

Testimony of Bryan Tipton  
Owner, Tipton Investments

U.S. Senate Committee on Small Business and Entrepreneurship Hearing  
“Small Business Franchising: An Overview of the Industry, SBA’s Role, and Legislative Proposals”

Chairman Cardin, Ranking Member Paul and Members of the Committee, I would like to thank you for having me at today’s hearing. My name is Bryan Tipton I have been in the restaurant and bar business my entire adult life. I am now a proud fast food franchisee and I have been for many years. I hope that my experience as an operator can be helpful to this committee today.

I would like to start by saying that by pursuing a franchise, I knew that before I ever opened the door of a restaurant, I would have over 50 years of experience that the Arby’s franchise has gained at my fingertips. As it turned out I was right. I also knew that I would have buying power and support that I would never have on my own and as a group we are able to advertise and promote our company in ways otherwise unimaginable.

Even before the pandemic, the restaurant business has been a very tough business and everyone knows that lately has been even tougher. It’s a retail business that in most cases is open over 16 hours a day with strict regulations from health codes from every health department in every city and county in America. As a franchisee of a large restaurant group, I can tell you there is already a lot of oversight, paperwork, reporting etc. required of the franchisor and my process with my franchisor was extremely transparent. The legislation discussed today seems to be addressing a problem that doesn’t exist. I just can’t imagine adding more to that in the form of government regulations and oversight. It would only add to the cost of franchising at a time when franchising is helping navigate an already difficult business environment. I just don’t see the need.

I would also like to mention that in the beginning of the pandemic there was a lot of uncertainty. Many if not all business owners were very scared and unsure of the future. A lot of restaurant owners took PPP assistance but I think that we are seeing the terrible consequences of this program and a lot of other government giveaways and now what we thought would help us is now hurting us in a big way.

I did not take a second PPP or a Restaurant Revitalization grant and if I had to do it over again, I wouldn’t have even taken any PPP. Because of these programs there are record levels of inflation and the biggest labor problem in my career. Industry-wide and almost everywhere in this country they have seen the same problems since the beginning of the pandemic: unemployment due to stimulus. There may have been good intentions but I certainly don’t think that more government intervention is going to fix it now. Restaurants have been resilient and if they are not making it now, there is likely another reason for it. Additional grant funding or government-backed loans will only further the inflation problem.

The government needs to get out of the way of business owners. At the same time, the taxpayer taking on risky business loans isn’t the answer either. Most small business owner’s needs including my own can be met by the private lending market. More red tape to navigate, on the other hand, is the last thing that my business or any other small business needs right now.

*All opinions expressed here are my own, and are not necessarily those of organizations I am affiliated with.*