

Dear Members of the Committee,

My name is Irjasen (Iri) Sunj. I am a South Burlington resident, an intensive care registered nurse, University of Vermont graduate, owner of Salon Vermont, and President of Vermont Patriots, a tiny local 501c3 educating kids about life through sports. While I spent my childhood in Bosnia, teenage years in Germany, majority of my life I spent here, which makes me a proud Vermonter with an accent. My wife and I have three boys, first generation Vermonters. I appreciate the opportunity to present experiences and case scenarios within the hair styling industry. These insights closely relate to massage therapist and hair stylists alike.

I appreciate the different points of views I read from various business owners and industry experts/leaders. I will be referring to H.1: Draft No. 1.1, as it seems the latest version that I was able to find.

The non-compete law within the hairstyling industry is detrimental to creativity, innovation, competition, and advancements. It is also leaving many stylists behind the overall trend that the industry is experiencing, which is to be self-employed.

Let us rewind to time upon graduation, when these types of contracts are pushed upon new graduates who are desperate to start working, making money, regain life, and start paying their student loans. With non-compete laws they get trapped in decadent salons, with no perspective to earn higher wages, and improve financial stability in their lives. This only gets amplified with the cost of living in our state, particularly in Chittenden County. You clause of \$913/week, comes at 47,476 per year, which is way below the median in Vermont.

Talented self-employed stylists can easily earn 60-100k per year. This allows them to buy homes, pay for day care, buy a safe, new car, buy and sell products, open businesses and more. Furthermore, the scheduling flexibility allows for quality family time, whether starting a family or being present for one. This economic and demographic stimulation is lost under the current law for members of the industry who signed these agreements, or their lives are made difficult.

Any geographical constraints in Chittenden County makes movement restrictive and detrimental to be able to continue hair styling, and for many that is their profession, and the only decent means they have to feed their families. This county is small, as is the state, and restricting geographically, coupled with the time limit of a year from the termination, is like a permanent termination from the profession. It is very difficult to regain the clients again once they have settled somewhere else due to this clause. It takes years to build the client panel up.

Furthermore, to the nonsolicitation agreement, it is impossible to discern in the hair styling industry, who was attracting the clients to begin with. Many stylists get clients through personal referrals, starting with own family members and friends, and they refer to their friends, and so on. Furthermore, vast majority of clients do not visit the salon because of the salon, but rather their stylist. This is evident when a stylist moves, an incredibly high number follows that stylist. While my wife and I have a beautiful location on Dorset Street, we are of permanent belief that stylists, not the salon, are the reason for the clients to walk in through the door and remain clients for each consecutive appointment. This experience is making the provision (G) actually a double penalty, since the more time passes in this

industry the stylists are more and more the ones attracting clients because their skills and networking are better.

The definition of client potentially should be restricted in dollar amount per transaction. A client/account of \$5,000,000 and \$50 are completely different.

Recently we had an Aveda Director, international cosmetics firm based in Minneapolis, visit our shop to meet with us and explore our business model, and the buzz in town. They voiced their opinion, that we disrupted the local industry, that we are the word of the town, and elevated the game where much busier and more established salons in the Burlington area followed suit. Notable increase in social media activity, creativity, exposure and appreciation of their stylists, investment in new salon decor and more. This stimulation certainly would not be possible if my wife had been bound by a non-compete agreement.

Moreover, our place is successful which allowed my family to be more financially stable and we are actively considering upgrading from a condo to a house. Our success also will allow me to study Nurse Anesthesia which should additionally increase our purchasing power and ability to school the boys. This success also allows the salon to explore the option to produce cosmetics locally. We currently have 7 self-employed stylists, who make an incredible living, allowing them to buy homes and cars, pay for day care, go on vacation. Really the American Dream in many ways. One of them, who became self-employed last year through our help, was actually considering quitting the industry all together. That same employer, has other stylists under non-compete agreement, stuck in a decadent, toxic environment. One of our friends, a massage therapist, is stuck under one of these agreements, which prohibits her to 10 miles and one year. That is a career ending restriction.

Thank you again for the opportunity to provide this feedback.

Sincerely,

Irjasen Sunj, RN

Salon Vermont