

## D.C. Circuit Erases NLRB Joint Employer Order After Google-Cognizant Contract Lapses

## Labor Relations Update on April 28, 2025

The D.C. Circuit's April 22, 2025 <u>decision</u> offers an important lesson on joint-employer cases under the National Labor Relations Act ("NLRA" or "Act"): without an ongoing contractual relationship, the dispute can vanish in a puff of mootness.

Google contracted with Cognizant Technology Solutions ("Cognizant") in 2019 to provide services through a team for YouTube Music Operations in Austin, Texas. The contract between the two companies was renewed several times, but expired in February 2024, ending the employees' jobs. While the contract was still in force, the Alphabet Workers Union won a National Labor Relations Board ("NLRB" or "Board") election and the Board deemed Google and Cognizant joint employers who owed the Union a duty to bargain. Both companies refused to bargain, challenging the joint-employer determination. The Board then determined the refusal a violation of the Act and ordered bargaining and for both companies to post a notice of employee rights, reserving "make-whole" relief for later.

On review, the D.C. Circuit raised mootness *sua sponte* (independently and without being prompted by either party). Because the contract had already expired, the Court concluded no employment relationship remained, no bargaining order could be enforced, and no effective relief was possible. It rejected the usual mootness exceptions—"capable of repetition yet evading review" and "voluntary cessation"—as ill-fitting where the relationship ended by its own terms.

The Court vacated the Board's order to prevent any lingering preclusive effect. It also tossed the Union's challenge to the Board's remedial choices, faulting the Union for failing to utilize the Board's own reconsideration process.

**Takeaways**: While not binding on future NLRB cases, a D.C. Circuit decision is noteworthy. This decision reinforces that in joint-employer disputes, the contract's lifespan underpinning the relationship between two putative joint employers can be dispositive. Once the underlying agreement—and the employment it creates—expires, any duty to bargain (and the litigation that hinges on it) may dissolve. Employers should track contract end-dates as closely as they track the evolving joint-employer standard.

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