



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

For Release

FTC Takes Action to Protect Workers from Noncompete Agreements

FTC orders the nation's largest pet cremation business to stop enforcing restrictive noncompete agreements that bind nearly 1,800 workers

September 4, 2025



Tags: [Competition](#) | [Bureau of Competition](#) | [Nonmerger](#) | [Veterinarians](#) | [Noncompete](#)

The Federal Trade Commission today took action to protect American workers from harmful labor practices by ordering pet cremation company Gateway Services, Inc. and its subsidiary to stop enforcing noncompete agreements against their employees.

[In a complaint](#) filed against Gateway Services and its subsidiary Gateway US Holdings, Inc., (collectively referred to as Gateway), the FTC alleges that Gateway imposed noncompete agreements on almost all of its employees, which typically prohibited employees from working in the pet cremation service industry anywhere in the U.S. for one year after leaving Gateway.

Under a [proposed FTC consent order](#), Gateway must, among other terms, immediately stop enforcing all existing noncompete agreements. The FTC's proposed order will free nearly 1,800 employees from these restrictive agreements that limit job mobility and the ability to negotiate better wages and benefits.

"The Commission will stand up for workers and ensure that they receive all the benefits that flow from robust competition between employers," said Daniel Guarnera, Director of the FTC's Bureau of Competition. "The antitrust laws protect workers from noncompete agreements that harm competition, including by preventing workers from switching to better-paying jobs or starting their

own businesses. We will protect workers by enforcing the laws against anticompetitive noncompetes.”

The Trump-Vance FTC has prioritized investigating and prosecuting deceptive, unfair, and anticompetitive labor-market practices, including through the creation of a cross-agency [Joint Labor Task Force](#).

“Under the leadership of Chairman Ferguson, the FTC is working hard every day to marshal resources across the agency to uproot unfair and unreasonable employment agreements that drive down wages and reduce job mobility,” said Kelse Moen, Deputy Director of the Bureau of Competition and co-chair of the Joint Labor Task Force. “The Trump-Vance FTC will never stop fighting for American workers. Rest assured: today’s action will not be the last.”

Gateway is the largest pet cremation business in the U.S. with over 100 locations servicing 17,000 veterinary clinics across North America. In 2019, Gateway adopted its noncompete policy for all newly hired employees, regardless of their position or responsibilities, according to the FTC’s complaint. These agreements currently bind employees ranging from highly compensated executives to hourly, facility laborers, who make up a majority of Gateway’s employees.

Gateway’s noncompete agreements are anticompetitive because they unfairly alter the bargaining positions between employees and Gateway, the FTC’s complaint alleges. In addition, these agreements suppress competition as they likely impede the entry or expansion of competing pet cremation services businesses, while also preventing or discouraging Gateway employees from opening competing businesses.

The FTC’s proposed consent order states, among other terms, that:

- Gateway is prohibited from entering into, maintaining, or enforcing noncompete agreements, with limited exceptions, or communicating to an employee or any other person that any former employee is subject to a noncompete agreement;
- Gateway must provide notice to employees that they are no longer subject to a noncompete agreement; and
- Gateway cannot prohibit employees in any employment agreement from soliciting any prospective, current, or former customers of Gateway, except with respect to those current or prospective customers with whom the employee had direct contact

or personally provided service in the last 12 months of their employment with Gateway.

The Commission vote to issue the complaint and accept the proposed consent agreement for public comment was 3-1, with Commissioner Rebecca Kelly Slaughter dissenting. Chairman Andrew N. Ferguson [issued a statement](#) joined by Commissioner Melissa Holyoak. Commissioner Slaughter [issued a statement](#).

The public will have 30 days to submit comments on the proposed consent agreement package. Instructions for filing comments appear on the docket. Once processed, they will be posted on [Regulations.gov](https://www.regulations.gov).

NOTE: The Commission issues an administrative complaint when it has “reason to believe” that the law has been or is being violated, and it appears to the Commission that a proceeding is in the public interest. When the Commission issues a consent order on a final basis, it carries the force of law with respect to future actions.

The Federal Trade Commission works to [promote competition](#), and to protect and educate consumers. The FTC will never demand money, make threats, tell you to transfer money, or promise you a prize. You can learn more about [how competition benefits consumers](#) , [file an antitrust complaint](#), or [comment on a proposed merger](#). For the latest news and resources, [follow the FTC on social media](#), [subscribe to press releases](#), and [read our blog](#).

Contact Information

Media Contact

[Victoria Graham](#)

Office of Public Affairs

415-848-5121