



**June 27, 2007**

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### **Bob Evans Farms Founder Died on June 21**

Bob Evans Farms Founder Bob Evans died Thursday, June 21, from complications of pneumonia. He is survived by his wife Jewell (Waters) Evans, five of his six children and his twelve grandchildren. They resided in southeastern Ohio where they had raised their six children. Born in 1918 in the rural Ohio town of Sugar Ridge, the 89-year-old Evans (born May 30, 1918) was raised in Gallia County, Ohio. He opened a small truck stop in Gallipolis, Ohio, in 1946 and began making his own sausage. Evans and other family members incorporated as Bob Evans Farms in 1953. "Bob Evans was a visionary. He started his business with a 12-stool, 24-hour diner and began a company that today has sales of more than \$1.7 billion," said Bob Evans Farms Chairman of the Board and Chief Executive Officer Steve Davis. "But equally important, Bob Evans was a friend as well as an inspiration to many. His dedication to quality and customers is his legacy to the company that bears his name. Bob Evans was loved and will be missed by all who knew him." Davis added, "His dedication and commitment to the industry helped make Bob Evans Farms the company it is today. He had a real love for the customers, the employees and the restaurants. Throughout his life, he was an idea man. Whether it was

for the company or for a charitable cause, Bob never had a shortage of ideas." Bob Evans retired as president of Bob Evans Farms on Dec. 31, 1986. In lieu of flowers or gifts, the family asks that donations be made to the Bob Evans Memorial Fund for Scholarships, payable to the Foundation for Appalachian Ohio, P.O. Box 457 Nelsonville, Ohio, 45764. Sympathy cards for Jewell Evans and family can be mailed to the Bob Evans Farms Corporate Office, 3776 S. High St., Columbus, Ohio, 43207. The company will share memories of Bob Evans on a legacy Web site at [www.bobevans.com/legacy](http://www.bobevans.com/legacy). Memories, stories and well wishes can be sent to [memories@bobevans.com](mailto:memories@bobevans.com).

### **Wendy's Explores Sale, Slashes Outlook**

Wendy's International Inc. is exploring a possible sale of the company, the nation's third-largest hamburger chain said Monday, as it warned that profits for the year would fall short of Wall Street expectations. "While a sale remains only one of the alternatives under consideration, we believe it merits more thorough examination," James V. Pickett, Wendy's chairman and head of special committee doing the study, said in a statement. The company, under pressure from shareholders, formed a committee in April to determine how to boost its stock price, including a possible sale. JP Morgan, as lead adviser, and Lehman Brothers Inc., as co-adviser, will conduct a review in conjunction with the committee. A sale would cap a whirlwind year for the company, which has spun off its Tim Hortons coffee-and-doughnut chain, dumped its money-losing Baja Fresh Mexican Grill and laid off employees at its corporate office. The company said there is no assurance that a deal will be completed. Billionaire investor Nelson Peltz's Trian Partners, which owns a big chunk of Wendy's stock, has pushed the company to make changes to boost its shares. Peltz captured three seats on the board in March 2006. His company Triarc Cos. controls fast-food chain Arby's. Wendy's said it expects to make \$1.09 to \$1.23 per share for the year, primarily because of weaker-than-expected sales at stores open at least a year, considered a key indicator of a retailer's strength, and higher-than-expected commodity costs. The company withdrew its earnings forecasts for 2008 and 2009. Analysts surveyed by Thomson Financial expected earnings of \$1.27 per share this year and a \$1.70 in 2008. Wendy's said same-store sales are up just 0.7 percent in the second quarter through Friday compared with 3.8 percent in the first quarter. Kerri Anderson, Wendy's chief executive and president, said sales in the last two months have been hurt because Wendy's had to raise prices. "We believe our new market-based pricing approach is the right long-term strategy to generate more positive store operating margins, but it has pressured transactions in the short-term," she said. The revised earnings outlook for this year excludes expenses related to the work of the committee; as much as \$60 million from changes to the company pension program; and also potential restructuring charges. Wendy's shares fell \$1.47, or 3.7 percent, to \$38.26 last week. Shares have been trading around \$40 since it announced in April that a committee had been formed to study options for the company. Shares reached as high as \$67.19 last year just before the Tim Hortons spinoff.

Source: The Associated Press

### **Japan Running Out of Tuna**

Japanese sushi chefs, faced with shortages of bluefin tuna, are experimenting with alternatives, including deer meat, horse meat and U.S.-style avocado rolls. The shortages, reflected by global fishing bodies' recent limit lowerings on the world's tuna fisheries, are being caused in part by the growing popularity of sushi worldwide, including in Russia, South Korea and China, The New York Times reported Monday. "It's like America running out of steak," said Tadashi Yamagata, vice chairman of Japan's national union of sushi chefs. "Sushi without tuna just would not be sushi." Japan's Fisheries Agency said the average price of imported frozen northern and Pacific bluefin has risen by more than a third, to \$13 a pound, since the start of 2006. "Fish that would have gone to Tokyo are now ending up in New York or Shanghai," said Sasha Issenberg, the author of "The Sushi Economy." "This has been devastating to Japan's national esteem." One Japanese restaurant owner, Shigekazu Ozoe, said he experimented with deer and horse meat last time the tuna supply went dry in 1973. "We tasted it, and horse sushi was pretty good," he said. "It was soft, easy to bite off, had no smell."

Source: United Press International



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### **Starbucks Expands Lunch Fare**

Starbucks Corp. said it's expanding the fare it serves for lunch at 4,400 of its U.S. locations. Nationally, the Seattle-based coffee giant said it's adding a tomato mozzarella salad and a corn and black bean salad topped by grilled chicken at its stores that currently offer lunch. Regional additions to the luncheon menu have also been made, including white chicken curry with couscous, albacore tuna penne, champagne pasta salad, bowtie pasta with goat cheese, and Asian sesame noodle salad. Starbucks also added a new raspberry mocha frappuccino blended coffee drink to its menu. Starbucks launched its lunches in a few test markets in 1998 and added more stores in 1999. Slightly less than half of the company's nearly 9,500 U.S. stores sell lunch.

Source: Puget Sound Business Journal, Seattle, WA

### **Wendy's Rolling Out Breakfast to More Restaurants**

Wendy's International Inc. said last week that it will roll out its new breakfast menu to more than 75 additional restaurants this month and expects to offer breakfast in more than 650 restaurants by the end of August. The hamburger chain, seeking to boost sales, had been testing the breakfast menu in about 160 restaurants in five markets and said the move marks the first expansion beyond those test markets. Last year, Wendy's said it would add a breakfast menu as part of a wider plan to revive profits in the face of stiff competition from McDonald's Corp. and Burger King Holdings Inc. It said that if breakfast was introduced nationwide, it could add between \$75 million and \$95 million to annual operating profit. Earlier this week, the company cut its 2007 earnings forecast and said it would explore a sale of the company instead of restructuring options.

Source: Reuters

### **T.G.I. Friday's Finds Smaller Portions Add to Customer Traffic**

Four months after it introduced smaller portions to its menu, T.G.I. Friday's is finding that less food translates into more customers and, perhaps, bigger profits. At a time when the casual-dining sector is in a prolonged slump, the number of customers increased at Friday's during the last 16 weeks by 1.4 percent, compared with the same period a year earlier. For the entire casual-dining industry, guest counts were down by 2.8 percent during that period. Friday's overall sales were down 0.6 percent compared with the previous year, while the industry's sales declined by 0.9 percent, Friday's officials said. "It's quite significant," said Malcolm M. Knapp, an analyst who tracks sales in the casual-dining sector and provided the statistics to Friday's. "It really moved them up and put them in a much better position than they had been." Friday's decision to offer its "Right Portion, Right Price" menu came after decades in which the restaurant industry had reaped huge profits by offering bigger and bigger portions, drawing criticism from nutrition experts who argued that the practice was contributing to America's obesity epidemic. Other restaurant chains have offered smaller portions, but they have not succeeded because the offerings were often relegated to a "lighter fare" section of the menu or they were not much cheaper than full-size entrees. What makes Friday's smaller portions different is that they are not necessarily healthy (ribs with fries is one "right size" entree) and they are significantly cheaper than their full-size counterparts. But while the smaller portions immediately drew more customers, Friday's officials were concerned because the average check dropped by 4 percent in the first eight weeks or so, far more than expected. "There was a lot of deep breathing going on," said Richard Snead, president and chief executive of Carlson Restaurants Worldwide, the privately held parent company of Friday's. But in the last five weeks, customer visits have continued to increase — they are up 4 percent compared with the same period a year ago, while sales jumped by 2.5 percent compared with the previous year. The average check of customers rebounded too and was down 1 percent from the same period a year earlier. "Right now we are pretty excited about this," Mr. Snead said, who said that the right-size menu would bolster profits if guest counts increased by 6 percent, even if average checks declined slightly. "This is going to take a permanent place on our menu."

Source: The New York Times

### **Olive Garden Grows Green for Darden**

Profitable Italian chain will add 40 restaurants. After enduring one of its most difficult quarters in a decade, Darden Restaurants is counting on its Olive Garden chain to serve up an even bigger portion of its profits. The Orlando-based company said Wednesday that it plans to open 40 additional Olive Garden restaurants during the next 12 months, stepping up its expansion of the Italian chain despite an uncertain consumer climate. Drew Madsen, Darden's president, said in a conference call with investors that the company expects Olive Garden to produce solid sales and profits in its upcoming fiscal year. The chain, known for its breadsticks and bottomless salads, has managed to attract customers despite an overall pullback in spending at casual sit-down chains. Last week, Darden reported its first quarterly loss in nearly a decade, largely attributed to the planned sale of its Smokey Bones barbecue chain. Darden said Wednesday that it doesn't plan to add restaurants at its Red Lobster, Bahama Breeze and Seasons 52 chains for its next fiscal year, which ends in May 2008. The company also anticipates higher seafood, chicken and beef costs in the coming year. Clarence Otis, Darden's chief executive officer, said in the conference call that the weak home market has hurt sales in two of its largest markets -- California and Florida. High gas prices are also taking a toll on consumers, the company said. Last fiscal year, however, Olive Garden managed to post record sales of \$2.79 billion, up 6.6 percent from the previous year. The chain also has recorded 51 consecutive quarters of sales gains. "The concept continues to generate some of the best results in casual dining," Andrew Barish, a stock analyst for Banc of America Securities, said in a research note to investors. Madsen said Darden sees the potential for 800 to 900 Olive Garden locations in North America. The chain now has 614 locations. Darden plans to lean heavily on Olive Garden -- which contributes about half of the company's revenue -- as it works to improve the performance of its other brands. Red Lobster, in particular, has seen mixed results. The seafood chain reported same-restaurant sales, or sales at restaurants open at least a year, were down 1 percent to 2 percent in May, with customers down 4 percent to 5 percent. However, Brad Richmond, chief financial officer at Darden, said in Wednesday's conference call that sales at the seafood chain were off to a solid start in June. In addition, Darden plans to start a new Red Lobster advertising campaign in July, designed to highlight the chain's daily fresh-fish menu introduced toward the end of last year. John Owens, restaurant analyst with Morningstar, said he wasn't "overly concerned" with the recent sluggish sales at Red Lobster, noting that Darden still expects the chain to post positive sales in fiscal 2008 along with Olive Garden. On the other hand, Barish said in a research note that there is "some skepticism" about the longevity of a sales turnaround at Red Lobster.

Source: The Orlando Sentinel/The Sun-Sentinel



### **Red Robin Acquires Franchise Restaurants**

Restaurant operator Red Robin Gourmet Burgers Inc. said last week that it completed its acquisition of 15 of the 17 franchised Red Robin restaurants in California for \$41.9 million, effective June 18. Red Robin also paid \$320,000 for the assumption of working capital. The cash purchase price was funded by borrowings under the company's new \$300 million amended credit facility. Red Robin also assumed management of the remaining two restaurant locations owned by Top Robin Ventures and complete their acquisition when it finalizes acceptable real-estate lease terms and liquor license transfers. The total purchase price will be \$47.5 million for all 17 existing restaurants. Red Robin also plans to buy another restaurant under construction in Fresno, Calif., when it opens in July. Red Robin will pay up to an additional \$3 million if the restaurants make sales targets. For the first quarter, some sales targets have been achieved, and Red Robin has paid \$870,000 in so-called "earn outs." Red Robin expects the acquisitions to add between \$28 million and \$30 million in net revenue, and between 5 cents and 6 cents per share to earnings for the rest of fiscal 2007, excluding acquisition-related charges. The company will take a one-time charge of between 6 cents and 7 cents per share for ending franchise agreements.

Source: The Associated Press/MSN Money

### **DeVito Opens South Beach Italian Restaurant**

It's obvious that Danny DeVito loves to eat. Now he has a restaurant to call his own. The actor has opened DeVito South Beach, an Italian chop house on trendy Ocean Drive. The signature meal: a \$325 trio of steaks from Japan, Australia and the United States that serves three people. DeVito had a hand in developing the classic-meets-contemporary Italian menu, focused on prime meats and fresh seafood. "Fish is really big for me — sushi, a nice branzino or spigola (sea bass). Or pasta with some great cheese like pecorino or romano with some prosciutto or salami," he said. "If you haven't noticed, I'm not one to pass up a meal." The restaurant grew from a conversation between DeVito and the South Florida financier Michael Brauser on the Greek island of Santorini, where the actor was vacationing with his wife, actress Rhea Perlman.

Source: FOXNews.com/The Associated Press

### **Alto-Shaam Announces Management Changes**

Alto-Shaam promoted Jack Scott and Todd Griffith to the positions of vice president, sales and marketing. Both men will assume joint responsibility for the direction, growth and development of Alto-Shaam's business portfolio. Griffith, a long-time veteran of Alto-Shaam, has held various positions with the company including regional sales manager and national sales manager for the eastern United States. Scott started his career with Alto-Shaam in Australia, overseeing new product overseas. He returned to the United States in 1998 and has most recently served as the company's national sales manager.

### **Accolades for HOFEX 2007 Asia's Premier Food and Hotel Tradeshow**

The 12<sup>th</sup> Asian International Exhibition of Food & Drink, Hotel, Restaurant & Foodservice Equipment, Supplies & Services closed on 16th May 2007. With 2 main themes "Foodservice Equipment & Hospitality Supplies" and "Food & Drink" indwelled in the four halls of the Hong Kong Convention & Exhibition Centre, an exhibition area of over 35,000sqm was occupied by this extravaganza. This edition, in its 20 years history, was the largest ever – in terms of venue size and the number of visitors. The international coverage of both the exhibit profiles and buyer delegations - played a major contribution to the overall success of the 2007 show. Many exhibitors agreed that the overall size of the show been growing international and one of the exhibitors said "We have been exhibiting with HOFEX for years. I'm very satisfied with the quantity and quality of the trade buyers this year, which is much higher than my expectation. It was great to have met many international hotel buyers and end users," said by Mr. Zhang Shu Feng, China National Sales Manager / Foodservice Marketing Manager, Libbey Glassware (China) Co Ltd. Primarily serving as a trading platform, Mr. Michael Lu, HATCO mentioned that HOFEX provides an excellent opportunity "to meet international guests who come to Hong Kong particularly for HOFEX and to find new products." He then said "After all, it is a great place to meet friends and distributors at HOFEX." In fact, HOFEX 2007 drew an overwhelming participation of 1,800 exhibiting companies from 42 countries and regions. On top of that, an ace record of 29,193 trade visitors was accounted for with 29.5% of them arrived from overseas. "HOFEX is a very good show. The companies in our pavilion were very satisfied with the results. Visitor quality is very good, plus it's not just regional but very international too. We had visitors from Australia, New Zealand, and even Chile. Organization of the show is very good too – we liked the promotion and signage for Bavaria. We will be back in 2009 with a bigger pavilion," said by Mr. Bernhard Kiel, Manager Trade Fairs & Exhibitions Engineering Industries, Bayern International, Germany. "In general, it's (HOFEX) been a good opportunity to meet our distributing partners throughout Asia," commented Mr. David Maroum, of San Jamar "which is good and broad representation of our distribution channels to show good products." This impressive turnout affirmed the caliber and prominence of HOFEX as Simply The Best sourcing and networking platform for professionals in the food and hospitality industries in the region. The finale of HOFEX 2007 kicked off preparations for HOFEX 2009 which will be held on 6 – 9 May 2009 at the Hong Kong Convention & Exhibition Centre. For further information or space reservation, please contact our offices by e-mail: [exhibit@hkesallworld.com](mailto:exhibit@hkesallworld.com)

## **Dunkin' Donuts Expands to Hersheypark**

In a marriage possibly confected in sweet-tooth heaven, Dunkin' Donuts said it is opening two stores in Hersheypark, a candyman's theme-park shrine to chocolate. According to Dunkin' Donuts, the two stores will be the Canton-based chain's first within a theme park, though technically one store is located just outside the park entrance. In news sure to wow the chocolate-kisses crowd, a ribbon-cutting ceremony is scheduled for today at Hersheypark in Hershey, Pa., Dunkin' Donuts said. The launch into theme parks coincides with the roll out of Dunkin' Donuts' national expansion program, said the chain, which is a subsidiary of Dunkin' Brands Inc.

Source; The Boston Globe

## **Papa John's to Deliver Atlantis Astronauts a Pizza That's 'Out of This World'**

Space Shuttle astronaut Sunita Williams says of return to Earth: "I can't wait for a good piece of pizza." After spending six months aboard the Atlantis Space Shuttle eating nothing but pre-packaged, gravity-defying meals, Astronaut Sunita "Suni" Williams has only one thing on her mind as she prepares to return to solid ground – pizza! Williams, who has set the record for the longest single spaceflight by a woman, was recently quoted as saying, "I can't wait for a good piece of pizza," regarding her return to Earth. And Papa John's will be quick to provide Williams with a pizza that's out of this world! As a special thank you to Williams for her time spent in outer space, Papa John's will welcome her back with a free pizza of her choice. The pizza will be delivered to her whenever she is able to receive it – immediately following the shuttle's landing or upon returning to her home base in Houston. In addition, Papa John's will provide Williams and the rest of the Atlantis flight crew with a year's worth of free pizza...no doubt a treat after six months of dehydrated food aboard Atlantis!

Source: Papa John's International, Inc.

## **Red Robin Gourmet Burgers Completes Acquisition of Franchised Restaurants in California**

Red Robin Gourmet Burgers, Inc., announced that it has closed on the acquisition of 15 of the 17 existing franchised Red Robin® restaurants in the state of California from Top Robin Ventures and Morite of California effective June 18, 2007. In addition, the franchise territory included in this acquisition encompasses the area of Los Angeles County north of Interstate 10, the California counties of San Luis Obispo, Santa Barbara, Ventura, Fresno, Kings, Tulare and Kern, as well as a portion of Riverside County. The purchase price paid for the initial 15 restaurants was approximately \$41.9 million, plus \$320,000 for the acquisition of working capital. The purchase price was paid in cash, funded through borrowings under the Company's new \$300 million amended credit facility. The Company also assumed management of the remaining two restaurant locations owned by Top Robin Ventures under management services agreements. The

Company expects to close on the remaining two restaurants assuming finalization of acceptable real estate lease terms and liquor license transfers. The Company also intends to acquire an additional restaurant currently under construction in Fresno, California upon its opening, which is expected to occur in July 2007. The consideration expected to be paid for the 18th restaurant (which will be equal to Top Robin's construction and related costs) will be in addition to the \$47.5 million expected to be paid for all the 17 existing restaurants. The asset purchase agreement provides for up to an additional \$3 million purchase price earn-out to be paid to the sellers assuming all eighteen of the acquired restaurants achieve certain 2007 sales targets. "We are pleased to welcome the outstanding team members of Top Robin Ventures to the Red Robin family and look forward to their continued operational success and seamless integration into the Company. In addition to the acquisition of these restaurants, we have acquired significant territory in this established market which we are currently evaluating for additional restaurant development opportunities. Finally, our new credit facility offers us expanded access to capital, more preferable terms, and allows greater flexibility in the uses of those funds," said Dennis B. Mullen, chairman and chief executive officer.

Source: Red Robin International,

### **Dixie Lee International Industries, Inc. Acquires the Assets of Dixie Lee, the Franchisor of Over 100 Chicken and Fish Stores in Canada**

Dixie Lee International Industries, Inc., a growing master franchisor with more than 100 restaurants and over 40 years of continuous operations, announced today that it has acquired the assets of several "Dixie Lee" related private Canadian corporations and Dixie Lee Food Systems (USA), Inc., a privately held New York corporation. The acquisition is final and the Company is now the master franchisor of over 100 Dixie Lee restaurants strategically positioned, primarily in Eastern Canada, with stores from coast to coast. The transaction was undertaken with the specific aim of expanding the Company's presence, as well as to develop an even greater franchisee network. The Canadian company began operations in 1964 and has been successfully operating for over 43 years with chicken, fish and ribs as the signature food items. Dixie Lee has three concepts designed to meet the consumers' demand for fast, quality, economical meals. The Dixie Lee family restaurants range from 1800 to 2500 square feet. The take-out with convenience seating units typically range from 1500 to 2000 square feet. The take-out dedicated units range from 800 to 1000 square feet. Joe Murano, Dixie Lee CEO, said, "this is an important benchmark in the growth of our company. Our acquisition is complete and the quotation of Dixie Lee International Industries' common stock on the public market puts us in an excellent position to gain additional exposure for our company and for our projects as we move to execute our strategic development plan. Our goal is to enhance shareholder value and we believe the best way to achieve this is simply by enhancing Dixie Lee's strengths."

Source: Dixie Lee International Industries, Inc.



### **The Middleby Corporation Enters Into Agreement to Acquire MP Equipment Company**

The Middleby Corporation announced it has entered into an agreement to acquire the assets of MP Equipment Company. The acquisition is expected to close on July 2, 2007. MP Equipment manufactures and distributes a variety of equipment for the food processing industry including breading, battering, mixing, forming, and slicing equipment. This business, located in Suwanee, Georgia, had annual revenues in excess of \$20 million in 2006. This acquisition expands Middleby's platform in food processing equipment and compliments the current lineup of cooking, chilling and packaging products under the Alkar and Rapidpak brands. "MP Equipment has realized significant growth over the past few years due to its introduction of innovative products and strong sales organization," commented Chairman and Chief Executive Officer, Selim A. Bassoul. "The addition of MP Equipment to our current food processing companies allows Middleby to offer a more complete lineup of complimentary equipment to our customers and will strengthen our presence in the poultry and seafood processing sectors." Mr. Bassoul continued, "MP Equipment has an exciting pipeline of new products and a capable management team that will continue to lead the growth strategy at this division. This growth strategy at MP Equipment will be enhanced by the engineering and manufacturing capabilities of Middleby."

Source: The Middleby Corporation

### **Baja Fresh® Hires New Director of Operations Services**

Baja Fresh Mexican Grill, the California-based quick and casual fresh Mexican food chain, announced the hiring of Jim Hicks as the new Director of Operations Services. He joins the company with 25 years experience in operations services and training. As Director of Operations Services, Hicks will lead the development and implementation of process improvement initiatives and manage new product roll outs. He is also now responsible for creating and managing systems and processes to improve speed of service and guest satisfaction, by improving efficiency of restaurant operations. He will also lead the training department. "Jim's extensive restaurant experience speaks for itself," said James Walker, President, Baja Fresh. "We are excited to see the new program initiatives he comes up with and implements." Hicks most recently served as Director of Operations for National Everclean Services, a food safety and sanitation inspection, training and consulting firm. Prior to that, he worked at El Pollo Loco as the director of training and

operations services, where he managed the roll out of a new point-of-sale system, development of systems to improve restaurant operations and coordinated new product testing and roll-outs.

Source: Baja Fresh Mexican Grill

### **Yum! Brands Recognized in BLACK ENTERPRISE's ``40 Best Companies for Diversity," for Third Consecutive Year**

Yum! Brands, Inc. parent company of A&W All-American Food, KFC, Long John Silver's, Pizza Hut and Taco Bell, has been named one of BLACK ENTERPRISE Magazine's "40 Best Companies for Diversity" for its comprehensive results across key diversity measures. BLACK ENTERPRISE's third annual list of the best companies for diversity is featured in the July 2007 edition. The Magazine evaluated diversity programs, consulted with diversity experts and surveyed over 1,000 of the country's largest public companies and more than 50 leading global companies with significant U.S. operations. The Magazine made its selection based on the level of African-American and ethnic minority representation in four categories including supplier diversity, senior management, Board of Directors and total workforce diversity. BLACK ENTERPRISE said the following about Yum! Brands in its July issue: "Proof of a diverse workforce at Yum! Brands can be seen from KFC Chief Operating Officer Harvey Brownlee, an African-American, down to the more than 70,000 other minority employees. Ethnic minorities make up 57.5% of the 122,000-plus employees (U.S., company) at Yum! Brands, owner of convenience restaurants such as KFC and Pizza Hut. The 37-member senior management team is 13.5% ethnic minority and 10.8% black. Included among Yum! Brands 130 black-owned suppliers is Integrated Packaging Corp." "One of the things we are most passionate about is building a culture where everyone can and does make a difference," said David C. Novak, Chairman and CEO, Yum! Brands, Inc. "BLACK ENTERPRISE Magazine's recognition helps fuel our passion to get better and better because we know that diverse teams deliver better results both in creativity and innovation. The more our workforce reflects the changing demographics of our diverse employees, customers, suppliers, franchisees and investors around the world, the greater we can satisfy our customers better than anybody," added Novak. For the past several years, Yum! Brands has been recognized for its commitment to diversity. More than 50 percent of Yum!'s U.S. workforce are minorities as well as more than 50 percent of the company's new hires. In addition, the company has been named one of FORTUNE magazine's "Top 50 Employers for Minorities" for the past four years, one of FORTUNE's "Top 50 Employers for Women," one of BLACK ENTERPRISE's "30 Hottest Franchises for 2006," one of the "Corporate 100 Companies Providing Opportunities for Hispanics" by Hispanic Magazine and one of the "Top 50 Corporations for Supplier Diversity" by HISPANIC Trends Magazine. Yum!'s strategy for leveraging diversity includes franchising and supplier diversity. Yum! supports minority entrepreneurship through its sponsorship of the National Minority Supplier Development Council and is a founding member of the National Minority Franchising Initiative, the International Franchise Association's Diversity Institute and the Women's Franchise and Distribution Forum.

Source: Yum! Brands Inc.,

### **MGM Mirage, Kerzner Join Forces to develop multi-billion-dollar Las Vegas Resort**

Yet another big project is being planned for the bustling Las Vegas Strip. MGM Mirage has entered into a letter of intent with Kerzner International Holdings Ltd. to create a joint venture for the development of a sprawling resort along the famous stretch. The project, which will carry a multi-billion-dollar price tag, will span anywhere from 40 to 78 acres. For its part MGM Mirage will furnish the site for the endeavor, contributing land located at the intersection of Las Vegas Blvd. and Sahara Ave. Just a month ago, the company closed on two land acquisition deals in which it paid \$444 million for a 26-acre parcel and \$131 million for a group of parcels totaling eight acres. With those transactions wrapped up, MGM Mirage had amassed a total of 78 acres of contiguous developable land on the Strip. As per the plan, Kerzner will be responsible for planning and conceptualizing the resort project, and it will also team with one of its financial partners to supply cash equity. Additional funding will come from third-party debt financing. MGM Mirage and Kerzner expect to complete a definitive agreement during the third quarter. The ball will get rolling on the development with a year-long design and planning phase, followed by three years of construction. The 50/50 joint venture partners have not yet decided if the resort will carry one of MGM Mirage's or Kerzner's flags, or if it will operate under a newly created brand.

Source: Commercial Property News

### **Hawaii Bar and Restaurant Jobs Hit Record**

Employment in Hawaii restaurants and bars hit a record 58,600 in May with nearly 1,800 more jobs than a year ago. The opening of large, labor-intensive restaurants like Yard House at Beach Walk in Waikiki have created hundreds of new jobs in recent months, keeping Hawaii's unemployment rate at about 2.5 percent. Restaurants and bars have added nearly 8,600 jobs in Hawaii since 2000, according to the Bureau of Labor Statistics. But for all of the new jobs, workers aren't making much more money than they were a year ago. Most restaurant work is still part-time and workers put in an average of 25 hours a week in May, a number that has barely budged in six years. Restaurant and bar workers are making about \$266 a week, up only about \$9 from a year ago.

Source: Pacific Business News (Honolulu)

### **Shareholders OK U.S. Foodservice Sale**

After a four-year rollercoaster ride at U.S. Foodservice, shareholders in its parent company, Ahold, approved the \$7 billion sale of the unit to a private equity consortium last week. Ahold said in May that it planned to sell Columbia-based foodservice giant U.S. Food to Clayton Dubilier & Rice Fund VII LP and Kohlberg Kravis Roberts & Co.

LP. In 2003, an enormous accounting scandal unfolded at U.S. Food, which was found to have inflated its earnings by more than \$800 million. Ahold overhauled U.S. Food's management and split the company into two divisions. The Dutch retail giant ultimately decided late last year that it would sell U.S. Food, ending years of speculation. Ahold shareholders also approved Tuesday the company's plan to return 3 billion euros (\$4 billion) to shareholders through a capital repayment and reverse stock split.

Source: Baltimore Business Journal

### **ARTS and NAFEM Announce New Communication Standard to Link Back-End Systems to Restaurant Equipment**

The Association for Retail Technology Standards (ARTS), a division of the National Retail Federation (NRF), announced the availability of a technical specification for creating a communication link between the Point of Service (POS) and commercial kitchen equipment. ARTS, in collaboration with the North American Association of Food Equipment Manufacturers (NAFEM), has been working to develop the specification for more than two years. The ProCon Technical Specification sets data protocol conversion standards for messages between XML-based systems, like POS terminals or payment systems, and SNMP-based foodservice equipment, such as fryers or refrigerators. The result addresses an industry need for greater systems integration and information exchange enabling better sales reporting, inventory management and kitchen equipment monitoring. "By providing the means to link commercial kitchen equipment and back-office systems on a network, ARTS and NAFEM have addressed one of the operator community's primary communication goals," said NAFEM President Carol Wallace, CFSP, Cooper-Atkins Corporation, Middlefield, Conn. "We're proud NAFEM could play a role in this significant step and we will continue to help foster the development of commercial kitchen and retail systems integration." "The ProCon Technical Specification will help retailers get the data and information they need to run their foodservice operations more efficiently and effectively," said Richard Mader, executive director of ARTS. "The results will lead to improved business support and lowered information technology costs within the foodservice environment." The new technical specification incorporates the NAFEM Data Protocol, a widely-accepted standard that allows commercial kitchen equipment to communicate with a foodservice manager's or service technician's computer. The ProCon Technical Specification has been released to the public domain and may be downloaded free of charge by visiting the ARTS Web site at [www.nrf-arts.org](http://www.nrf-arts.org) or the NAFEM Web site at [www.nafem.org](http://www.nafem.org).

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