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AAHOA Condemns the Action of the NLRB

ATLANTA, August 1, 2014 - The Asian American Hotel Owners Association (AAHOA) strongly condemns the recent action taken by the General Counsel of the National Labor Relations Board (NLRB) against McDonald's. On July 29, 2014, the NLRB released a statement on their website determining that McDonald's can be considered a joint employer in labor complaints from workers who are employed by its franchisees. This may establish a dangerous precedent that could ultimately eliminate one of the most successful paths of small business ownership in the United States.

“The action taken by the NLRB is yet another attack on the heart of the free market. It is frightening that the scope of government overreach has taken us to a point where franchising, which has created hundreds of millions of jobs through the years, is now being threatened by a hyper-aggressive bureaucracy,” said AAHOA President Fred Schwartz. There is no economic rationale for this intrusion, only a bizarre belief that government knows best.”

AAHOA urges regulators to instead advocate for policies that expand entrepreneurial opportunity. Franchising has allowed tens of millions of Americans to realize the American dream through owning their own business. Any ruling that effectively removes the contractually agreed to legal separation between franchisors and franchisees, could render the franchising model moot.

AAHOA has more than 12,500 members who together own more than 20,000 hotels which have a combined market value of almost \$130 billion and which represent more than 40% of all U.S. hotels. The association's members play a significant role in the American economy -- employing almost 600,000 people and spending more than \$31 billion annually on operating costs plus another \$900 million annually on capital improvements.

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