

FRANCHISING \*
Building local businesses, one opportunity at a time.

## 2015 IFA OFFICERS AND BOARD OF DIRECTORS

## **EXECUTIVE COMMITTEE**

Melanie Bergeron, CFE
TWO MEN AND A TRUCK INTERNATIONAL, INCTM
Chairmonan

Aziz Hashim NRD Holdings, LLC Vice Chairman

Shelly Sun, CFE BrightStar Franchising, LLC

Liam Brown Marriott International

Stephen Joyce Choice Hotels International Immediate Past Chairman

Jeffrey Tews BrightStar Healthcare of Madison, WI S and J Home Care LLC Franchisee Forum Chairman

Catherine Monson, CFE FASTSIGNS International Franchisor Forum Chairwoman

Ryan Cunningham Javelin Solutions Supplier Forum Chairman

## **BOARD OF DIRECTORS**

Doug Allison PepsiCo Foodservice

James Anhut InterContinental Hotels Group

Jania Bailey, CFE FranNet Franchising, LLC

Cheryl Bachelder Popeyes Louisiana Kitchen

David Barr PMTD Restaurants

Charlie Chase FirstService Brands

Mitch Cohen Baskin Robbins/Dunkin' Donuts Bayshore, NY

Jerry Crawford, CFE Jani-King International, Inc.

Carlton Curtis
The Coca-Cola Company

Richard Emmett Dunkin' Brands, Inc.

Kathleen Gilmartin Interim HealthCare Inc.

Peter Holt, CFE Planet Smoothie/Tasti D-Lite

Mariana Huberman UPS Store of Washington, DC Franchisee Forum First Vice Chairwoman

Darrell Johnson, CFE FRANdata

Saunda Kitchen, CFE Mr. Rooter of Sonoma County, CA

Gordon Logan Sport Clips, Inc.

Robert McDevitt, CFE Golden Corral Buffet & Grill

Barry Miller Sylvan Learning Center of Girard, OH

Tabbassum Mumtaz Apex Restaurant Management, Inc.

Matthew Patinkin Auntie Anne's Pretzels Double P Corporation

Guillermo Perales Sun Holdings, LLC

Karen Powell, CFE Decor & You FranchisEsource Brands International

Andrew Puzder CKE Restaurants, Inc.

Michael Seid, CFE CFWshops

Larry Weinberg, CFE Cassels Brock & Blackwell LLP Supplier Forum First Vice Chairman May 28, 2015

The Honorable Sly James City Hall, 29<sup>th</sup> Floor 414 E 12th St Kansas City, MO 64106

Dear Mayor James:

On behalf of the International Franchise Association (IFA), I wish to express our extreme disappointment upon learning that your office has distributed Committee Substitute for Ordinance 150217 to the City Council, which relates to Kansas City's minimum wage and discriminates against franchised businesses.

This development is unfortunate for several reasons. First, the proposed ordinance closely resembles Seattle's current minimum wage ordinance, which IFA and other groups are currently fighting in the Federal Ninth Circuit. The ordinance is also similar to that originally contemplated by the City of Chicago. However, Mayor Rahm Emanuel wisely decided to remove the section that would have treated franchised businesses unfairly as compared to non-franchised businesses.

Second, if this ordinance were enacted, it will certainly spark litigation. As the *Kansas City Business Journal* reported on March 31 of this year:

But even if the ordinance becomes law, it probably won't compel the city's business owners to start paying about \$31,000 a year for minimum-wage workers. Councilman Ed Ford, chairman of the committee, said the city's Legal Department already has presented an opinion that the city cannot raise the minimum wage because its authority is pre-empted by the state. Ford, a lawyer by trade, said he agrees with the assessment.

However, what is most striking to us about the proposed ordinance is that you serve as Co-Chair of the United States Conference of Mayors (USCM) Small Business, Franchising and Entrepreneurship Task Force. You and your fellow mayors who sit on the task force know the economic benefits that franchising brings to your cities. As you also know, IFA usually ends our presentations with the simple statement, "Franchising = jobs."

Just as we have said in Seattle on behalf of franchised businesses, "We are not asking for special treatment; we are merely asking for the same equal treatment afforded to non-franchised businesses."

Therefore, we respectfully ask in the strongest terms possible that you reconsider your proposed ordinance.

Sincerely,

Stephen J. Caldeira

cc: Tom Cochran USCM CEO and Executive Director