

August 14, 2018

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue NW
Suite CC-5610 (Annex C)
Washington, DC 20580



Re: Competition and Consumer Protection in the 21st Century Hearing, Project Number P181201

I own The Original Kabob Factory, Inc., which has operated in Glendale, California since 1974. On our Google knowledge panel, you will find our hours of operation, reviews, pictures, and address. Recently, I started to notice that there is something new: a pickup and delivery button leading to different third-party delivery service platforms, which I'm not a fan of. I don't want someone to find my restaurant on Google and then be presented an option of ordering with Eat24, GrubHub, or delivery.com, when these services are taking a percentage of my gross. Since Google is offering specific ads exclusively to these services, this will keep happening until someone takes action to stop it. That's just what I hope the FTC will do.

Any information that's acknowledged by an online media source needs to be in the restaurant's control--not only with Google but also Yelp, Facebook, and Instagram. There can't be these third parties just jumping up on your page whenever they feel like it. I think it's disgusting that companies are using our brand to intercept customers, and I see it happening all the time. We're creating the order and sending it out, and they're making a killing out of us. It's like the Wild West!

I am not a fan of how Google is using its reputation as a reliable information source to push these services for profit. This is like a tax being charge by Google. Links on the Google knowledge panel should lead to whatever a restaurant feels comfortable with, not an ad unrelated to their business. Maybe some restaurants do feel comfortable with Eat24 or GrubHub or whoever they're working with; maybe they want them. But they should have control over that. In my case, I want ChowNow to be the only link that leads to orders for online pickup or delivery, not to a service with a percentage-based commission that is being passed on to me.

We have lost substantial revenue to these third-party services, and I can give an example: Let's say you are a restaurant that pays for pay-per-click advertising. Once a customer clicks on the widget for pickup and delivery, Google is taxing you another 10 percent. So, not only are they collecting for that pay-per-click that just led that customer to your page, they're using a backdoor approach to pick up another 10 or 15 percent on the subtotal amount. In that sense, over the years, I've lost tens of thousands of dollars, because I'm a very busy and popular restaurant. We specialize in catering, and that's why it makes it hard for us to swallow this. Our average ticket is \$100, not \$20 or \$30. We get a lot of larger orders, so what we are losing while this is happening is a lot bigger.

I am greatly concerned about the leverage that these companies have over restaurants. For instance, I feel it is very dishonest that the customer's email is not provided to you so you can re-market them. That is yet another negative point. It's one thing that they're taxing the restaurant, but at least let that customer's information be appropriately registered so you can re-target to that customer. These companies can manipulate, mask, and switch customers' data, specifically their email address and phone numbers. The real way to hit home with marketing is with a text message or an email, so those two very viable pieces of information are masked, and we can't even use them. Still, we're paying for it at the end of the day--15, 20%, whatever it may be.

If a third party wants to advertise their platform, they need to do it in their way and not use links and backdoor approaches that undercut the restaurant without their even knowing it's happening. My Google knowledge panel is not the place for these advertisements, and the FTC needs to prevent Google from taking advantage of restaurants in this way and charging this tax.

Sincerely,

Nick Mouradian
Owner



ORIGINAL
KABOB FACTORY

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