

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
OCALA DIVISION**

PROPERTIES OF THE VILLAGES,
INC.,

Plaintiff,

v.

FEDERAL TRADE COMMISSION,

Defendant.

Case No. 5:24-cv-000316-TJC-PRL

NOTICE OF SUPPLEMENTAL AUTHORITY

Plaintiff Properties of the Villages, Inc., submits this Notice of Supplemental Authority pursuant to Local Rule 3.01(i). On July 3, 2024, the U.S. District Court for the Northern District of Texas in *Ryan LLC v. FTC*, No. 3:24-cv-00986, 2024 WL 3297524 (N.D. Tex. July 3, 2024), entered an opinion and order granting plaintiffs’ motion for a preliminary injunction and to stay the effective date of the Federal Trade Commission’s Non-Compete Rule. This authority supplements Plaintiff’s Motion for Stay of Effective Date and Preliminary Injunction, ECF No. 25, pages 12–17 (lack of substantive competition rulemaking authority), 27–29 (irreparable harm), and 30 (balance of the equities and the public interest). Specifically, the court held the following:

1. The FTC's substantive competition rulemaking authority:

“The Court concludes the text and the structure of the FTC Act reveal the FTC lacks substantive rulemaking authority with respect to unfair methods of competition, under Section 6(g). Thus, when considering the text, Section 6(g) specifically, the Court concludes the Commission has exceeded its statutory authority in promulgating the Non-Compete Rule, and thus Plaintiffs are likely to succeed on the merits.” *Ryan LLC*, 2024 WL 3297524, at *10 (citations omitted).

2. Irreparable harm:

“Given Plaintiffs’ nonrecoverable costs of complying with the Rule, bolstered by the FTC’s failure to make a developed responsive argument, the Court concludes Plaintiffs have met their burden of showing irreparable harm in the absence of injunctive relief.” *Id.* at *14.

3. Balance of the equities and the public interest:

“Granting the preliminary injunction serves the public interest by maintaining the status quo and preventing the substantial economic impact of the Rule, while simultaneously inflicting no harm on the FTC. Further, the Rule makes unenforceable long-standing contractual agreements that have been judicially recognized as lawful and beneficial to the public interest.” *Id.* (citation omitted).

Respectfully submitted,

July 5, 2024

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CERTIFICATE OF SERVICE

I hereby certify that on July 5, 2024 a true and correct copy of the foregoing document: (1) was electronically filed with the Clerk of Court using the CM/ECF system, which will automatically send email notification of such filing to all attorneys of record, and (2) was served via e-mail upon following counsel for the Federal Trade Commission: Rachael Westmoreland (Rachael.Westmoreland@usdoj.gov) and Taisa M. Goodnature (Taisa.M.Goodnature@usdoj.gov).

s/ Lauren Willard Zehmer
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