

June 6, 2022

---

**ATTORNEY GENERAL RAOUL FILES LAWSUIT AGAINST STAFFING AGENCIES FOR USE OF NO-POACH AGREEMENTS**  
***Lawsuit Seeks to End Practice of Preventing Temporary Workers from Switching Agencies***

**Chicago** — Attorney General Kwame Raoul announced a lawsuit against several staffing agencies and their mutual client over allegations that they interfered with temporary workers' ability to seek better employment opportunities with other staffing agencies.

[Attorney General Raoul's lawsuit](#) was filed in Cook County Circuit Court against Alternative Staffing Inc. (ASI), American Quest Staffing Solutions Inc. (American Quest), Creative Staffing Solutions Inc. (Creative), Midway Staffing Inc. (Midway), Staffing Network LLC (Staffing Network) and SureStaff Inc. (SureStaff), as well as their client, Vee Pak LLC, doing business as Voyant Beauty (Vee Pak). The complaint alleges that the six staffing agencies formed an unlawful agreement through which they refused to hire each other's employees. The lawsuit alleges Vee Pak facilitated the no-poach agreement by acting as a go-between for the staffing agencies and assisting in enforcing the agreement.

"No-poach agreements allow employers to take advantage of workers by trapping them in low-paying jobs and limiting their ability to seek better employment opportunities," Raoul said. "I am committed to holding companies accountable when they engage in unlawful employment practices that prevent employees from seeking opportunities that allow them to better support themselves and provide for their families."

ASI, American Quest, Creative, Midway, Staffing Network and SureStaff are temporary staffing agencies that compete with one another to recruit and hire workers for temporary employment at third-party client locations. Vee Pak, a company that manufactures and packages beauty products, used all six companies to hire temporary employees to work at its facilities in Countryside, Illinois and Hodgkins, Illinois. Attorney General Raoul's lawsuit alleges that from early 2016 until at least late 2019, the staffing companies agreed not to recruit, solicit, hire or poach each other's temporary workers employed at Vee Pak's facilities. The conspiracy benefitted Vee Pak and the staffing agencies at the expense of the temporary employees, as the no-poach agreement eliminated the need for the staffing agencies to compete for workers by offering better wages, benefits and conditions of employment.

According to the Attorney General's lawsuit, the agreement involved the staffing agencies monitoring for temporary Vee Pak employees switching from one participating staffing agency to another. If one staffing agency noticed a worker switching to any of the other participating staffing agencies, the temporary worker would either be returned to their original staffing agency or fired altogether. The Attorney General's lawsuit alleges that Vee Pak helped to enforce the agreement by notifying the agency out of compliance with the agreement, and ensuring the agreement was enforced.

Attorney General Raoul's lawsuit seeks an injunction to immediately stop the illegal no-poach agreement, as well as civil penalties and damages.

This lawsuit builds on Attorney General Raoul's efforts to advocate for workers and fight unlawful employment practices, such as those that restrict employees' rights and opportunities. For example, in July 2020, Raoul filed a similar lawsuit in the Circuit Court of Cook County, alleging that three staffing agencies and their client conspired to eliminate competition and harm temporary workers in Illinois by interfering with their ability to seek better employment opportunities and better wages and benefits. On June 3, the Attorney General won an initial victory in that case when the Illinois Appellate Court agreed that the temporary staffing industry can't use a loophole to avoid state antitrust protections. The ruling has implications for temporary staffing agencies throughout the state, which will now face greater potential for antitrust enforcement actions under Illinois law.

In 2020, Attorney General Raoul announced a previous consent decree with Vee Pak, doing business as Voyant Beauty, which resolved allegations that the company retaliated against female employees who reported persistent and pervasive sexual harassment in the workplace. The consent decree required the company to take action to address claims of sexual harassment.

Attorney General Raoul encourages workers who believe their rights have been violated to call his Workplace Rights Hotline at 1-844-740-5076, or file a complaint by visiting the [Attorney General's website](#).

The lawsuit is being handled by Public Interest Division Chief Christopher G. Wells; Bureau Chief Alvar Ayala, Deputy Bureau Chief Lydia Colunga-Merchant and Senior Assistant Attorney General Christian Arizmendi for Raoul's Workplace Rights Bureau; and Assistant Attorneys General Paul Harper and Richard Schultz for Raoul's Antitrust Bureau.

[Return to May 2022 Press Releases](#)



TOP