



PRESS RELEASE

Attorneys General Reach Settlements with Four Fast Food Chains to End Use of No-Poach Agreements

Multistate Settlement Agreements with Dunkin', Arby's, Five Guys, and Little Caesars Drop Provisions that Limit Recruitment and Hiring of Fast Food Workers

BALTIMORE, MD (March 12, 2019) – Attorney General Brian E. Frosh today announced multistate settlements with four national fast food franchisors, ending their use of “no-poach” agreements. Those agreements restrict the right of fast food workers to move from one franchise to another within the same restaurant chain.

The agreements with [Dunkin'](#), [Arby's](#), [Five Guys](#), and [Little Caesars](#) settle an investigation announced by the states in July 2018 over concerns that no-poach agreements hurt low-wage workers by limiting their ability to secure better paying jobs.

“No-poach agreements limit a worker’s job opportunities and earning potential,” said Attorney General Frosh. “These settlements mean fairer hiring practices for thousands of workers in Maryland and across the country.”

Under the terms of the settlements, the franchisors have agreed to stop including no-poach provisions in any of their franchise agreements and to stop enforcing any franchise agreements already in place. The franchisors have also agreed to request that franchisees remove no-poach provisions from their existing franchise agreements as well as post notices in all locations to inform employees of the settlement. Finally, the franchisors will notify the attorneys general if one of their franchisees tries to restrict any employee from moving to another location under an existing no-poach provision.

The 14 attorneys general began their investigation last July by sending letters to Arby’s, Burger King, Dunkin’ Brands, Five Guys Burgers and Fries, Little Caesars, Panera Bread, Popeyes Louisiana Kitchen, and Wendy’s requesting documents, including copies of franchise agreements and communications related to no-poach provisions. The attorneys general alleged that no-poach provisions make it difficult for workers to improve their earning potential by moving from one job to another or seeking a higher-paying job at another franchise location, and that many workers are unaware they are subject to these no-poach provisions.

Since the investigation began, Wendy's provided confirmation that it never used no-poach provisions in its contracts with franchisees. Investigations into Burger King, Popeyes, and Panera continue.

In addition to Maryland, the coalition included attorneys general from California, District of Columbia, Iowa, Illinois, Massachusetts, Minnesota, North Carolina, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, and Vermont.