

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

COMMISSIONERS: **Andrew N. Ferguson, Chairman
Mark R. Meador**

In the Matter of

Rollins, Inc.

a corporation.

Docket No. C-[XXXX]

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 thereunder, the Federal Trade Commission (“Commission”), having reason to believe that Rollins, Inc. (“Rollins” or “Respondent”) has violated the provisions of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended, 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 Rollins of post-employment covenants not to compete (“Non-Compete Agreements”). As used in this complaint, Non-Compete Agreements are 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, to start a competing business, or otherwise to compete with the former employer post-employment.

RESPONDENT

2. Respondent, Rollins, Inc. (“Rollins”), is a corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Delaware, with its principal place of business located in Atlanta, Georgia.

JURISDICTION

3. At all times relevant herein, Rollins has been, and is now, a corporation, as “corporation” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

4. Rollins 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.

PEST CONTROL INDUSTRY

5. Rollins is a pest-control company that operates throughout the United States. Rollins provides pest-control services to residential and commercial customers.
6. Rollins is one of the largest pest-control companies in the United States. Rollins operates over 700 locations with over 18,000 U.S.-based employees.

ROLLINS’ NON-COMPETE AGREEMENTS

7. A longstanding Rollins policy required all newly hired employees to enter Non-Compete Agreements, regardless of their position or responsibilities. These agreements have typically taken the form of a clause that prohibited, for two years following the conclusion of employment with Rollins, the employee from working in the pest-control industry within a predetermined distance – usually a 75-mile radius around the Rollins location at which the employee worked, but often a multi-county region.
8. The vast majority of Rollins’ more than 18,000 employees, as well as many thousands of former employees, with limited exceptions that depend on the employee’s location of employment, were subject to Non-Compete Agreements. In total, many thousands of current and former Rollins employees entered a binding employment agreement containing a Non-Compete Agreement purporting to severely limit their job mobility for up to two years post-employment.
9. Rollins applied its Non-Compete Agreements without individualized consideration of an employee’s role. The Non-Compete Agreements covered a broad range of employees, including pest-control technicians, customer-service representatives, and other employees earning relatively low wages. Technicians and customer service representatives accounted for the bulk of Rollins employees subject to Non-Compete Agreements.
10. Rollins imposed Non-Compete Agreements on employees who had no ability to negotiate the Non-Compete Agreement with Rollins. Employees generally received no incremental consideration, such as extra compensation, for signing the Non-Compete Agreement. Many Rollins employees were asked to sign a Non-Compete Agreement with little or no opportunity to fully consider and understand the agreement. For instance, some Rollins employees signed a Non-Compete Agreement after their former employer was acquired by Rollins and were told to do so in the field or on the job, without time for reflection. Some Rollins employees believed that if they did not sign the Non-Compete Agreement, Rollins would fire them.
11. Rollins has issued hundreds of threatening cease-and-desist letters to former employees, including many pest-control technicians, citing an alleged breach of their Non-Compete Agreements. Rollins has also filed multiple lawsuits against former employees, including

pest-control technicians, alleging a breach of Non-Compete Agreements. Former employees who have been subject to these efforts have often not been able to match the resources that Rollins is able to devote to lawyers and litigation and have had to accede to Rollins' terms for this reason.

12. The Non-Compete Agreements are unfair and anticompetitive because they alter the bargaining position between employees and Rollins. Employees bound by Non-Compete Agreements occupy a worse position to negotiate for better terms of employment or establish better independent positions in the pest-control industry. The Non-Compete Agreements deny these employees access to job opportunities and restrict their mobility. The Non-Compete Agreements likely cause lower wages and salaries, reduced benefits, less favorable working conditions, and personal hardship to employees.
13. The Non-Compete Agreements are also unfair and anticompetitive because they likely suppress competition by impeding the entry and expansion of Rollins' competitors in the pest-control industry.
14. The Non-Compete Agreements also likely suppress competition by preventing or discouraging Rollins employees from starting new small businesses that would compete in the pest-control industry. Former Rollins employees have attempted to start new pest-control businesses, but subsequently severely limited or restricted their businesses when Rollins threatened to enforce or brought lawsuits to enforce Non-Compete Agreements. Rollins' Non-Compete Agreements have significantly diminished the timeliness and likelihood of competitive entry.
15. Any procompetitive objectives of Rollins' conduct as alleged herein do not depend on the use and enforcement of Non-Compete Agreements and could have been achieved through significantly less restrictive means. Non-Compete Agreements are not reasonably necessary for Rollins to continue investing in developing confidential information. Rollins has published its pest control methods on its website and in YouTube videos.
16. Narrowly tailored non-solicitation agreements are available to promote Rollins' continued investments in growing and maintaining customer relationships and client goodwill, including through the development and protection of confidential customer lists or other competitively sensitive information.
17. Rollins' investments in employee training also do not depend on Non-Compete Agreements, as Rollins offers the same level of employee training where it does not use or enforce Non-Compete Agreements and is incentivized to provide adequate training to compete by offering quality services.

VIOLATIONS CHARGED

18. The allegations in all the paragraphs above are re-alleged and incorporated by reference as though fully set forth herein.

19. Rollins' Non-Compete Agreements are unfair methods of competition in violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.
20. Such conduct, or the effects thereof, is likely to continue or recur in the absence of appropriate relief.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this [X] day of [X], 2026, issues its complaint against Respondent.

By the Commission.

April J. Tabor
Secretary