

Seattle cracks down on food delivery apps with one of the strictest laws in country

September 13 2021, by Tan Vinh, The Seattle Times





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During the pandemic, restaurants around Seattle started to notice they were getting more food orders from different versions of their menus that sometimes dated as far back as 2014. Worse, when the kitchens couldn't fulfill orders from such outdated menus, those angry customers posted negative reviews about the restaurants online or called the restaurants to complain.

Last year, Art of the Table owner and chef Dustin Ronspies said he received to-go requests for stuffed quail and other small plate items from a menu he wrote eight years ago. His staff had to tell the delivery drivers that the kitchen didn't have those ingredients on hand.

Nearby, the seafood restaurant Manolin recently received a request for "black rice with squid," a menu item that's so outdated that the cooks couldn't recall when Manolin last served it in the dining room, let alone make it on the spot.

Unbeknown to these restaurants, the third-party delivery-app Grubhub was hawking these gourmet to-go items, and then putting the onus on the restaurants when the chefs could not reproduce these dishes for delivery, said several restaurateurs who spoke to The Seattle Times. Grubhub did not return a request for comment.

"They are ordering things we have not had in over a year. ... It's insane. It's a blatant misuse of our business," said Manolin co-owner Joe Sundberg.

The city of Seattle will soon start cracking down on such practices. In one of the strictest measures in the United States, a new Seattle law, effective Sept. 15, will require third-party meal-delivery apps to get written consent from restaurants before listing their menus or taking



orders without permission. A delivery service that refuses to "remove the restaurant from its listing within 72 hours of receiving the request" could be fined \$250 per violation.

Revenues generated from those fines will go toward supporting small restaurants with fewer than five employees, city officials said.

Seattle has been one of the most aggressive metropolitan cities in trying to rein in the practices of food delivery services. Last year, after small businesses and customers around Seattle complained that delivery services were "price gouging" during the pandemic, the city imposed a 15% cap on commission that third-party, app-based services can charge to deliver food.

The latest delivery mandate has the backing of two influential restaurant organizations; the Washington Hospitality Association and the Seattle Restaurant Alliance. Anthony Anton, the president of the WHA, said delivery apps are hurting restaurants because it's the small-business owners, and not the delivery services, that are getting the brunt of the negative online reviews for not being able to fulfill delivery orders from outdated menus.

Linda Di Lello Morton, a board member of the Seattle Restaurant Alliance and the co-owner of Terra Plata Bistro on Capitol Hill, agreed. "It really hurts when we get a bad review when it had nothing to do with us," Morton said.

Two years ago, Grubhub, Postmates and other delivery app services were not household names around Seattle. But after Gov. Jay Inslee ordered all restaurants to temporarily shut their dining rooms during the pandemic, many chefs pivoted to takeout and delivery, relying on multiple app-based services to handle their orders.



Even restaurants that didn't contract with these third-party apps were unwillingly forced into the delivery ecosystem as their menus were posted on apps without the restaurant's consent.

To gain market share in the cutthroat delivery-services realm, many thirdparty apps try to list as many restaurants as possible, even using old menus from Google searches to give customers more variety to choose from.

Problems often arise when delivery sites post old menus without the knowledge or consent of restaurants: Seasonal menus and pricing are outdated. Many chefs also don't do to-go orders or offer only a limited menu because many entrees don't travel well.

When a customer orders from an old menu that the kitchen can't fill, that's when restaurateurs, delivery drivers and customers start the finger pointing at each other over the unfilled deliveries, several owners said.

Matt Storm, owner of the pizzeria The Masonry, said his Neapolitanstyle pie doesn't hold up well sitting in a pizza box for 30 minutes, so he doesn't offer delivery and discourages customers from ordering pizza for takeout. Yet, delivery services continue to advertise his pizza on their platforms, he said.

He recalled one courier who demanded he make a duck egg pizza since a customer had already paid for it with a credit card after seeing that outdated menu item on the delivery app.

"There is literally no duck egg here. I can't magically pull one out of my (expletive)," Storm recalled telling the angry delivery driver.

Sundberg, the owner of two critically acclaimed restaurants, Manolin and Rupee Bar, said for a year he used his own employees to do food



deliveries to keep his staff employed during the pandemic. He didn't realize he had a competitor: Grubhub and other delivery services, which posted old menus from his two restaurants without his consent.

"We had one customer (who) ordered six items, five of which are things we haven't had for about a year," said Sundberg. "I have reached out to these companies in the past to get our names and logos and menus off the sites because there were three to four of these [to-go orders] a week. ... We can't fill these orders."

Every time he contacted the delivery services to take his businesses off their sites, his menus would be "back up in six or eight months," he said.

Other restaurants that signed an agreement with delivery services say it's difficult to end the partnership. Uttam Mukherjee, co-owner of the popular street Indian food counter Spice Waala on Capitol Hill and in the Ballard neighborhood, originally signed with Grubhub to handle its delivery. But in February, when drivers repeatedly showed up 90 minutes late to deliver fries and wraps that had turned cold and mushy, Mukherjee demanded Grubhub stop delivering his food because it was hurting his <u>restaurant</u>'s reputation.

"I called them twice to take us down (and said), "You do not have permission to use our menus without our knowledge," "he recalled.
"They would say, "Sorry, we didn't know." And a couple of weeks later we would get another order from Grubhub."

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Citation: Seattle cracks down on food delivery apps with one of the strictest laws in country (2021, September 13) retrieved 2 May 2024 from https://techxplore.com/news/2021-09-seattle-food-delivery-apps-strictest.html



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