

Attorney General Raoul Reaches Over \$1 Million Settlement With Manufacturing Company Over Use Of No-Poach Agreements

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CHICAGO - Attorney General Kwame Raoul announced a settlement with Colony Display LLC (Colony) that resolves allegations Colony entered into no-poach

agreements and engaged in wage fixing with three staffing agencies. The settlement requires Colony to pay more than \$1 million to compensate temporary workers who were impacted by the unlawful activity.

“Illinois workers ultimately pay when employers collude to keep wages down. I am pleased that this settlement includes compensation for workers who were impacted by unlawful activity that limited wages and job opportunities,” Raoul said. “We will not tolerate companies collaborating to take advantage of workers, and my office is committed to enforcing laws that protect workers’ rights and access to fair wages and opportunities to better provide for their families.”

In 2020, Raoul’s office filed a lawsuit against three staffing agencies – Elite Staffing Inc., Metro Staff Inc., and Midway Staffing Inc. – and Colony. Raoul alleged the staffing agencies formed an unlawful agreement to refuse to solicit or hire each other’s employees (commonly known as “no-poach” agreements), and to fix the wages paid to employees. Colony allegedly facilitated the unlawful agreements by acting as an intermediary between the parties to communicate about the agreement and assist in enforcing the no-poach agreement.

Raoul’s lawsuit further alleged that the staffing agencies eliminated competition and harmed temporary workers in Illinois by interfering with their ability to seek better employment opportunities, wages, and benefits.

Under the terms of the settlement entered in Cook County Circuit Court, Colony agrees to pay \$1.2 million that will be used, primarily, to compensate temporary workers impacted by Colony’s alleged role in no-poach and wage-fixing agreements. Additionally, Colony agrees to refrain from conduct that would violate antitrust law and to implement measures designed to ensure that affected workers can return to work at Colony and its staffing agencies. The settlement also requires Colony to implement compliance measures and prohibits the company from engaging in certain conduct that would violate antitrust laws.

The Colony matter has been remanded from the Illinois Supreme Court to the circuit court. On Nov. 16, the state and Colony submitted their agreement to the circuit court to seek final approval of the settlement. Raoul’s claims against the three staffing agencies are pending with the Illinois Supreme Court, and oral arguments on the appeal were heard Nov. 15.

The settlement agreement advances Attorney General Raoul’s ongoing efforts to advocate for workers and oppose unlawful employment practices, such as those that restrict employees’ rights and opportunities. Raoul filed a [similar lawsuit](#) against another group of staffing agencies and their client, Vee Pak LLC (which does business as

Voyant Beauty) which remains pending. Attorney General Raoul also [led a bipartisan coalition](#) of attorneys general acting through federal litigation to oppose no-poach agreements that will impact Illinois workers.

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 [in English](#) or [en Español](#) by visiting the Attorney General's website.

This lawsuit is the result of collaboration between Raoul's Antitrust Bureau and the Workplace Rights Bureau. Bureau Chief Elizabeth Maxeiner and Assistant Attorney General Paul Harper are handling the case for the Antitrust Bureau; Bureau Chief Alvar Ayala is handling the case for the Workplace Rights Bureau.