



March 17, 2021

The Honorable Isabel Guzman  
Administrator  
U.S. Small Business Administration  
409 3<sup>rd</sup> Street SW  
Washington D.C. 20416

Dear Administrator Guzman:

On behalf of the National Automatic Merchandising Association (NAMA) and its members in the convenience services industry, let me first congratulate you on your confirmation as Administrator of the U.S. Small Business Administration (SBA).

For reasons detailed below, I write today to urge the Administration to include North American Industry Classification System (NAICS) code 45-*Vending Machine Operators* in final guidance for grants under the Restaurant Revitalization Fund as prescribed under the American Rescue Plan (HR 1319).

As you know, the American Rescue Plan includes \$28.5 billion designated for relief as grants for restaurants. Specifically, Section 5003 establishes a grant program for “*restaurant, food stand, food truck, food cart, caterer, saloon, inn, tavern, bar, lounge, brewpub, tasting room, taproom, licensed facility or premise of a beverage alcohol producer where the public may taste, sample, or purchase products, or other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink.*”<sup>1</sup> The absence of code 45 being specifically referenced risks misinterpretation and the possible exclusion of small businesses intended to be eligible for the grant under the designated fund – even while the code is specifically cross-referenced under code 72<sup>2</sup>.

Many employers in the convenience services industry filing under code 45, including blind merchants operating government contractors under the Randolph Sheppard Act,<sup>3</sup> run “blended” operations that include catering, food service, cafeterias, cafes, ghost kitchens, and other food delivery services.

Prior COVID aid, such as the 3.5-months employment expense calculation for Paycheck Protection Program (PPP) loans, were restricted to NAICS code 72-*Accommodation and Food Services*. Without clarification by the Administration of provisions under the American Rescue Plan, eligible

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<sup>1</sup> <https://www.congress.gov/bill/117th-congress/house-bill/1319/text#HF857D2DBC7514D2D9F1B03870EB7ECFD>

<sup>2</sup> <https://www.naics.com/naics-code-description/?code=722310>

<sup>3</sup> <https://uscode.house.gov/view.xhtml?path=/prelim@title20/chapter6A&edition=prelim>

food and drink service providers would inadvertently be excluded from access to this much-needed relief due to filing under NAICS code 45.

Throughout the pandemic NAMA members have kept food and beverage machines, breakroom markets and pantries in hospitals, police stations, firehouses, truck stops and rest areas stocked with necessary sustenance, even while putting themselves at risk to do so. Unfortunately, this has not helped to ease the severe impact on the industry.

Prior to the pandemic, convenience services employed 159,386 hard-working Americans. NAMA research shows approximately 50,000 jobs (28.74% of the industry) have been lost, and the remaining companies are operating at 60% or less than previous business levels. Without assistance, it is projected that it will take nearly 24 months post-pandemic for these companies to recuperate losses, even with continued operational and/or staffing reductions. Access to these grants will be a critical lifeline in the ability of many small businesses to remain open.

For these reasons, we respectfully urge the clarification of this specific language to provide necessary and timely assistance to struggling small businesses in the convenience services industry.

Again, I would like to thank you for your leadership and the Administration's willingness to work with the industry during this public health emergency. We appreciate your consideration of our request and welcome the opportunity to discuss this issue further. Should you have any questions or need additional information, please contact NAMA's Senior Director of External Affairs, Mike Goscinski at [mgoscinski@namanow.org](mailto:mgoscinski@namanow.org) or by phone at 571-348-1214.

Sincerely,



Carla Balakgie  
President & CEO  
NAMA

**- About NAMA -**

*NAMA represents the \$31 billion U.S. Convenience Services Industry. By providing advocacy, education, and research, NAMA works to promote and protect the industry's nearly 160,000 hardworking employees. Through traditional vending and micro markets, office coffee and pantry services, product manufacturing, and small-drop distribution, convenience services meets the needs of over 40 million American consumers daily at work, home, school, and play.*