

**3south, llc**  
**Charlotte Johnston**  
**Small Business Owner**

**Senate Committee on Small Business and Entrepreneurship Field Hearing**  
**Monday, March 30, 9:30 am, Council Chambers of East Baton Rouge Parish City Hall**

Good morning, I'm Charlotte Johnston and I own 3south, a small business based in Baton Rouge. We began operations in June 2011 after several clients requested greater support than what they were getting from larger companies. Our business model provides research and equipment solutions to First Responder clients in LA and around the country so they can stay mission-focused, which is saving lives and property in their communities.

Our clients aren't a number to us; we know them and their needs well after 15 years in the industry. Whether it's personal protective gear for LA State Police Emergency Services Unit, gas detection for Lafayette Fire or gear for a SWAT team in Ft Worth, Bossier or Baton Rouge, we anticipate products to help them stay safe.

We named our company 3south because we believe in the power of 3, our clients, our manufacturers and us as a facilitator to bring them together. We also believe in the standard KISS method, for those of you unfamiliar with that term, keep it simple, stupid. Our business model is simple, we try to take care of the fundamentals for our clients at a reasonable price. It is a win for the taxpaying agency, the manufacturers we partner with and 3south. Every transaction should be a 3 way win.

We are in the best position to grow right now as our sales continue to increase and our clients recommend us to other agencies. However, the current healthcare system directly impacts our ability to grow as a company. We need to add 2 positions right away for customer care and service; we can't do it due to the current cost of healthcare.

My healthcare plan in prior positions gave better coverage, lower deductibles and cost about \$687 per month for my family of 3. It included short and long term disability, life insurance, dental and vision, had a \$300 per family deductible and paid 90% of doctor visits. With ACA, I now pay \$990 per month for healthcare for me & my two sons. This is just healthcare, no dental, no vision, no disability, no life insurance. My deductible is \$2500 per individual, \$7500 for family and coverage is about 70% for doctor visits. The list goes on but basically the coverage isn't even close to what I had before. So tell us how is this system is better?

My boys see me every night working hard. Because 3south is growing, our lives are better than they were for the last 15 years. I am encouraged by my clients to grow but our service levels are falling because to grow, we need additional employees. That extra \$320 a month in premiums and the additional out of pocket costs are killing my ability to grow as a small business. My recent bill for an annual xray, mammogram and doctor's visit out of pocket is \$1200. How is this good insurance, tell us how is this system better?

After 5 years in medical sales and seeing the healthcare system up close, it needed to be repaired but there are other solutions, better solutions. Arguments for the current system, don't make sense. When something doesn't add up, you take the time to repair it. I'd like to hire more employees but until we remove unjustifiable costs, small companies will continue to sit on the precipice of growth, waiting for common sense from our legislators to help. Please help us and if you can't, be ready to tell us how this system is better.