

**Testimony of Joe DeLoss**  
**Founder & CEO, Hot Chicken Takeover**  
**Senate Committee on Banking, Housing, and Urban Affairs**  
**Hearing entitled “The Coronavirus Crisis: Next Steps for Rebuilding Main Street”**  
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Thank you Chairman Brown and Ranking Member Toomey for inviting me to testify before the Senate Committee on Banking, Housing and Urban Affairs. My name is Joe DeLoss, I am the founder and CEO of Hot Chicken Takeover; a small fast-casual restaurant chain based in Columbus, Ohio and growing throughout the Midwest.

Though our business has an absolutely ridiculous name, it was built with a serious, transformative mission. I founded Hot Chicken Takeover to provide employment to those who've experienced significant adversity in their lives. Ranging from incarceration, to homelessness, to addiction, and to many things in between, our team is a diverse cast of players, all working collaboratively to be a best-in-class restaurant chain. We currently have 5 restaurants open and a sixth under construction. Our team will be approaching 200 people by year end.

This introduction, especially including mention of our employees' pasts, often garners warm, sympathetic responses from listeners. With that in mind, it's very important for me to distinguish that Hot Chicken Takeover is very far from a charity or cause - *our business is strong because our people are strong*. Though they have been overlooked by the greater employment market, our team has led Hot Chicken Takeover to countless awards, national exposure, and private investment by some of the greatest innovators in our industry. Hot Chicken Takeover is a for-profit business demonstrating the positive economics that can be generated from deeply caring for and investing in your team.

When COVID-19 struck in the United States, our leaders immediately concerned themselves with the stability of our team and community. With fear that restaurant sales would dry up completely, we made a choice to temporarily close our restaurants and move our team onto emergency assistance and unemployment benefits. This transition was far from smooth, leading our remaining team to build a makeshift case management practice to ensure our team members' needs could be met through our own discretionary resources while the government unburied itself from such immense service demand. The other large consequence of the pandemic was the loss of \$2M of committed private investment capital, set to close the last week of March 2020.

Our remaining small team of leaders jumped into action to pivot our concept and ready ourselves for reopening. This effort included everything from safety and sanitation initiatives, to menu re-configurations, to employee benefits, and to new technology integrations. Along the

way, we were able to secure the first round of PPP funding, EIDL dollars, and several sympathetic investments from existing business partners. Without these supports, Hot Chicken Takeover would be a likely casualty of the crisis.

Thankfully, our restaurant concept was well positioned to serve a post-COVID customer and we began reopening locations in May 2020. With dining rooms closed to ensure the safety of our team and guests, we doubled down on carry-out and delivery business, doing our best to avoid the predatory fees and poor service models of many third-party vendors in our industry. We successfully recalled 90% of our team upon re-opening and began hiring others displaced by the pandemic to accommodate our increased demand. Hot Chicken Takeover has since been able to stabilize financially with additional private industry investment and is cautiously approaching growth, intent on creating more transformative and meaningful jobs.

The COVID crisis is far from over for our company but we finally see a path forward for the concept and our team. And though Hot Chicken Takeover and it's team have glimmers of growth on the horizon, we represent a small segment of an utterly decimated industry. Assistance for our small businesses and employees remain critical for our communities to move forward.

Thank for this opportunity to share testimony. Thank you all for your service and leadership.