

Business Coalition Launches Salvo At Labor Board

By: Connor Wolf

The Job Creators Network responded to criticism on Friday over its opposition to a federal labor board rule that could significantly change the franchise model.

Last year, the National Labor Relations Board (NLRB) issued a ruling making franchisors joint-employers with their individual franchisees. The decision has the potential to dramatically overturn decades of established laws and greatly affect the franchise model.

Prior to the decision, a franchisor would contract with a small business owner and allow them to sell its product and brand name, as opposed to actually being another owner. Opponents argue that small businesses using the franchise model would face higher costs and franchise owners will assume more risk in selling a franchise which could result in lost opportunities to create tens of thousands of new small businesses.

Worried over the impact the rule could have, businesses came together to warn the public and lawmakers.

The Job Creators Network (JCN) helped led the way by starting Defend Main Street as an attempt to educate lawmakers and the public on the issue through television commercials and print ads.

Jody Knauss, at the Center for Media and Democracy (CMD), argues that the groups aren't the small business champions they claim to be, but rather corporate interests with the goal to take advantage of workers.

"DefendMainStreet.com and the Coalition to Save Local Businesses will unleash their razzle and dazzle on Congress, purporting to represent the interests of Main Street businesses instead of giant corporate chains," Knauss noted. "But out in America, the overwhelming majority of voters think wages need to be raised and 61% of American small business owners agree with them."

Knauss points to a poll by American Sustainable Business Council and Business For A Fair Minimum Wage which claims, "61% of small business owners with employees support grad-

ually increasing the federal minimum wage in three stages, from \$7.25 currently to \$10.10 over two and a half years, and then adjusting it annually to keep pace with the cost of living."

Alfredo Ortiz, CEO of JCN, shot back arguing that the criticism does not actually reflect what small businesses believe.

"It's a shame that critics of Defend Main Street are not standing with the small business owners of America who serve their local communities, and provide entry-level jobs that lead to management positions – and sometimes even ownership," Ortiz tells The Daily Caller News Foundation.

"It is particularly sad that critics are not supporting the nearly 20% of minority franchise owners across America who employ minority workers in minority neighborhoods," Ortiz added.