

eBay pays USD3.75m to settle 'no-poaching' case

SAN FRANCISCO, USA: Online company eBay agreed to pay US\$3.75m to settle allegations it colluded with other Silicon Valley technology firms not to "poach" each other's employees, officials said on Thursday, 1 May.



US Department of Justice's Bill Baer says no-poach agreements stunt US creativity and flair.

Image: [Legal Times](#)

In deals struck with the US Department of Justice (DoJ) and the California attorney general's office, the online commerce company also promised not to conspire with other companies to restrain recruiting or hiring of workers.

"The proposed settlement resolves the department's antitrust concerns and ensures that eBay will not engage in similar conduct in the future," US assistant attorney general Bill Baer said in a release.

The settlements need to be approved by a federal judge before being final.

"California's technology sector is at its best when competition and creativity are allowed to thrive," state attorney general Kamala Harris said. "No-poach agreements unfairly punish talented workers and stunt our state's economy."

A portion of the fund is to be used to compensate people who worked for eBay or Intuit in California since 2005, with amounts to range from less than US\$150 to US\$10,000 each.

Harris filed suit against eBay in late 2012, accusing it of making a deal with the financial software firm not to recruit each other's workers.

'No-poach' deals common

The "no-poach" deal took place between 2006 and 2009 and including a promise by eBay to not even hire Intuit employees, according to the state attorney general.

The DoJ lawsuit aimed at eBay also dates back to late 2012.

"eBay's agreement with Intuit served no purpose other than to limit competition between the two firms for employees, distorting the labour market and causing employees to lose opportunities for better jobs and higher pay," Baer said.

According to the DoJ Intuit is already subject to a consent decree similar to the one agreed to by eBay.

Technology companies Apple, Google, Adobe and Intel last month settled a lawsuit that charged they had colluded to hold salaries down by agreeing not to poach each others staff.

The four reached an agreement to settle all claims against them with lawyers for the plaintiffs in the case dating back to 2011, a statement from the San Francisco US district court said.

No details were given of the amounts, if any, in the settlement, and it did not cover three other industry leaders also sued: Intuit, Lucasfilm and Pixar.

The case built up strongly against them in January when the judge in the case, Lucy Koh, cited emails from late Apple founder Steve Jobs requesting in 2007 that Google stop recruiting Apple workers.

Source: AFP via I-Net Bridge

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