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Restaurant Association asks for delivery fee cap

The trade group is following the lead of San Francisco Mayor London Breed, who issued an emergency order April 10 to temporarily cap fees at 15 percent.

JOHN PLETZ



The Illinois Restaurant Association has asked Mayor Lori Lightfoot to consider capping the commissions and fees that Grubhub and other online delivery platforms charge restaurants during the shutdown caused by the coronavirus.

San Francisco Mayor London Breed issued an [emergency order](#) April 10 to temporarily cap fees at 15 percent.

Restaurant owners were complaining before the coronavirus that delivery fees and advertising commissions were taking as much as 30 percent of their orders. Restaurants are among the businesses [hit hardest](#) by the stay-at-home orders aimed at combating the spread of the coronavirus.

“They’re just trying to hold on,” said Sam Toia, president of the Illinois Restaurant Association. “Based on what I’m hearing, restaurants that are doing delivery are doing maybe 22 percent of sales. What we’re talking about right now is having third-party delivery companies give some relief to restaurants. We feel this is a way to give them cash flow. Third-party delivery companies are doing well. What the mayor of San Francisco did was very pragmatic and progressive.”

Grubhub opposed the San Francisco order. “Mayor London Breed wants to impose a limit on a restaurant’s ability to pay for delivery services,” the company said in an e-mail to users in the Bay Area. “This will increase your fees by \$5 to \$10 an order and immediately cripple delivery orders, outweighing any potential benefits when takeout is the only option right now.”

Lightfoot isn’t saying whether she’ll push for a cap. “We recognize the devastation that COVID-19 is having on our city’s restaurant community, and our administration is committed to working with the Illinois Restaurant Association, who have been outstanding partners since the beginning of this crisis, on solutions that will protect businesses as well as the thousands of food industry workers they employ,” the mayor’s office said in a statement.