



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

For Release

FTC Takes Action Against Another Company That Imposed Harmful Noncompete Restrictions on Its Workers

Agency action puts an end to noncompete restrictions that Anchor Glass Container Corp. imposed on its employees

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The Federal Trade Commission ordered manufacturing company Anchor Glass Container Corp. to drop noncompete restrictions that it imposed on its workers, the fourth time this year that the agency has taken action against companies that use harmful noncompetes.

In a [complaint filed against Anchor](#) and its owners, Lynx Finance GP, LLC and Lynx Finance L.P., the FTC said Anchor illegally imposed noncompete restrictions on more than 300 workers across a variety of positions, including salaried employees who work with the plants' furnaces and forming equipment and in other glass production, engineering, and quality assurance positions.

Anchor manufactures and sells glass containers used for food and beverage packaging. According to the FTC's complaint, the company imposed restrictions on employees that barred them for one year from working with another employer in the United States to provide "rigid packaging sales and services which are the same or substantially similar to those in which Anchor deals," and from selling products or services to "any customers or prospective customers of Anchor with whom the worker had any interaction."

Noncompete restrictions harm both workers and competing businesses. For workers, noncompete restrictions lead to lower wages and salaries, reduced benefits, and less favorable working

conditions. For businesses, these restrictions also block competitors from entering and expanding their businesses.

In its complaint, the FTC said the restrictions Anchor imposed constituted an unfair method of competition under Section 5 of the FTC Act. [The agency's order](#) bans Anchor from entering into, maintaining, enforcing or attempting to enforce, or threatening to enforce noncompete restrictions on relevant workers. Among other things, the company also is banned from telling a relevant employee or other employers that the employee is subject to a noncompete. Anchor must, for the next 10 years, provide a clear and conspicuous notice to any new relevant employees that they may freely seek or accept a job with any company or person, run their own business, or compete with Anchor at any time following their employment.

The case against Anchor comes approximately two months after [the FTC sued three other companies](#) (including two other glass container manufacturers) and two individuals, also forcing them to drop noncompete restrictions that they imposed on thousands of workers. The agency also [proposed a new rule](#) that would ban employers more generally from imposing noncompetes on their workers, and the agency continues to investigate noncompete restrictions and other restrictive terms in employment contracts that may violate the law. If you are aware of an unfair noncompete restriction, [you can report it](#) to FTC staff.

The Commission vote to issue the administrative complaint and to accept the consent agreement was 3-1, with Commissioner Wilson voting no and issuing [a dissenting statement](#). The FTC will publish descriptions of the consent agreement packages in the Federal Register soon. The agreements will be subject to public comment, after which the Commission will decide whether to make the proposed consent orders final. Instructions for filing comments appear in the published notices. Comments must be received 30 days after publication in the Federal Register. Once processed, comments will be posted on Regulations.gov.

The Bureau of Competition's Anticompetitive Practices Division was responsible for this matter.

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