

My name is Mohanbir Grewal and I reside in Portland. I am an ex 7-Eleven franchisee, owning from 2005 until the beginning of this year. I am a current Dairy Queen franchisee, owning since 2013.

I support HB-2946 and have seen the following issues in my time as a franchisee.

- Changing contracts while the current contract is active.
- Unequal power balance. Treated from an employee/employer relations standpoint rather than franchisor/franchisee owner.
- Abuse of power.
- Foreign entities buy the brands and remove the company from public trading to make it private and therefore, less transparent.
- Some franchisors control all the finances. All the daily proceeds go to franchisor's bank account and they control every penny. If they do make a mistake (intentionally or not) then the franchisee has no way to fix except to keep asking the franchisor to fix it. Franchisee suffers from this complete lack of transparency. These foreign companies have their own accounting formulas. Example: Gross profit should be simple = sales - cost of goods. But some franchisors make it very difficult to understand their accounting practices and use it to their advantage. There should be more audit capabilities for those companies, without the franchisee feeling threatened.
- Lack of transparency in finances. Owners don't know what they are making, or the expenses they are incurring. When they request information it's not shared.
- Franchisor requires franchisee to participate in promotions and dictates prices. Franchisors cut deals with suppliers for profit without disclosure to franchisee and at a financial loss to franchisee.

Thank you for your consideration to support Oregon franchisees by passing HB-2946.