US: Silicon Valley no-poaching collusion goes deeper than previously thought

By <u>CPI</u>

Reports say anticompetitive agreements made between Silicon Valley rivals including Apple and Google may have been more widespread than previously thought.

More than 60,000 tech workers are suing the companies, as well as Intel, Pixar, Adobe and Induit, over allegations the companies made illegal agreements not to hire each others' employees. The US Department of Justice investigated similar claims of no-solicitation contracts, eventually settling the matter in 2010.

But with the recently-filed lawsuit, the claims have been revisited.

Some reports have revealed secret internal memos from Google and Apple that demonstrate such hiring agreements may have spanned over several years; the reports claim the documentation shows Apple's Steve Jobs and Google's Eric Schmidt formed a non-poaching agreement cartel that involved dozens of other companies, including Dell, Microsoft, Paypal, Comcast and more.

Reports say the memos date back to 2005. One of the documents reportedly shows Schmidt admitting to Google "driving up salaries across the board."

The trial, given the go-ahead by a judge last January, is scheduled to begin May 27. The plaintiffs accuse the company an "overarching conspiracy" to strike illegal hiring agreements that have been found to be nearly identical to each other; the defendants have previously claimed those contract similarities are merely coincidence.

The revelations follow the unsealing of court filings that show Facebook declined to partake in such anti-poaching agreements, according to reports.

According to court documents, Facebook's COO Sheryl Sandberg was approached by Google telling her to "lower the rate" Facebook hires Google employees. Facebook declined, however, a move that has now made Facebook a star witness in the case, rather than a defendant.

Full Content: International Business Times and Reuters

Want more news? <u>Subscribe to CPI's free daily newsletter</u> for more headlines and updates on antitrust developments around the world.



US: Silicon Valley no-poaching collusion goes deeper than previously thought added by <u>CPI</u> on <u>View all posts by CPI</u> \rightarrow