No-Poach, No-Solicit Provisions of Corporate Agreements Now Face Criminal Prosecution

The Antitrust Division of the U.S. Department of Justice recently announced a settlement of criminal charges against Knorr-Bremse AG and Westinghouse Air Brake Technologies Corp. for having maintained agreements not to compete for each other's employees, according to **Locke Lord**.

Authors **Stephen P. Murphy** and **Joseph A. Farside Jr.** write that one executive went so far as to state in an email that no-soliciting was a "prudent cause for both companies" and that the companies would "compete in the market."

In announcing the settlement, an assistant AG noted that the criminal complaint was part of a broader Antitrust Division investigation into agreements not to compete for employees, typically known as no-solicit or no-poach agreements.

Read the article.