

April 28, 2015

Dear Representative:

We are writing to inform you of our opposition to H.R. 2017. This legislation would create an unfair advantage between competitors by specifically carving out segments of the food service marketplace from the federal requirement to provide uniform nutrition information. We urge you to treat establishments selling restaurant type food equitably. Congress should not provide a competitive advantage for one segment of an industry over another.

H.R. 2017 would broadly exempt thousands of chain grocery and convenience stores from providing uniform nutrition information on restaurant type food to customers notwithstanding that each day thousands of customers purchase such meals at these establishments. Such establishments each made strategic decisions to compete directly with their local restaurants. While we welcome their competition, there is no justifiable reason why they should not be held to the same rules as those with whom they have chosen to compete. While we recognize the need expressed by supporters of H.R. 2017 to have appropriate time for menu-labeling implementation, H.R. 2017 would outright exempt entities from providing nutrition information, create an uneven playing field, and cast different requirements amongst competitors.

The food service industry is a broad but competitive industry that is ever expanding in areas that have not traditionally provided restaurant meals. For example, today there are 54,000 grocery stores and 59,000 convenience stores that offer freshly prepared food and beverages, with annual average foodservice sales of \$25 billion dollars. Taken together, these two foodservice segments alone represent 12% of total restaurant and foodservice locations in the U.S. In fact, in recent years, sales in this broad 'retail host' segment have grown much faster than the restaurant industry as a whole. Between 2006 and 2011, sales in this sector jumped 31%, compared to a 16% increase in total restaurant industry sales.

It is clear that grocery and convenience stores are expanding into the traditional restaurant space and competing for the traditional restaurant customer. Just as a restaurant that decides to sell gas or packaged food would be required to adhere to the laws governing those products, our competitors should follow the rules that apply to restaurant products.

Moreover, as with most federal legislation, we recognized the need for a small business protection in the menu labeling requirements. As a result, the law only applies to chains with 20 or more locations that operate under the same trade name and offer for sale substantially the same menu items. Smaller chains and independent operators have the choice to voluntarily provide menu labeling but they are not required to do so under the federal law.



Lastly, the menu labeling rule comes at a time when consumers are demanding more information about the food they eat. In providing the nutritional content of restaurant foods, customers will have access to the information they seek. In fact, this information is being met favorably with estimates suggesting 76% of consumers want menu labeling.

We appreciate your consideration that establishments offering restaurant food be treated equally under the law. Should you have questions on the final requirements around menu labeling, please feel free to consult our website at www.restaurant.org/menulabeling. If you have any questions regarding this letter, please feel free to contact me (droehl@restaurant.org) at the National Restaurant Association.

Sincerely,

Dan Roehl

Vice President, Government Relations National Restaurant Association

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Founded in 1919, the National Restaurant Association is the leading business association for the restaurant industry, which comprises 990,000 restaurant and foodservice outlets and a workforce of more than 13.5 million employees. We represent the industry in Washington, D.C., and advocate on its behalf. We operate the industry's largest trade show (NRA Show May 16-19, 2015, in Chicago); leading food safety training and certification program (ServSafe); unique career-building high school program (the NRAEF's ProStart); as well as the Kids LiveWell program promoting healthful kids' menu options. For more information, visit Restaurant.org and find us on Twitter @WeRRestaurants, Facebook and YouTube.