

Written Testimony of
Charles Goodson
Owner, Charley G's Restuarnt
Lafayette, LA
Before the Senate Committee on Small Business & Entrepreneurship
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Senator Landrieu & members of the senate committee, thank you for allowing me to testify before you today and thank you for holding this hearing. I appreciate the opportunity to tell my story about the possible & very probable effects of a continued deepwater drilling moratorium.

My name is Charlie Goodson, owner with my wife Del of Charley G's restaurant. We have been in the restaurant business for over 30 years and have operated the Charley G's concept for the last 25 years.

The Louisiana restaurant industry is the largest private sector employer in the state, which employs 145,000 people directly and another 70,000 indirectly.

The restaurant industry in Louisiana has had to overcome some significant challenges in the last five years with Hurricanes Katrina & Rita in 2005, Ike & Gustav in 2008. Five years and a national recession later, things were finally looking up for Louisiana restaurants, until the BP Oil Crisis. The deepwater drilling moratorium will cripple Louisiana's economy and force many restaurants to lay off workers or close their doors. Traditionally, summer is the slow season and combined with another hurricane season; times could not be more desperate.

Owning a restaurant has been a rollercoaster ride with some terrific highs & some soul searching lows. With only what I can describe as a stubborn will to stay in business, we have survived. In the mid eighty's, during the oil bust, it was a particularly hard time for our restaurant & our city. We pulled out all the stops and any marketing strategy we could think of. For a time we ran a lunch promotion "Lunch for two for the price of a barrel of oil", we were serving lunch for two for \$5.40, definitely not a profitable situation.

With a deep water drilling moratorium of six months, I believe we are headed back to those struggling economic times. As small business owners we hang on the economic decisions made by others that can take us down in a matter of months. We work hard at our business & budget our sales to the day every year. This year we budgeted a 7% net income before taxes, we will probably do somewhere between 4-5%, if we don't hit any major problems. If the moratorium remains in effect, it could be our major problem & put us into the negative for the year.

Our management team, my daughters & my wife have started to prepare our company for a major slowdown if jobs are lost in the oil industry in our area. Our first line of defense will be a hiring freeze, salary freeze & halt all lease hold improvements. Our second line

of defense is to discontinue lunch. By discontinuing lunch we would have to eliminate 6 kitchen positions, 4 service staff & 1 manager, which represents about 25% of our staff. Eleven jobs for one small local restaurant. Our daughters are now coming to an age that they are getting involved in the management of our family business. We hope to pass on to them a healthy & growing business. The moratorium casts big doubts over the future of our small business.

Each and every one of us understands the importance of safe offshore drilling to prevent another spill such as the April 20 explosion of BP's Macondo well, not to mention the devastating loss of life. However, recklessly shutting down this industry will result in a tsunami-size wave of impact on all other industries in Louisiana.

Thank you again Senator Landrieu & members of the committee for the opportunity to testify before you today.