

# RESTAURANT BUSINESS

## WORKFORCE (/WORKFORCE) 7-ELEVEN FRANCHISEES ASK TO CLOSE OVERNIGHT BECAUSE LABOR'S TOO TIGHT

The operators say graveyard sales barely cover the staffing cost. It's the latest indication of a shortage of workers hurting operations.

*By Peter Romeo (/profile/peter-romeo) on May 04, 2021*

Photograph: Shutterstock

Franchisees of 7-Eleven are asking the c-store chain to drop its requirement that stores operate around the clock—a signature of the brand—because they can't find enough workers to staff the overnight shifts.

Complicating the problem, according to the operators, are the brand's effort to become more like a quick-service restaurant by offering freshly prepared grab-and-go foods. That initiative has increased stores' need for labor, according to a letter from the National Coalition of Associations of 7-Eleven Franchisees (NCASEF), an umbrella group of 14 local operator organizations.

"7-Eleven wants to be a place that customers think of for fresh food, but our Franchise Agreement is based on a convenience store model, not a quick-service restaurant model," Jas Dhillon, a Los Angeles area franchisee and treasurer of NCASEF, said in a statement from the group.

The organization is using the 24-hour requirement as a springboard for requesting more leniency overall in 7-Eleven's contracts with franchisees.

"We are already feeling the squeeze," NCASEF Executive Vice Chairman Michael Jorgensen said in the group's statement. "As labor and other direct store operating expenses keep increasing, franchisees are earning less and working more,"

The franchisor, 7-Eleven Inc. (SEI), said in response, "7-Eleven remains focused on supporting and promoting franchisee profitability, safety, and success. Since the start of the pandemic last year, 7-Eleven has provided Franchisees with more than \$173.5 million in investment, savings, and support as they own and operate essential businesses on the front lines of their communities."

The requirement to remain open for 24 hours was suspended for franchisees during the pandemic, when many states and local jurisdictions imposed curfews to encourage people to stay home and avoid unnecessary interactions. SEI intends to reimpose the requirement on May 24, according to the NCASEF.

"Because of today's extremely tight labor market, many franchisees will struggle to safely maintain a 24-hour schedule, and the company needs to acknowledge that," Jorgensen said.

According to the NCASEF, many franchisees project that their overnight sales will barely cover the higher wages they'll need to pay to staff the graveyard shifts.

"Going back to March 2020, 7-Eleven has engaged and worked closely with many franchisee leaders to support all Franchisees' efforts to attract new store employees," SEI countered. "These varied efforts have led to 50,000 new store employees hired by Franchisees or 7-Eleven, Inc. We continue to make this support available to this day."

The requests to waive the overnight service requirement and provide more leeway in the standard franchise contract are the latest indications of friction between the chain and its franchisees. In 2017,

franchisee groups **threatened to boycott the chain's annual conference**

(<https://www.restaurantbusinessonline.com/leadership/7-eleven-franchisees-vote-boycott-annual-convention>) because of conflict with the home office.

7-Eleven is the largest franchise chain within the c-store business. The chain announced last week that it intends to step up a program of including a restaurant operation within its c-stores.

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## WORKFORCE (/WORKFORCE) RESTAURANT HIRING ACCELERATES DESPITE OMICRON, NEW STATS SHOW

Eating and drinking places again led the nation in job creation, onboarding about 108,000 new workers, the federal figures show. The elevated demand drove up wages by 13% from a year ago, the Labor Department found.

By **Peter Romeo** (/profile/peter-romeo) on Feb. 04, 2022



Photo by Jonathan Maze

Restaurants and bars accelerated their hiring in January despite widespread reports that the surge in COVID infections from the omicron variant had dampened sales and traffic, onboarding about 108,200 new workers in total, new federal statistics show.

The additions accounted for roughly one of every four new hires by all employers outside of the farm sector, according to the just-released statistics from the U.S. Bureau of Labor Statistics (BLS).

The industry's January recruitments compare with the addition of about 103,000 jobs in December. It remained the nation's leading creator of jobs.

BLS found that January wages at leisure and hospitality businesses topped the prevailing rates of a year ago by more than 13%, signaling that the supply for restaurant and bar workers still far outstrips demand. The industry's collective payroll grew to 11.4 million, still down about 1 million jobs from pre-pandemic employment levels.

## Restaurant and bar jobs



*Source: U.S. Bureau of Labor Statistics*

Friday's job report brought surprisingly good news overall about hiring. Earlier in the week, Biden administration officials had taken to news and talk shows to temper expectations. They noted the job numbers would likely be disappointing because they were gathered during the height of the omicron surge.

To the contrary, nonfarm jobs grew by 467,000 in January, compared with increases of 311,000 and 398,000 in December and November, respectively.

Unemployment remained at 4%.

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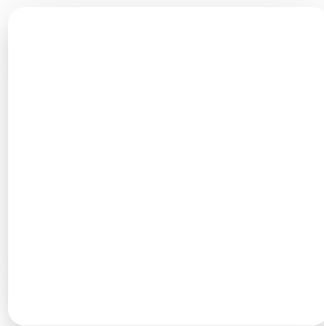


WORKFORCE (/WORKFORCE)

# HOW RESTAURATEUR ROHINI DEY IS EMPOWERING WOMEN TO BREAK THROUGH THE GASTRO CEILING

The founder of “Let’s Talk Womxn” brings together chefs and owners to host collaborative tasting dinners, educational panels and more.

By **Patricia Cobe** (/profile/patricia-cobe) on Feb. 03, 2022



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Rohini Dey broke the Indian cuisine mold when she opened Vermilion restaurant in Chicago. The Indian-Latin independent is still going strong 18 years later, and Dey is now on a mission to break through the gastro ceiling, collaborating with other women chefs and restaurateurs to boost their businesses and impact in the industry.

Last year, she launched “Let’s Talk Womxn,” banding operators together to meet the challenges of the pandemic. The initiative evolved into “Let’s Talk and Dine Together,” a series of tasting dinners, live panels and other events that brought in revenue, grew visibility and increased opportunities for women. The program has now expanded to 13 cities and on March 8—International Women’s Day—women restaurateurs around the country will host a mega-culinary event.



*Rohini Dey*

Listen as Dey shares her passion and plans for this and other programs coming up in the near future and how “Let’s Talk Womxn” is revolutionizing change in the industry.

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