

Press Release

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*Dunkin', Arby's, Five Guys, and Little Caesars Will Drop Provisions Limiting Recruitment and Hiring of Fast Food Workers*

HARRISBURG — In a major win for workers, Attorney General Shapiro today announced that, in a 14-state settlement led by Pennsylvania and Massachusetts, four national fast food franchisors agreed to cease using “no-poach” agreements that restrict the rights of fast food workers to move from one franchise to another within the same restaurant chain.

The agreements with Dunkin', Arby's, Five Guys, and Little Caesars settle an investigation announced by the states in July 2018 over concerns that no-poach agreements hurt low-wage workers by limiting their ability to secure better paying jobs.

No poach agreements are clauses, often contained in fast-food franchise agreements, which prevent workers from switching between employers of the same franchise in order to obtain a better job with a higher salary or improved working conditions.

Under the terms of the settlements, the franchisors will stop including no-poach provisions in any of their franchise agreements and stop enforcing any franchise agreements already in place. The franchisors have also agreed to amend existing franchise agreements to remove no-poach provisions and to ask their franchisees to post notices in all locations to inform employees of the settlement. Finally, the franchisors will notify the attorneys general if one of their franchisees tries to restrict any employee from moving to another location under an existing no-poach provision.

“No-poach agreements unfairly exploit working women and men, especially low-wage workers, and this agreement holds major fast food franchisors accountable,” Attorney General Josh Shapiro said. “Many employees only learn these agreements exist when they are denied the chance to advance to a better job, earn more money or obtain family-friendly schedule options. These companies did the right thing by coming to the table and working with attorneys general to find solutions, and I hope that other chains will also step up and follow suit.”

The attorneys general began their investigation last July by sending [letters](#) to Arby's, Burger King, Dunkin' Brands, Five Guys Burgers and Fries, Little Caesars, Panera Bread, Popeyes Louisiana Kitchen and Wendy's requesting documents, including copies of franchise agreements and communications related to no-poach provisions. The attorneys general alleged that no-poach provisions make it difficult for workers to improve their earning potential by moving from one job to another or seeking a higher-paying job at another franchise location, and that many workers are unaware they are subject to these no-poach provisions.

Since the investigation began, Wendy's provided confirmation that it never used no-poach provisions in their contracts with franchisees. Investigations into Burger King, Popeyes, and Panera continue.

The multistate coalition was led by Pennsylvania Attorney General Josh Shapiro and Massachusetts Attorney General Maura Healey and also included attorneys general from California, District of Columbia, Iowa, Illinois, Maryland, Minnesota, North Carolina, New Jersey, New York, Oregon, Rhode Island, and Vermont.

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