

February 07, 2025

Submitted via email

Re: SHRM Offers Congratulations on the Appointment of Andrew N. Ferguson as the Chair of the Federal Trade Commission

Dear Chair Ferguson,

We write on behalf of <u>SHRM</u> and our nearly 340,000 HR professionals and business executive members in 180 countries to express SHRM's congratulations on your appointment to lead the U.S. Federal Trade Commission (FTC) as its chairman. As the trusted authority on all things work, SHRM is the foremost expert, researcher, advocate, and thought leader on issues and innovations impacting today's evolving workplaces. SHRM has an unwavering commitment to focus on policy, not politics, and makes a concerted effort to reach across party lines and work with *all* administrations to secure the lives and livelihoods of workers.

The FTC plays a vital role in protecting U.S. businesses and workers from deceptive practices and fostering fair competition, which drives economic growth and innovation. While SHRM has not historically engaged extensively with the FTC, we have closely followed the FTC's Non-Compete Clause Rule. While we share the FTC's goal of a strong labor market, we opposed the blanket ban, which disregarded employers' need to protect intellectual property, proprietary information, and training investments. In our regulatory comment, SHRM highlighted real-world examples demonstrating the benefits of non-compete agreements and proposed alternatives such as minimum salary thresholds, employee restrictions, or industry-specific limitations. Our advocacy continued in *Ryan v. FTC*, where we submitted multiple amicus briefs to emphasize the need for a balanced approach that supports both competition and business interests.

As you know, on August 20, 2024, Judge Ada E. Brown of the U.S. District Court for the Northern District of Texas ruled to set aside the FTC's Non-Compete Clause Rule. SHRM believes this decision was legally correct and well-reasoned. Many of the court's findings mirrored the points SHRM raised in our <u>amicus</u> brief and some within your <u>dissent</u> for the Non-Compete Clause Rule, including that the FTC exceeded its rulemaking authority and failed to consider narrower, more targeted alternatives. As such, we urge the FTC to dismiss its appeal and respect the court's decision.

We welcome the opportunity to collaborate with you and the FTC to promote policies that foster fair competition and economic prosperity. We would appreciate the chance to meet with you to discuss areas of shared interest and how SHRM can serve as a resource during your tenure.

Sincerely,

136.She

Johnny C. Taylor, Jr., SHRM-SCP President & CEO

Omily & Dikens

Emily M. Dickens Chief of Staff, Head of Public Affairs & Corporate Secretary