



Greg Dugal

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**LD 403, my perspective**

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**Ben Lord**  
To:

Wed, Mar 4, 2015 at 3:02 PM

LD 403, which is simply entitled "An Act To Eliminate the Exception from Minimum Wage Laws for Workers Who Receive Tips."

Greg,

Thank you for taking up this cause on behalf of Maine's small business. As an owner operator of a 4 year old restaurant in Kittery, ME, I can attest that there is a lot of expense associated with small business and with employees. When we were planning the restaurant, myself and my business partners were all experienced restaurant industry workers. We had worked various positions in kitchens and on restaurant floors. I think that model holds true for a great many entrepreneurs in the restaurant community; especially with regard to single unit or family owned businesses-- Just the type of hospitality for which Maine prides itself.

As we were developing our business, thinking about the types of incentives we could use to attract and keep good servers-- a slightly higher base pay never occurred to us. As seasoned industry workers we were aware that a good server, even in a tight economy, earns well beyond minimum wage. When I was employed as a bartender I averaged 34,000.00 a year and worked less than 30 hours a week. Now, as an owner, and an active part of my restaurant, I can attest that my servers earn on average 25.00 an hour. Pre-tax, a server averaging 25.00 an hour and working 50 weeks a year, is earning 37,500.00

As a company, with only one unit, we offer medical benefits (100% paid by employer for full time employees, a tiered system for employees working 25-34 hours) and a retirement plan with a employer contribution match. We chose to aggressively offer benefits to attract the best in our area. We have almost 100% employee retention-- In four years we have said good bye to only a handful of employees and 2 went on to start their own businesses in the hospitality industry and 3 have left us to pursue advancement in new restaurants (it would seem a lack of turnover, does have a downside) At this time, we have 24 employees. Two of those 24 are high school or college age dishwashers who work less than 24 hours a week. Apart from that, my servers average age is over thirty, most hold college degrees from 4 year universities, and none of them have ever asked me for a base pay increase. That isn't what this type of work is about. I'm not sure how I can help communicate that to our state legislators, apart from offering you this email and my support.

We may not be an average business model, but we are a functioning successful restaurant. And to imagine state legislators penalizing my business to the tune of 90,000.00 seems somehow very misguided. That 90,000.00 could be heading to retirement funds for my employees; it could be heading to the increasing cost of medical care; or it could be being used to create more restaurants and hospitality jobs by myself and my partners.

Greg, thank you for your time, diligence, and hard work. I won't be able to attend Monday as I will be working, but I appreciate your efforts.

Sincerely,  
Ben Lord

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