025).

⁷ Dissenting Statement of Comm’r Andrew N. Ferguson, Joined by Comm’r Melissa Holyoak, *In the Matter of the Non-Compete Clause Rule*, Matter No. P201200, at 41–42 (June 28, 2024) (“Ferguson Noncompete Rule Dissent”). For example, noncompete agreements can promote investment in employees by “mitigating the risk that a rival will lure employees away” and “allow business owners to sell their enterprise profitably because no one would buy a business if the seller could immediately compete again in the same field.” Ferguson Gateway Statement at 3. Such agreements can also “serve legitimate business interest by protecting employer investments in human capital development, safeguarding confidential information and proprietary know-how that cannot be easily protected through other means (e.g., non-disclosure and confidentiality agreements or intellectual property), and encouraging intra-firm

this reason, noncompete agreements “present opposing economic considerations that require careful analysis.”⁸ As with nearly every other type of business restraint, the Commission reviews the lawfulness of noncompete agreements on a case-by-case basis under a reasonableness inquiry.⁹ Under that balancing test, which is a particular application of the rule of reason, a noncompete agreement violates the antitrust laws where the anticompetitive effects of the restraint outweigh any procompetitive effects that could not be achieved through substantially less restrictive means.¹⁰

Here, staff obtained compelling evidence during their investigation that gives me the required “reason to believe” that Rollins’s use of the vast majority of its noncompete agreements violates Section 5 of the FTC Act,¹¹ as charged in the Complaint.¹² Let me briefly explain.

On one side of the scale, the Commission evaluates the anticompetitive effect of the noncompete agreements. We start with the scope and coverage of Rollins’s noncompete agreements that have applied to the vast majority of its workforce of more than 18,000 people. The noncompete agreements prohibited Rollins employees from working in the pest-control industry generally within 75 miles of the Rollins location at which the employee worked for two years after the end of the employment relationship.¹³ As our Complaint explains, Rollins required all newly hired employees, regardless of their position or responsibilities, to enter into these noncompete agreements—including employees at firms that Rollins acquired.¹⁴ That sort of indiscriminate “general policy” approach of requiring every single worker to sign a noncompete agreement irrespective of the worker’s position or responsibilities cries out for scrutiny under the antitrust laws.

collaboration and knowledge sharing.” Statement of Mark R. Meador, *In the Matter of Non-Compete Clauses*, Matter No. P201200, at 3 (Sept. 5, 2025) (“Meador Noncompete Statement”).

⁸ Meador Noncompete Statement at 1.

⁹ Ferguson Gateway Statement at 4, 5; Meador Noncompete Statement at 2–5. Similarly, the common law “abandoned the categorical proscription in the early eighteenth century in favor of a case-specific reasonableness test.” *Id.* at 3, n.20 (citing Ferguson Noncompete Rule Dissent at 35 & Section I.B).

¹⁰ See *Mitchel v. Reynolds*, 24 Eng. Rep. 347 (Q.B. 1711); *Ohio v. Am. Express*, 585 U.S. 529, 541–42 (2018); *NCAA v. Alston*, 594 U.S. 69, 100 (2021) (“[A]nticompetitive restraints of trade may wind up flunking the rule of reason to the extent the evidence shows that substantially less restrictive means exist to achieve any proven procompetitive benefits.”); cf. *Newburger, Loeb & Co., Inc. v. Gross*, 563 F.2d 1057, 1082 (2d Cir. 1977) (explaining that the relevant inquiry in employee agreements not to compete should focus on whether such restrictions “operate in circumstances where no valid business interest of the ex-employer is at stake” and whether they “[a]re so burdensome that their anticompetitive purposes and effects outweigh their justifications.”); *Eichorn v. AT&T Corp.*, 248 F.3d 131 (3d Cir. 2001) (challenged no-hire agreement “not an antitrust violation under the rule of reason” where the particular provision at issue “did not have a significant anti-competitive effect on the plaintiffs’ ability to seek employment”); *Aya Healthcare Servs., Inc. v. AMN Healthcare, Inc.*, 9 F.4th 1102, 1110 (9th Cir. 2021) (challenged non-solicitation agreement, involving employee outsourcing arrangement between healthcare staffing agencies collaborating to supply traveling nurses not unlawful under rule of reason where restraint was reasonably necessary to ensure neither would lose personnel during collaboration).

¹¹ 15 U.S.C. § 45(b); *FTC v. Standard Oil of Cal.*, 449 U.S. 232, 241 (1980); see also *AMREP Corp. v. FTC*, 768 F.2d 1171, 1177 (10th Cir. 1985); *Boise Cascade Corp. v. FTC*, 498 F. Supp. 772, 779 (D. Del. 1980).

¹² Compl. ¶ 19.

¹³ *Id.* ¶ 7.

¹⁴ *Id.* ¶¶ 7, 9, 10.

These noncompete agreements were not merely pro forma. When workers left Rollins to seek opportunities elsewhere or start their own businesses, we allege that Rollins sent hundreds of threatening letters or initiated litigation to enforce the noncompete agreements.¹⁵ The targets of this enforcement campaign often lacked the resources to litigate and acceded to the threat at great personal and professional expense.¹⁶ And our Complaint alleges that the agreements imposed additional anticompetitive effects, including impeding the expansion of existing competitors and delaying entry of new small-business competitors who could challenge Rollins.¹⁷

Turning to the procompetitive interests that could justify these onerous agreements, we come up nearly empty. As the Complaint charges, Rollins did not need the challenged provisions to continue making any capital investments in training or the development of associated proprietary information—in fact, Rollins’s pest control methods are publicly accessible on the internet, so they are hardly a secret.¹⁸ The majority of Rollins’s workforce in the U.S. is comprised of pest control technicians and customer service representatives.¹⁹ Although technicians are critical to providing pest-control services, their job duties do not require access to proprietary information that may justify noncompete restrictions in other circumstances. Rollins’s technicians had access to customer lists, and Rollins has an interest in protecting those lists to safeguard customer relationships and client goodwill. But Rollins has available to it the less restrictive alternative of narrowly tailored non-solicitation provisions to vindicate those interests.²⁰ And, indeed, Rollins has available to it the alternative of tailored non-solicitation agreements.²¹ Therefore, Rollins’s noncompete agreements flunk the test as to these categories of Rollins employees and those similarly situated.

Nevertheless, the Commission’s Order today, as was the case in *Gateway*,²² recognizes that noncompete agreements can have their (limited) place—it excludes from the prohibition certain employees who do meet a heightened bar for access to competitively sensitive information. That list includes directors, officers, or other defined senior leaders who exercise policy-making authority and are eligible for grants of equity or equity-based interests in Rollins as a benefit of employment.²³

Today’s Order is consistent with the enforcement approach the Commission announced in 2025. We follow the general common-law rule from which our antitrust laws arose that noncompete agreements are lawful when they go no further than necessary to protect specific, identifiable, valid interests of the employer that could not be protected without the noncompete agreement.²⁴ But we demand exacting proof to ensure that the dangers of unfair or anticompetitive

¹⁵ *Id.* ¶ 11.

¹⁶ See *id.* ¶¶ 11–12.

¹⁷ See *id.* ¶¶ 13–14.

¹⁸ *Id.* ¶ 15.

¹⁹ See *id.* ¶ 9.

²⁰ *Id.* ¶¶ 15–16.

²¹ Cf. Order at Section II.D.

²² Decision and Order, *In re Gateway Pet Mem’l Servs.*, Matter No. 2210170, Section I.F (Nov. 25, 2025).

²³ Order at Section II; see also Order at Section I.D.

²⁴ See Ferguson *Gateway* Statement at 7, n.50 (citing *Horner v. Graves*, 131 Eng. Rep. 284, 287 (C.P. 1831) (English courts upheld noncompete agreements if “the restraint is such only as to afford a fair protection to the interests of the party in favour of whom it is given, and not so large as to interfere with the interests of the public.”); 15 Corbin on Contracts § 80.6 (2024) (describing multifactor reasonableness test); Restatement (2d) of Contracts § 188 (1981)

noncompete agreements do not take hold. And the Commission will continue to act against noncompete agreements that unlawfully limit worker mobility and access to job opportunities, which in turn deny consumers the benefits of vigorous competition.

(same); *United States v. Addyston Pipe & Steel Co.*, 85 F. 271, 281 (6th Cir. 1898), *aff'd*, 175 U.S. 211 (1899) (collecting cases and relating noncompete agreements' treatment at common law to antitrust principles).