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**From:**

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**Testimonial Letter**

**To Long Beach City Council:**

As a local business owner here in Long Beach, I strongly urge the Long Beach City Council to put a commission cap on third-party delivery platforms at 15% or lower. Many food & beverage establishments operate on very low margins, even before the COVID19 pandemic. With the shutdowns & dining restrictions, it has put a huge toll on many businesses. Many delivery platforms are charging upwards of 30% commission to restaurants that already have low margins. With the pandemic, many customers have transitioned from ordering in-person to ordering through delivery platforms. Prior to the pandemic, restaurants relied on third party delivery platforms for additional revenue during slow hours & seasons. However, with the lockdowns and restrictions in place, restaurants are forced to use these platforms and pay high commission rates. Please keep in mind, many restaurants have margins even less than 30%, so you can imagine what it is costing many hardworking business owners. As you may know, the minimum wage has gone up as of January which is also burdening many smaller establishments who are already struggling to pay rent, meet payroll, or even paying themselves as owners. This will be the new normal for an indefinite amount of time. Many restaurants will still be relying on delivery platforms as a main source of revenue even when many are vaccinated.

Like many businesses, prior to COVID19, orders from delivery platforms only accounted for 5% of my business. When the pandemic hit, it accounted for 30-40% of my business. My business is one of the lucky few that was able to weather this storm since we operated mainly as a "grab and go". Unfortunately, I know many establishments are at the brink of shuttering their doors for good. Capping the commission rate for these platforms temporarily will not save them all, but it can definitely make an impact on whether some restaurants have the funds to pay their staff, rent, mortgage, and themselves. It can give many a fighting chance.

Local restaurants, bars, & beverage establishments is what gives Long Beach life. It is what brings people here. To see so many closed doors breaks my heart. Although I am not a resident here, I've grown to love this wonderful city. I strongly believe that we can make a comeback from the horrific pandemic & it starts with helping local food & beverage businesses.

-Respectfully

Thomas Liu