

Statement of
Mr. Mitch Cook
Co-owner
Avalon Bagels to Burgers

before the

Small Business Committee
U.S. House of Representatives
on

“National Small Business Week: Celebrating our Main Street Champions”

Madam Chair, Ranking Member, Representative Young Kim, and Members of the Committee thank you for inviting me to testify in front of the Committee and tell my story. My name is Mitch Cook, one of the owners of Avalon Bagels to Burgers, a fast casual restaurant specializing in bagels, sandwiches, melts, salads, smoothies and grilled items made fresh each day. We have 2 locations in the 39th District, one of which opened in 1997, the other in 2001. We employ approximately 30 between both sites and serve the best customers in the world. Approximately 15% of our people have been with us for over 15 years and a host of others for 10 plus years. One of our slogans is "We reserve the right to over serve our customers" and we have made that our objective from the very beginning. We also try to treat each other like family and our customers like our friends.

When the pandemic began, we were, like everyone else, thrown off our moorings in a hurry. From mid-March of 2020 through the end of May we were losing cash and revenue and wondering how long we could sustain the business. We were so desperate we had to sell our inventory, including meats, rolls, dairy products in boxes every Tuesday. Fortunately, we had some cash reserves and were able to keep all our staff but with reduced operating hours. In mid-May of 2020, we received our initial round of PPP funding and that was a huge blessing. It allowed us to cover expenses and make up some back pay to those who had a shortfall due to our reduced hours. That loan was approved for forgiveness in October of last year and gave us a solid base to make it through the balance of 2020 and the variations that came with the recurring spikes, closures, and regulations. Because our revenue had such a significant drop in the second quarter of 2020, and thanks to the PPP Extension Act introduced by Representatives Young Kim, Bourdeaux, Luetkemeyer, and Velazquez, we were eligible for the second round of PPP funding in April of 2021. For those of you who worked on getting these funds through to so many across the country I would like to say thank you. In both instances I could not believe the money was coming, and when it did, I almost felt like Jimmy Stewart in "It's a Wonderful Life", so thank you!

The current challenges as I am sure you are aware have to do with labor shortages and trying to determine how to price our products when every cost component we have is increasing. Regarding the labor issue, the unemployment benefits also seem to be a reason to discourage individuals to apply for job. And while the pandemic unemployment benefits were recently discontinued, I hope this will encourage more people to apply for job openings. Hopefully the inflation factors will come under control, whatever actions you can take toward

stabilizing prices will benefit all small businesses. Another concern for our business is the current supply chain disruption because it has disrupted our orders and increased prices on some of our ingredients.

Again, thank you for the invitation to testify during National Small Business Week and I look forward to your questions, Representative Young Kim.