

FTC Rule Banning Non-Competes Held to Be Unlawful Agency and Set Aside

By Anthony J. Ashley

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Judge Ada E. Brown of the Northern District of Texas this afternoon granted summary judgment in favor of Ryan, LLC and the plaintiff-intervenors in the case of *Ryan, LLC v. Federal Trade Commission*, challenging the FTC's ban on post-employment non-competes ("Non-Compete Rule"). Judge Brown concluded that the FTC lacked statutory authority to promulgate the Non-Compete Rule, and that the Non-Compete Rule is arbitrary and capricious. Accordingly, Judge Brown set aside the Non-Compete Rule and ordered that it will not be enforceable or take effect on its original effective date of September 4, 2024 or thereafter.

If you have any questions about this article, please contact **Anthony J. Ashley** at aashley@vedderprice.com or any other Vedder Price attorney with whom you have worked.

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