

BUSINESS INSIDER

Fast-food CEO says he's investing in machines because the government is making it difficult to afford employees

KATE TAYLOR

MAR. 16, 2016, 5:30 PM

The CEO of Carl's Jr. and Hardee's has visited the fully automated restaurant [Eatsa](#) — and it's given him some ideas on how to deal with rising minimum wages.

"I want to try it," CEO Andy Puzder told Business Insider of his automated restaurant plans. "We could have a restaurant that's focused on all-natural products and is much like an Eatsa, where you order on a kiosk, you pay with a credit or debit card, your order pops up, and you never see a person."

Puzder's interest in an employee-free restaurant, which he says would be possible only if the company found time as Hardee's works on its northeastern expansion, has been driven by rising minimum wages across the US.

"With government driving up the cost of labor, it's driving down the number of jobs," he says. "You're going to see automation not just in airports and grocery stores, but in restaurants."

Puzder has been an outspoken advocate against raising the minimum wage, writing two op-eds for The [Wall Street Journal](#) on how a higher minimum wage would lead to reduced employment opportunities.

"This is the problem with Bernie Sanders, and Hillary Clinton, and progressives who push very hard to raise the minimum wage," says Puzder. "Does it really help if Sally makes \$3 more an hour if Suzie has no job?"



Eatsa

The 100% automated restaurant, Eatsa, has inspired the CEO of Carl's Jr.



[flickr/clotee_allochuku](#)

As a result, he and others in the fast-food business are investing big in automation.

"If you're making labor more expensive, and automation less expensive — this is not rocket science," says Puzder.

Despite the financial benefits, automating employee duties isn't an easy process.

First and foremost, the technology has to work every time. For the time being, Puzder doesn't think that it's likely that any machine could take over the more nuanced kitchen work of Carl's Jr. and Hardee's.

But for more rote tasks like grilling a burger or taking an order, technology may be even more precise than human employees.

"They're always polite, they always upsell, they never take a vacation, they never show up late, there's never a slip-and-fall, or an age, sex, or race discrimination case," says Puzder of swapping employees for machines.

*Carl's Jr*

While there are bonuses of using machines, there is the secondary issue of customers becoming comfortable using the tech. Younger customers may already have a handle on technology, but many older customers could find themselves confused in a tech-heavy location.

But Puzder says that a restaurant that's 100% automated would have one big plus for millennials: no social interaction.

"Millennials like *not* seeing people," he says. "I've been inside restaurants where we've installed ordering kiosks ... and I've actually seen young people waiting in line to use the kiosk where there's a person standing behind the counter, waiting on nobody."

