



SHERROD BROWN'S PROTECTIONIST BOYCOTT HARMS OHIOANS AND OHIO'S SMALL BUSINESSES

MATT A. MAYER
AUGUST 26, 2014

On July 16, 2014, Opportunity Ohio issued "**Sherrod Brown's Push to Keep Digging When America Is In a Hole Is Reckless**" chiding U.S. Senator Sherrod Brown for his call to further undermine the solvency of the Social Security Program, as noted by the U.S. Congressional Budget Office. Brown seems to be stuck in 1935. Well, he is at it again.

In a statement on Monday, Brown stated: "Burger King's decision to abandon the United States means consumers should turn to Wendy's Old Fashioned Hamburgers or White Castle sliders. Burger King has always said 'Have it Your Way'; well my way is to support two Ohio companies that haven't abandoned their country or customers." Brown's statement once again shows how little he understands how businesses work.

Based upon a search in the White Pages, Ohio has roughly 370 Burger King restaurants. Assuming each one of those restaurants employs on average ten Ohioans, Brown's boycott will jeopardize the jobs of nearly 4,000 Ohioans. Many of those Ohioans may be receiving health care and other benefits as part of their jobs, which they would lose should Brown's boycott succeed.

Because those 370 restaurants likely have contracts with suppliers for food and supplies, the Ohio jobs tied to the suppliers are also in jeopardy. If Brown's boycott is successful, the expected consumer spending of those Ohioans who worked at or supplied those restaurants will decrease, thereby impacting other Ohio businesses' bottom lines.¹ Contrary to Brown's dated view of the world, a boycott is less like a surgeon's scalpel and more like meat cleaver.

Moreover, as is common in the fast-food industry, many of the restaurants likely are franchised by Ohioans, not some big out-of-state corporation. It is even likely that some of the Wendy's and White Castle restaurants Brown seeks to "help" are owned by non-Ohio franchise entities. So, Brown's attempt to bolster two "Ohio" companies is nothing more than "us versus them" protectionism that could throw Ohioans out

¹ Of course, Senator Brown can take some comfort in the potential increased sales at Wendy's and White Castle, but the marginal sales increases at those restaurants won't result in the creation of the jobs lost at Burger King, as well as the secondary and tertiary impacts on other businesses.

of work and undermine the investment and years of hard work of Ohio small business owners, as it enriches non-Ohio franchise owners.

Finally, what is good for the goose is good for the gander. Let's hope the U.S. Senators from Florida where Burger King has its headquarters don't call for a boycott of the roughly 900 Wendy's restaurants in Florida in retaliation for Brown's action.

Brown should stop engaging in divisive rhetoric that appeals to his Occupy Burger King friends, but harms Ohioans and the Ohio small businesses at which they work and shop. In contrast, Brown should work with Senator Rob Portman to make America's corporate tax more competitive so that U.S. companies aren't unfairly burdened in our globally competitive marketplace.

Brown's have it his way attitude is exactly what is wrong with Washington, D.C. – too much selfish political grandstanding and not enough policy reformation that strengthens America and the American Dream.