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Thanx Lobbies Mayors of Fifty Largest US Cities to Support Restaurants by Making Third-Party Delivery Fee Caps Permanent Until Customer Data is Shared with Restaurants

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SAN FRANCISCO--(BUSINESS WIRE)--[Thanx](#), a leading provider of digital guest engagement and retention tools for restaurants, retailers, and malls, announced today that it is lobbying the mayors of the fifty largest US cities to take further action to protect restaurants from what it says is a “rapidly-escalating power imbalance” between restaurants and third-party delivery companies such as Grubhub and Doordash.

In a public letter to the mayors, Thanx CEO Zach Goldstein — recognized on the Nation’s Restaurant News 2020 Power List — said “I remain legitimately fearful that the third-party delivery trajectory could eradicate restaurants as we know them.” The full text of the letter to 50 mayors and seven members of the U.S. House of Representatives is below.

Learn more [here](#) about how government action can either shield restaurants from untenable fees or grant them access to their own customer data, empowering restaurants to innovate, thrive, and sustain local communities nationwide.

“Dear Mayors and Honorable Congressmen / Congresswomen,

As CEO of [Thanx](#), I was recognized by *Nation’s Restaurant News* on its “[2020 Power List](#)”, representing the 50 most influential people in the restaurant industry. The objective of my email is to alert you to the threat third-party delivery companies

(3PD) pose to restaurants as we know them — a diverse ecosystem employing 15.1M Americans. I strongly encourage you to consider further action to combat this risk. As the founder of a company that strives to help restaurants adapt to and thrive in a rapidly changing competitive and technological landscape, I have studied the rise of 3PD and first addressed their anti-competitive nature last September in [“The Four Horsemen of the Restaurant Apocalypse.”](#)

This week I published [“Restaurants Are Facing Mass Extinction, But Local Governments Can Save Them,”](#) which prompted my outreach to you. In an industry with [average net margins of 6%](#), restaurants already struggle to bear the 30% fees 3PDs often impose. Moreover, platforms like UberEats are now adding “marketing” charges for restaurants to remain in top search results. As a result, restaurants — ranging from independent locations to multi-unit groups — face an impossible choice and devastating outcomes:

- Don’t participate in marketplaces — lose essential revenue to competitors and die quickly
- Do participate in marketplaces — accept unsustainable economics without the opportunity to convert customers to profitable “direct” channels and die slowly

Sixty percent of restaurants already fear permanent closure due to COVID-19. If 3PD companies continue strong-arming restaurants unchecked, consequences for local economies could be dire. Several cities (including [SF](#), [DC](#), [LA](#), [Seattle](#), and [NYC](#)) have implemented *temporary* regulations that mandate fee caps on 3PDs. I implore you to consider a more permanent solution:

1. Cap 3PD fees on restaurants; I propose 15%, but recommend discussing the number with local restaurants
2. Offer an exception to 3PDs who give restaurants their customer data: this empowers restaurants to build sustainable “direct” relationships with their own customers

This action will protect your restaurant employees from predatory practices, preserve diversity in the local hospitality ecosystem, and encourage innovation vital to your local economy.”

About Thanx

Thanx, Inc. (www.thanx.com) is a leading provider of digital guest engagement for offline businesses. Brick-and-mortar retailers, restaurants, and malls are facing an unprecedented crisis in the aftermath of COVID-19; Thanx helps these businesses embrace digital purchasing, capture greater customer data, and take action on that information to personalize every interaction with their guests. Thanx's proprietary integrations with credit card networks (e.g. Visa) provide the volume and accuracy of purchase data which sits at the core of our CRM and Marketing Automation suite of tools. Thanx was founded in 2011 and is headquartered in San Francisco, CA.

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RELEASE SUMMARY

Thanx lobbies mayors of 50 US cities to support restaurants with permanent caps on third-party delivery fees until restaurants receive customer data.

RELEASE VERSIONS

English

HASHTAGS

[#FoodFighters](#)

[#SaveRestaurants](#)

[#TakeBacktheCustomer](#)

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