

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

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

In the Matter of

Docket No. C-

Adamas Amenity Services LLC,
a limited liability company,

Adamas Building Services LLC,
a limited liability company,

Adamas Concierge LLC,
a limited liability company,

Adamas Parking Services LLC,
a limited liability company, and

Adamas Security LLC,
a limited liability company.

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 Adamas Amenity Services LLC, Adamas Building Services LLC, Adamas Concierge LLC, Adamas Parking Services LLC, and Adamas Security LLC, hereinafter collectively referred to as “Respondents,” have 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. Respondents are building services contractors that operate in New Jersey and New York City.
2. Respondents sometimes include No-Hire Agreements in their customer service agreements with residential building owners. The No-Hire Agreements limit the ability of those building owners—and competing building service contractors—to hire

Respondents' employees. As a result, those employees suffer hardship if the building they work at changes management, because the No-Hire Agreements force them to leave their jobs in some circumstances. The No-Hire Agreements also limit workers' ability to negotiate for higher wages and better benefits and working conditions from building owners.

3. Respondents' No-Hire Agreements also limit the ability of building owners to seek or accept bids from Respondents' competitors due to the prospect of losing long-serving employees, thus restricting the ability and incentive of Respondents' competitors to make investments and meet customer demand for increased quantity, quality, and variety of services, and ultimately harming consumers.

RESPONDENTS

4. Respondents are limited liability companies organized, existing, and doing business under, and by virtue of, the laws of the State of New Jersey, with their executive offices and principal places of business at 75 Orient Way # 303, Rutherford, NJ 07070.

JURISDICTION

5. Respondents are engaged in and continue 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.

BUILDING SERVICES INDUSTRY

6. Respondents are building services contractors. Pursuant to contracts between Respondents and various building owners or building management companies, Respondents' employees work at residential and commercial buildings in the United States, primarily in New Jersey and New York City.
7. Respondents and their customers are direct competitors in certain labor markets for building services workers, including in the markets for workers to perform concierge, security, custodial, maintenance, and related services.

RESPONDENTS' NO-HIRE AGREEMENTS

8. This action challenges Respondents' use of No-Hire Agreements. The term No-Hire Agreement, as used in this complaint, refers to a term in an agreement between two or more companies that restricts, imposes conditions on, or otherwise limits a company's ability to solicit, recruit, or hire another company's employees, during employment or for some period of time after the employment ends, directly or indirectly, including by imposing a fee or damages on the other company in connection with such conduct, or that otherwise inhibits competition between companies for each other's employees' services.
9. Respondents have included No-Hire Agreements in many of their customer service agreements. In April 2021, Respondents' owner and CEO, Jesus Muniz, testified in proceedings before the National Labor Relations Board ("NLRB") that Respondents routinely included No-Hire Agreements in their service contracts with customers.
10. The No-Hire Agreements typically require that a customer and any person or entity retained by the customer to replace Respondents refrain from, directly or indirectly, soliciting or employing Respondents' employees during the term of the customer service agreement and for a period of time thereafter unless a fee is paid to Respondents.
11. In May 2024, when asked about Respondents' use of No-Hire Agreements, counsel for Respondents represented to FTC staff that although Respondents included No-Hire Agreements in some of their contracts for building services, Respondents did not enforce the No-Hire Agreements.
12. Despite the earlier representation by counsel for Respondents to FTC staff, as recently as late 2024, Respondent Adamas Concierge LLC ("Adamas Concierge") attempted to enforce a No-Hire Agreement against one of its customers as a means to prevent the customer from replacing it with another vendor. The No-Hire Agreement prevented the customer, its managing agent, and any service provider retained to replace Adamas Concierge from hiring any Adamas Concierge employee during the length of the contract and for six months thereafter unless the customer paid a fee equal to a percentage of the salary of each employee hired. After learning that the customer sought to replace Adamas Concierge with another building services provider, Adamas Concierge attempted to prevent the customer from switching by leveraging potential claims of breach of contract, including with respect to the No-Hire Agreement. Specifically, in correspondence to the customer by its counsel, Adamas Concierge demanded that the customer comply with its obligations under the No-Hire Agreement.
13. Respondents' No-Hire Agreements are anticompetitive because they eliminate direct, horizontal, and significant forms of competition to attract labor in the U.S. building services industry. These agreements deny employees access to job opportunities, restrict their mobility, and deprive them of competitively significant information that they could have used to negotiate for better terms of employment.
14. Respondents' use of No-Hire Agreements is a method of competition that is unfair and has the tendency or likely effect of harming competition, consumers, or workers,

including by: (i) impeding the entry and expansion of Respondents' competitors in the building services industry, (ii) reducing employee mobility, and (iii) causing lower wages and salaries, reduced benefits, less favorable working conditions, and, among other things, personal hardship to employees.

15. Any legitimate objectives of Respondents' conduct as alleged herein could have been achieved through significantly less restrictive means. Among other terms, the scope and duration of the No-Hire Agreements are not reasonably necessary to achieve any purported pro-competitive purpose of Respondents' building services contracts.

VIOLATIONS CHARGED

16. The allegations in all the paragraphs above are re-alleged and incorporated by reference as though fully set forth herein.
17. Respondents' No-Hire Agreements constitute unreasonable restraints of trade that are unlawful under Section 1 of the Sherman Act, 15 U.S.C. § 1, and are thus unfair methods of competition in violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.
18. Respondents' conduct constitutes an unfair method of competition with a tendency or likelihood to harm competition, consumers, and employees in the building services industry, in violation of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.
19. 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 _____ day of _____, 2025, issues its complaint against Respondents.

By the Commission.

April J. Tabor
Secretary

SEAL