

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**

**Lina M. Khan, Chair  
Rebecca Kelly Slaughter  
Christine S. Wilson  
Alvaro M. Bedoya**

In the Matter of

**O-I Glass, Inc.**  
a corporation.

**Docket No. C-4786**

**COMPLAINT**

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41, et seq., and by virtue of the authority vested in it by said Act, the Federal Trade Commission (“Commission”), having reason to believe that O-I Glass, Inc. (“O-I”), a corporation, hereinafter sometimes referred to as “Respondent,” has violated the provisions of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges in that respect as follows:

**NATURE OF THE CASE**

1. This action addresses the unfair use by Respondent of post-employment covenants not to compete. The term post-employment covenants not to compete (or “Non-Compete Agreements”), as used in this complaint, refers to contract terms that, following the conclusion of a worker’s employment with one employer, restrict the worker’s freedom to accept employment with competing businesses or otherwise to compete with the employer.

### **RESPONDENT**

2. Respondent O-I Glass, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of Delaware, with its principal place of business located at One Michael Owens Way, Plaza 1, Perrysburg, OH 43351.

### **JURISDICTION**

3. At all times relevant herein, O-I has been, and O-I is now, a corporation, as “corporation” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
4. O-I has engaged in and continues to engage in commerce and activities affecting commerce in the United States, as the term “commerce” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

### **GLASS CONTAINER INDUSTRY**

5. Respondent manufactures and sells glass containers used for food and beverage packaging. The primary customers of such glass containers are companies that sell food, beer, non-alcoholic beverages, and wine and spirits.
6. The glass container industry in the United States is highly concentrated. There are substantial barriers to entry and expansion, including the ability to identify and employ personnel with skills and experience in glass container manufacturing.

### **RESPONDENT’S NON-COMPETE AGREEMENTS**

7. For over a decade, Respondent required employees across a variety of positions to enter into Non-Compete Agreements with Respondent. These agreements typically required that, for one year following the conclusion of the worker’s employment with Respondent, the worker may not, directly or indirectly, “be employed by” or own, manage, operate, join, control, participate in, or in any manner be connected with, any business that sells products and/or services in the United States that are the same or substantially similar to those in which Respondent deals, without Respondent’s prior, written consent. At the outset of the Commission’s investigation, over 1,000 employees of Respondent were subject to such Non-Compete Agreements, including salaried employees who work with the glass plants’ furnaces and forming equipment and in other glass production, engineering, and quality assurance roles.
8. Respondent’s use of Non-Compete Agreements as described herein is unfair and has the tendency or likely effect of harming competition, consumers, and workers, including by: (i) impeding the entry and expansion of rivals in the glass container industry, (ii) reducing employee mobility, and (iii) causing lower wages and salaries, reduced benefits, less favorable working conditions, and personal hardship to employees.

9. Any legitimate objectives of Respondent's conduct as alleged herein could have been achieved through significantly less restrictive means, including, for example, by entering confidentiality agreements that prohibit employees and former employees from disclosing company trade secrets and other confidential information.

**VIOLATION CHARGED**

10. The allegations in all of the paragraphs above are re-alleged and incorporated by reference as though fully set forth herein.
11. Respondent's conduct constitutes an unfair method of competition with a tendency or likelihood to harm competition, consumers, and employees in the glass container industry, in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45. 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 twenty-first day of February, 2023, issues its complaint against Respondent.

By the Commission, Commissioner Wilson dissenting.

April J. Tabor  
Secretary

SEAL