



November 5, 2007

Applebee's Shareholders Approve \$1.9 Sale to IHOP

Shareholders of the bar-and-grill chain Applebee's International approved a \$1.9 billion buyout offer from pancake house operator IHOP. More than 70% of shares voting approved the agreement, which critics said shortchanged shareholders. Under terms of the deal, shareholders of Applebee's will be paid \$25.50 a share, a 4.6% premium over its closing price on the day before the offer was announced. IHOP is also assuming \$155 million in Applebee's debt as part of the deal. The sale is expected to close by Nov. 29. The combined company would have \$6.8 billion in annual sales and more than 3,200 restaurants. Officials at both companies have characterized the deal as a way to help rejuvenate Applebee's, one of the nation's largest restaurant chains. Its profits and sales have fallen in the past year as rising fuel and housing costs and changing consumer behavior have reduced traffic in its dining rooms. The deal is viewed as a coup for IHOP, which is smaller than Applebee's but has had success in building its own brand and sales in the face of economic headwinds. Julia Stewart, IHOP's chief executive and a former Applebee's executive, has said she plans to franchise most of Applebee's 510 company-owned stores and sell real estate tied to around 200 of those stores as a way to pay for the deal. "After a successful closing, we look forward to applying the focus and discipline that we have employed at IHOP to successfully restructure and re-energize the Applebee's brand," Stewart said. "By working in collaboration with the Applebee's associates and franchisees, we believe that the brand can again achieve the success it enjoyed in the past." Applebee's Chairman Lloyd Hill, who joined the company's board in 1989 and became chief operating officer in 1994, stepped down as CEO last year. He had voted against the deal as a member of board of directors and indicated he would vote against it as a shareholder. "This is not the future I had envisioned for Applebee's," a somber Hill said in announcing the results of Tuesday's vote, while adding that he accepted the direction the majority of the company's directors and shareholders had chosen. Hill thanked Applebee's employees and encouraged them to work with IHOP management in improving the company. "I remain confident in the incredible appeal and strength of this great American brand," he said.

Source: The Associated Press

F&H Acquisition Corp. Consummates Acquisition of Champps Entertainment, Inc.

Champps Entertainment, Inc. announced that Last Call Acquisition Corp., a wholly owned subsidiary of F&H Acquisition Corp., has completed its merger into Champps. As a result of the merger, Champps has become a wholly owned subsidiary of F&H, the parent company of Fox & Hound Restaurant Group, and the former shareholders of Champps will be entitled to receive \$5.60 in cash for each of their shares of Champps common stock. F&H also stated that former Champps shareholders will be mailed instructions regarding how to obtain the \$5.60 per share payment they are entitled to receive as a result of the merger.

Source; Champps Entertainment, Inc.

GE Capital Solutions, Franchise Finance Funds \$10 Million to Refinance Checkers Drive-in Stores

In order to refinance 10 Checkers Drive-In locations, FHG Enterprises borrowed \$10 million from GE Capital Solutions, Franchise Finance. The refinancing, slated for restaurants in New York, includes more than \$500,000 for new construction. FHG Enterprises president and founder, Joe Gatas, refinanced six restaurants in January and wanted to continue his relationship with the lender in order to focus on growth of development of their core business. "The refinancing helps us grow our stores and enhance our portfolio," says Gatas. "We knew, working with GE Capital Solutions, Franchise Finance, the loan would be closed on time and documented correctly." FHG Enterprises is a franchise dedicated to serving their customers to the best of their ability as well as caring about their team members and the communities in which they live. "We have a great working relationship with FHG Enterprises," says Karen Hamilton, vice president, GE Capital Solutions, Franchise Finance. "We strive to build lasting customer relationships and FHG Enterprises is the epitome in what we look for in restaurant experience."

Source: FHG Enterprises, Inc./GE Capital Solutions

Granite City Food & Brewery Appoints Darius Gilanfar as Senior Vice President of Operations

Granite City Food & Brewery Ltd. announced the appointment of Mr. Darius Gilanfar to the new position of Senior Vice President of Operations. Mr. Gilanfar previously served as the Chief Operating Officer of Copeland's Famous New Orleans Restaurant Bar and Bistro where he brought strategic focus to restaurant-level management, provided strong sales building techniques and was instrumental in building stronger restaurant operating margins through disciplined programs and oversight. Mr. Gilanfar has over 20 years of progressive management experience with various multi-unit national brands including The Cheesecake Factory, Brinker International and Barnes and Noble. "Darius will be a very valuable asset to the operations side of our business as we continue to expand," commented Steve Wagenheim, CEO and President. "Darius brings a strong background of multi-unit operations oversight and management development. His experience with larger companies that have sustained high quality food standards and strong service cultures will help us as we continue to expand our brand to the next level of growth," continued Wagenheim.

Source: Granite City Food & Brewery Ltd.

Restaurant Technologies, Inc. Appoints New Chief Financial Officer

Restaurant Technologies, Inc.(RTI) announced that the company's board of directors has named Robert E. Weil as the company's new chief financial officer. Weil will join RTI as a key member in RTI's corporate strategic planning team. Prior to joining RTI, Weil was chief financial officer of MAIR Holdings, the owner and operator of Big Sky Airlines, since 2000. During his career at MAIR, Weil managed the business through significant change and complex financial dealings. Prior to MAIR, Weil held several financial positions at Northwest Airlines assuming increased responsibilities including Director of Finance for Ground Operations, Capital Planning and Financial Planning and Analysis. "Bob brings over 15 years of financial and management experience to RTI," said Jeffrey R. Kiesel, chief executive officer of Restaurant Technologies, Inc. "We are pleased to welcome him as he takes over this important role and as RTI continues to build on our past success of growth and profitability."

Source: Restaurant Technologies, Inc.

Burger King Corporation's HAVE IT YOUR WAY® Foundation Accepts \$4.5 Million Grant from the BURGER KING® McLamore Foundation

Burger King Corp. announced recently that the HAVE IT YOUR WAY® Foundation has accepted a \$4.5 million grant from the BURGER KING® McLamore Foundation, designated for funding of a scholarship program in the name of Burger King Corp.'s co-founder, James W. McLamore. The HAVE IT YOUR WAY® Foundation intends to continue the BK® Scholarship Program, which is currently operated by the BURGER KING® McLamore Foundation. The program is designed for highly motivated high school

students. Eligibility is based on academic performance and financial need; some scholarships are available only to students that are part of the BURGER KING® system.

Anne Chwat, president of the HAVE IT YOUR WAY® Foundation said, "At the heart of the BURGER KING® brand is a commitment to making a difference in the communities where we live and work. We are thrilled to be able to expand our support of education and scholarships with this additional funding, and we thank the Burger King® McLamore Foundation for their generosity." "We are excited to continue our family's commitment to youth and education through this grant," said Whit McLamore, president of the Burger King® McLamore Foundation. "Although we have decided to wind down the foundation, we are pleased that the HAVE IT YOUR WAY® Foundation will continue to award scholarships in the name of my father and Burger King's co-founder, James W. McLamore." The HAVE IT YOUR WAY® Foundation expects to award approximately 700 scholarships annually in the United States and Canada.

Source: The BURGER KING®



FCSI North American Division Welcomes New Executive Committee and Board of Directors

The Foodservice Consultants Society International North American Division (FCSI NAD) is pleased to introduce their new North American Division Executive Committee and Board of Trustees. During a meeting held in Atlanta, Georgia October 8-10, 2007 the Executive Committee and Board celebrated the passing of the gavel and the start of a new year in the life and leadership of the Division. Ed Bernard, FCSI completed his term as North American Division Chair when he passed the gavel to John Cornyn, FCSI; who will now hold the division's top volunteer leadership position until 2008. Ed Norman, FCSI was appointed the new NAD Chair-Elect and Stephen Tyler, FCSI will remain as Secretary/Treasurer. Ed Bernard, FCSI will continue to serve as a member of the board and executive committee as Immediate Past Chair. Continuing to serve on the Board Trustees are Ruby Puckett, FCSI; Chris Clements, FCSI; and Kevin Freeborn, FCSI. Joining the NAD Board as new Trustee Members are Larry Lanier, FCSI; and Rob Geile.

Two Board Members ended their term on the Board of Trustees; Tom Costello, FCSI, of the University of San Francisco and Rick Anger of Hatco Corporation. Tom previously had served as the FCSI Worldwide President in 1991-1992. The Society is incredibly fortunate to have enjoyed the tireless efforts, enthusiasm and wisdom of these three volunteer leaders.

Kings to Modernize Restaurants

Kings Family Restaurants, the 40-year-old family dining chain, said it will modernize its 35 restaurants. "This is a multi-year, multimillion dollar commitment," Kings president and founder Hartley King said in a statement. "This is our opportunity to give our current customers and our new customers an improved dining experience." The company, which has administrative offices in White Oak, has hired Louis & Partners Design of Bath, Ohio, to implement a full redesign of the first restaurant to be updated, the Kings restaurant at Beaver Valley Mall. Now closed, The Beaver Valley Kings is expected to reopen the last week of November or first week of December with a new look that will include natural wood blends, greens, earth tones and a new floor plan. Kings is launching its modernization plan as it celebrates its 40th year in business. The company expects to modernize every restaurant in the chain over the next several years, with

many locations seeing full makeovers. Kings employs 2,500 people and plans to open two stores each year as it continues to upgrade its established restaurants.

Source: Pittsburgh Business Times

Starbucks to Open Over 80 Stores in Greater China Next Fiscal Year

Starbucks Corp. plans to open more than 80 new stores in Greater China in the fiscal year ending Sept. 30, 2008, the company's Chairman Howard Schultz said last week. "Our practice has been to open more stores in the current year than we did in the previous year. Last fiscal year, we opened 80 stores in Greater China," Schultz said on the sidelines of a press conference in Shanghai. He declined to give more specific figures. The Seattle-based coffeehouse chain operator opened its first store in Beijing in 1999. It now has 300 stores on the mainland and close to 15,000 worldwide. "Our number one growth market in the world is China. These are still the early days for us," said Schultz, who added that he hopes to turn China into Starbucks' number two market after the U.S. He declined to comment on how much the China-based stores contribute to the company's overall revenue.

Source: MarketWatch/Dow Jones

D/FW Board OKs Pappadeaux, Pappasito's Restaurants

The Pappadeaux and Pappasito's upscale, sit-down restaurants are officially headed to Dallas/Fort Worth Airport. Board members voted unanimously to approve the controversial leases, which had been debated for more than an hour just two days earlier. At the airport board's finance committee meeting, some of the largest concessionaires at the airport spoke against the Houston-based restaurants coming to the A and C terminals for several reasons, including what they called unfair negotiations between the airport and the new eateries' owners. Gilbert Aranza and John Brancato, two of the concerned concessionaires who together have ownership ties to 44 of the airport's roughly 200 concession businesses, also said that those two terminals could not handle any more restaurants and that Pappadeaux would pay rent that is too low, despite the risky location. The Pappadeaux seafood restaurant will go into the abandoned American Airlines train stations on the lower level of the two terminals, where there is currently no foot traffic. The Pappasito's Tex-Mex restaurant will go on the standard concourse level near gate A28. All three will be on the secured side of the airport. But in approving the leases, Dallas Mayor Tom Leppert, who also sits on the 11-member airport board, called for D/FW to re-establish the airport board's concessions committee. That would help airport staff, concessionaires and board members flesh out problems early on, he said. Johnnie King, a local airport concessionaire who would own a 35 percent share in the three restaurants, has not said when they will open or how much they will cost. He's still going through the design process, he has said.

Source: Dallas Star-Telegram

Vollrath Names Patterson VP

The Vollrath Co. has appointed Martin Patterson vice president of national accounts. Patterson's past industry experience includes work for a family-owned restaurant equipment dealership, product management, and extensive experience working with national account buying groups. Patterson joined Vollrath in June of 2006 as Central Region Manager.

Source: FE&S

FIA to Host Interactive Symposium on the Challenge of Attracting Tomorrow's Leaders to the Foodservice Industry

The newly established Foodservice Institute of America (FIA) has announced that it will host an educational event entitled Foodservice Professionals...the Next Generation, an interactive symposium on the growing challenge of attracting tomorrow's leaders to the foodservice industry. The event will be held December 5, 2007 at the Hilton University of Houston in association with the University's Conrad Hilton College of Hotel and Restaurant Management, one of the world's premier hospitality programs. This

thought-provoking, one-day program will challenge participants to take a fresh look at this critical issue, generate new ideas and insights, and utilize their experience and expertise to develop potential solutions. Panelists for the symposium will include:

Debi Benedetti, Principal, Beyond the Possible. John Bowen, Ph. D., Dean of the Conrad Hilton College of Hotel and Restaurant Management at the University of Houston. John Nackley, Jr., Marketing Manager, MLB Advertising. The Moderator will be Ken Wasco of Gordon Food Service. "There can be no more important issue facing the foodservice industry than attracting and developing top talent," said FIA President John Egnor. "Our challenge is to transform the image of the hospitality industry into a viable and preferred career choice for young professionals. We will address such questions as: How do we find and advance new talent? How do we make the foodservice industry an attractive career option for the best and the brightest of the next generation? "The expert panelists and moderator will be an important component of this program," added Egnor. "But the thoughts and ideas brought forth by the participants will be of equal, if not greater importance. This is a terrific opportunity to not only learn about a vitally important issue, but contribute in a meaningful way to the discussion as well." The symposium is open to FIA members and anyone in the foodservice and hospitality community who have a stake in the future of the industry. The cost to FIA members is \$299, while the fee for non-members is \$350.

FCSI Worldwide Presents the "FCSI Green Award" to Kendall College

Kendall College was presented with the Foodservice Consultants Society International (FCSI) Green Award during the FCSI North American Conference Awards Banquet held October 9, 2007 at the Omni CNN Center Hotel in Atlanta, Georgia. The FCSI Green Award was created several years ago to recognize and applaud exemplary efforts in ecology and environmentally sensitive hospitality operations. The award honors a firm or individual in the foodservice and hospitality industry that has created an innovative environmental operation or product that has improved the environmental standards and conditions of the operation or industry as a whole. "We at Kendall feel that we have a responsibility to our students to teach them about the many issues that comprise a socially conscious and green viewpoint. We also believe that our responsibility is to model green practices to our students and the larger foodservice community." says Christopher Koetke, Kendall College dean of culinary arts. "Being awarded the FCSI green award was an amazing honor for everyone here at Kendall....in our view, having a green agenda is a process—it is not getting to a point where you can sit back and say, "Done." Kendall College has been in existence for 73 years and the School of Culinary Arts has existed for the last 22 years. The College's mission is focused on educating the next generation of industry professionals. They view their product as the alumni who are equipped to positively impact the foodservice industry in the future. FCSI Worldwide Executive Director Scott Legge added "The approach being taken by Dean Koetke and his faculty at Kendall College was deemed particularly important by the FCSI Board of Directors because of the focus on heightening environmental awareness in our industry's future leaders." For the last 3 years, the College has increasingly been considering the negative impact that foodservice has on the environment globally. "Kendall is committed to building a 'green culture' in every facet of the college -- from academia through administration," says President Nivine Megahed. "We want to weave a respect for sustainability across the entire spectrum and graduate individuals who will lead similar initiatives in their prospective places of employment." FCSI believes that this environmentally sensitive approach to teaching the future leaders of our industry needs to be applauded and encouraged. Dean of the School of Culinary Arts, Chef Christopher Koetke, accepted the award on behalf of Kendall College and noted that this recognition will help to motivate and encourage even greater efforts toward environmentally conscious sustainability.

Bargreen Ellingson Opens Denver Office

Long a staple in the Pacific Northwest, Bargreen Ellingson has extended its presence into the Denver market with the opening of a three-person sales office in that city. Initially, the location will focus on contract sales. While this marks the first time the company will have a physical presence in Denver, it's not the first time Bargreen Ellingson's done business there. "We have had projects down in Denver off and on for years that were handled by people from our other offices," said Rick Ellingson, vice president of Bargreen Ellingson. "But we had an opportunity to pick up some people that live and have experience in that market, so this was a people-first kind of move. "The goal would be to move to our more traditional

model, but that will come some years later," Ellingson added. Randy Rutsay will serve as general manager of the new Bargreen Ellingson office.

Source: FE&S



Donatos to Add 82 Restaurants

Donatos Pizza is embarking on its largest expansion since parting ways with McDonald's Corp. four years ago. A franchisee, Piedmont Pizzeria, will open 64 stores over five years in North and South Carolina, the largest such deal in Donatos' 44-year history. One restaurant already is open in North Carolina. Donatos also will add five stores this year in the Ohio cities of Ashland, Athens, Mason, Springboro and Toledo, all new markets for the company. The 82-restaurant expansion, which also will include stores in existing markets, will mark a shift in strategy for the central Ohio pizza chain, said Tom Krouse, chief concept and strategy officer. About three-quarters of the 172 existing restaurants are owned by the company, but Donatos hopes to reverse that within 10 years and have the majority of its stores owned by franchisees. "We have always believed that with the right franchise partners, Donatos can be most successful," Krouse said. The advantages of having more franchisee-owned stores include faster growth and operators who know the local area, he said. The company has spent the past few years preparing for growth by making it easier to run restaurants and "polishing up the brand image," Krouse said. Newer restaurants, for example, feature smaller dining areas and an open kitchen. Additional restaurants also are planned in Delaware County by new franchisee Roger Howard, who has worked for Donatos for more than three decades. The number to be added in that county has not yet been determined. The pizza chain was founded in 1963 by Columbus resident Jim Grote. It was acquired by McDonald's in 1999 and bought back by the Grote family in 2003.

Source: THE COLUMBUS DISPATCH

McDonald's Serves Books With Its Burgers and Fries to Celebrate National Family Literacy Day

Southern California McDonald's restaurants joined forces with the National Center for Family Literacy to celebrate National Family Literacy Day on Thursday, November 1. The event was designed to encourage Southland families to develop strong reading, writing and thinking skills. More than 12,000 age-appropriate children's books were distributed to families, courtesy of Scholastic Books, at select McDonald's restaurants in Los Angeles, Orange, Riverside, San Bernardino and Ventura counties. Additionally, McDonald's hosted book readings by Sharon Darling, president of the National Center for Family Literacy, local dignitaries including California State Senator Mark Ridley-Thomas (D-Los Angeles) and Long Beach, Calif., Mayor Bob Foster, and Ronald McDonald. McDonald's has chosen to champion the issue of illiteracy because four out of five third grade children in California read below grade level, nearly two million adults in Los Angeles County lack sufficient reading skills, and a recent study concluded that children whose parents are functionally illiterate are twice as likely to be functionally illiterate themselves. "The number of illiterate families in Southern California is astonishing," said Scott Frisbie, board member of the McDonald's Operators' Association of Southern California and McDonald's owner/operator. "McDonald's is committed, for the long haul, to breaking this cycle of generational illiteracy by giving our time, facilities and resources to provide families with additional learning opportunities." National Family Literacy Day is just one component of McDonald's commitment to literacy education in Southern

California. "I've been passionate about increasing family literacy skills for more than 25 years," said Darling. "I am thrilled that my passion for this issue is shared with Southern California McDonald's owner/operators as we work together to fight illiteracy in the Southland."

Source: Hotel News Resource

Famous Dave's Enters Area Development Agreement for Seven Restaurants in New York City

FAMOUS DAVE'S OF AMERICA, INC. President and CEO David Goronkin announced that Famous N.Y. Barbecue, LLC, has purchased the right to franchise seven Famous Dave's Legendary Pit Bar-B-Que(R) restaurants in New York City. The markets covered by the agreement include the five Boroughs of New York City plus Westchester County. Famous N.Y. Barbecue, LLC, is owned by Sammy Benmoha, a renowned New York City restaurateur. Sammy Benmoha owns and operates Maxie's Delicatessen and, in partnership with his father Jacob, the Roxy Delicatessen. Both restaurants are located in the heart of Times Square in Manhattan. Sammy Benmoha, who has owned restaurants for more than 15 years, grew up in the restaurant business. His father Jacob, who also owns and operates BenAsh Delicatessen in Times Square, has a long history in the restaurant industry. 'Famous Dave's success has been built on award-winning barbeque and incredible passion,' said David Goronkin, President and CEO of Famous Dave's. 'There's no more passionate place than New York City, and we're very excited at Famous Dave's to be entering one of the dining capitals of the world. Sammy Benmoha's experience in running landmark New York restaurants will make him a great partner to Famous Dave's.' Sammy Benmoha stated, 'After dining at Famous Dave's on Long Island, and returning many times for their world-class barbeque, I knew I had to bring this concept into the heart of New York City.'

Source: Hotel News Resource

Chipotle Adds Restaurants, Profits

Chipotle Mexican Grill Inc. opened 28 restaurants in the third quarter and posted double-digit increases in revenue and profits. The Denver restaurant chain said revenue climbed 35.6 percent, to \$286.4 million, from the year-ago period, while net income increased 74.6 percent, to \$20.6 million. Comparable restaurant sales were up 12.4 percent from a year ago. For the nine months ended Sept. 30, revenue increased 32.1 percent, to \$796.9 million, which Chipotle said was due to new restaurants and a 10.9 percent increase in comparable restaurant sales. The company opened 88 restaurants in the first nine months. Net income rose to \$53 million from \$30.6 million a year earlier. Including the 88 locations opened so far this year, Chipotle expects to have 110 to 120 new restaurants in 2007. The company said it will add 130 to 140 locations in 2008.

Source: The Denver Business Journal

Baskin Robbins Ice Cream Plans Return to N. Colorado

Five years after the last Baskin-Robbins in Fort Collins closed its doors, the ice cream chain is trying to make a comeback. In the next two to three years, the company wants to open two or three ice cream shops and is looking for a franchisee to own and operate those stores, said Baskin-Robbins Director of Franchising James Franks. Those shops are part of the seven stores planned for Larimer and Weld counties. "With an area like Fort Collins that has families where they live, work and play, we owe (a neighborhood ice cream shop) to our consumer," Franks said, adding that business owners like the idea of franchises because they want to "be in business for themselves but not by themselves." Franks said the company has a few ideas for locations of the stores but isn't ready to publicly release those details. The move back to Fort Collins and Northern Colorado comes after the company decided to refocus its expansion efforts from global to domestic. Franks, who joined the company about two years ago as part of the refocused expansion, projects Baskin-Robbins will open more than 150 stores in 2008. The company recently started accepting franchisee applications, looking for someone who is enthusiastic about ice cream as well as business and has the ability to work with a younger staff. The process from beginning to end lasts about 60 days. "Our philosophy is small business/small network," Franks said of the company that

celebrates its 62nd birthday in December. "We're looking for someone who wants to work on their business, not just in their business, but we do want them in touch with their ice cream side." When Baskin Robbins does open its doors again in Fort Collins, the shops won't look the same as people may remember. As part of the brand growth, the company has redesigned its logo as well as the theme in its stores, mixing the classic ice cream parlor feel with modern trends and more customer-friendly features, including lowering the height of the sundae bar so children can watch their desserts being made.

Source: Coloradoan.com/Fort Collins, CO

Tim Hortons Inc. Announces New 12-Month, \$200 Million Share Repurchase Program

Tim Hortons Inc. announced that the Board of Directors has approved a new 12-month, \$200 million (all amounts in Canadian dollars) share repurchase program as part of the Company's focus on creating value for shareholders. A notice of intention to make a normal course issuer bid will be filed with the Toronto Stock Exchange for a stock repurchase program authorizing the repurchase of up to \$200 million in shares, not to exceed the regulatory maximum of 9,354,264 or 5%, of the outstanding common shares. As of October 25, 2007, there were 187,085,281 shares outstanding. Implementation of the program is subject to final approval of the TSX. The Company's strong balance sheet, cash flow and focus on creating shareholder value were key factors in the decision to implement the share repurchase program. The repurchases will be made by Tim Hortons directly, or through one or more of its direct or indirect subsidiaries, on the Toronto Stock Exchange and/or the New York Stock Exchange, subject to compliance with applicable regulatory requirements. As part of the stock purchase program, Tim Hortons will also enter into a Rule 10b5-1 repurchase plan with a broker in order to facilitate its stock repurchase activity. In September 2007, the Company successfully completed its 2006-2007 share purchase program. A total of 5.8 million shares were purchased at an average net cost of \$34.43 per share as part of this previous share repurchase program.

Source: Tim Hortons Inc.

Wendy's Begins Second Phase of Growth Plan

Wendy's International, Inc. is launching the second phase of its Strategic Growth Plan, which will focus on strategic imperatives to help drive growth, create efficiencies and improve returns. "We are in the second phase of our turnaround," said Kerri Anderson, president and chief executive officer. "The base was built over the past year and now we are implementing imperatives with a knowledgeable team that has more experience, rich data and information about our industry, understands our challenges and respects the special Wendy's culture established by founder Dave Thomas." The imperatives include: improving on the Wendy's premium hamburger market share, introducing an updated and effective strategy for the value menu, making beverages a "destination" and a meal accompaniment, building on the late night and snacking business, continuing to grow the breakfast business, introducing a new "total customer feedback system" for improved customer service, making a reinvestment by making a re-image of restaurants using a systematic capital investment, improving the hiring and retention of Wendy's employees, re-franchising and acquiring and re-imaging franchise restaurants with potential for future re-franchising, and achieving store margin objectives. "We have to step up our performance with innovation, change and leveraging Wendy's competitive advantages," Ms. Anderson said. "Our business and store economics are still not where they need to be. We have much more to accomplish."

Source: Foodbusinessnews.net

Intercontinental Hotels Group (IHG) Announces Worldwide Brand Re-Launch of Holiday Inn

InterContinental Hotels Group (IHG) announced a worldwide re-launch of the Holiday Inn brand family, comprising Holiday Inn, Express by Holiday Inn and Holiday Inn Express (Holiday Inn'). All Holiday Inn hotels will be required to implement the re-launch program, focused on delivering consistently best in class service and physical quality levels, including a redesigned welcome experience, signature bedding and bathroom products. Redesigned brand signage will be installed at hotels once they have implemented the

re-launch program. This will give Holiday Inn a refreshed and contemporary brand image. All Holiday Inn hotels open or under development are expected to have implemented the re-launch program by the end of 2010, with the first due to open in spring 2008 in the US. Established in 1952, Holiday Inn is one of the world's most recognized hotel brands with over 400,000 rooms (3,125 hotels) open and a development pipeline of more than 110,000 rooms (942 hotels). This development pipeline continues to grow rapidly, with over 16,000 rooms signed in the third quarter of 2007, a 6% increase on Q3 2006. IHG will make a non recurring revenue investment of up to £30m to accelerate implementation of the re-launch. This cost is anticipated to be accounted for as an exceptional item. This investment will, inter alia, fund a proportion of the cost of signage conversion at recently opened Holiday Inn hotels that agree to fully implement the re-launch program during 2008, and fund the re-launch program at certain high profile hotels that will be used to showcase the brand. IHG expects to generate a strong return on this investment through RevPAR increases across the Holiday Inn brand family following completion of the re-launch. Announcing this to an audience of over 4,500 hotels owners, managers and investors at IHG's annual Americas conference in Dallas, Chief Executive Andrew Cosslett, said: "This is an important moment in Holiday Inn's history. The brand is the largest and one of the most successful in the hotel industry and its re-launch will ensure that this position is maintained. We have spent a considerable amount of time getting the facts and the insights to enable us to make these changes, in partnership with our owners. The Holiday Inn sign is seen by hundreds of millions of people every day around the world. The changes we are making will ensure the Holiday Inn brand goes forward into the future with a strong and confident new image. We want our guests to get as much enjoyment from Holiday Inn hotels over the next 50 years as they have over the last 50." Rick Takach Jr., Chairman of the International Association of Holiday Inn ("IAHI") representing nearly 3,000 of IHG's hotel owners and operators, added: "Holiday Inn is a legend in the hotel industry. It has a proud history, and IHG is now demonstrating its commitment to keep the brand fresh in the minds of both hotel owners and guests with its renewed focus on quality and innovation. The IAHI strongly supports this development and looks forward to the business improvement it will deliver."

Source: InterContinental Hotels Group PLC (IHG):

uWink to Open in Silicon Valley California in 2008

uWink, Inc., a developer of digital media entertainment software and an interactive restaurant concept, announced that it has entered into a definitive agreement to acquire the leasehold interest and certain assets of a currently operating restaurant in downtown Mountain View, California. uWink expects to be able to convert the approximately 7,000 square foot restaurant to the uWink concept and open to the public by early 2008. "We are excited to be bringing our unique concept and technology to the heart of Silicon Valley," said Nolan Bushnell, CEO of uWink. The uWink restaurant concept allows customers to order food, drinks, games and other digital media at the table through proprietary touch screen terminals. uWink, Inc. is led by entertainment and restaurant visionary Nolan Bushnell.

Source: uWink:

T.G.I. Friday's Adds Marathon-Friendly Entrees to Menu

T.G.I. Friday's restaurants in Texas and Oklahoma will feature marathon-branded menu options that have been given the thumbs up by the nutrition department of the Cooper Clinic. T.G.I. Friday's, the official food sponsor of Wellstone's Dallas White Rock Marathon, says its menus will feature nine entrees that have been evaluated and recommended as appropriate for a good training diet. Dallas-based Cooper Clinic's nutrition department has a staff of five dietitians with expertise in sports nutrition, hypertension control, lowering cholesterol, weight loss and other specific nutrition concerns. T.G.I. Friday's training menu includes Zen chicken potstickers, grilled portobello pasta, bruschetta chicken pasta, dragonfire chicken, Asian glazed chicken on field greens, cedar-seared salmon on field greens, shrimp Key West, Jack Daniel's chicken and Jack Daniel's flat iron.

Source: Dallas Business Journal



Starbucks Founder Bites Into Pinkberry

Red-hot frozen yogurt chain Pinkberry has received a \$27.5 million infusion of cash from Starbucks founder Howard Schultz's venture capital firm, Fortune has learned. The deal, which will be announced soon, confirms long-held speculation that Seattle-based Maveron - whose prior investments include eBay, drugstore.com, and Good Technology, now owned by Motorola - sees a bright future for Pinkberry, which was launched two years ago by a failed restaurateur and a former nightclub bouncer. Schultz was not available to comment, but in a press release touting the deal he called Pinkberry founders Shelly Hwang and Young Lee "visionary entrepreneurs" and labeled their brand "a cultural phenomenon." The burgeoning chain now has 32 stores in New York and Los Angeles, and plans to grow by expanding its roster of company-owned stores and franchises. Hwang and Lee told Fortune earlier this year that they hope to have 50 locations by year-end. Stores in Las Vegas and London are also on tap.

Source: Fortune/Fortune.com

"Big Brother" Restaurant Opens to Study Diners

Does service with a scowl put you off at lunch? Will you eat more greens if you are surrounded by plants? Does romantic, pink lighting encourage you to linger over your fruit salad? A new research center -- dubbed the "restaurant of the future" -- at the Dutch university of Wageningen hopes to help answer these questions and more by tracking diners with dozens of unobtrusive cameras and monitoring their eating habits. "We want to find out what influences people: colors, taste, personnel. We try to focus on one stimulus, like light," said Rene Koster, head of the Center for Innovative Consumer Studies, as overhead bulbs switched through green, red, orange and blue. "This restaurant is a playground of possibilities. We can ask the staff to be less friendly and visible or the reverse," he said. "The changes must be small. If you were making changes every day it would be too disruptive. People wouldn't like it." The stylish new facility has glass walls, black marble countertops, a polished bamboo floor and self-service tills which allow diners to scan their lunch while they and their trays are weighed by a set of scales built into the floor. University staff who want to eat at the new restaurant have to sign a consent form agreeing to be watched. From a control room, researchers can direct cameras built into the ceiling of the restaurant to zoom in on individual diners and their plates. They watch how people walk through the restaurant, what food catches their eye, whether they always sit at the same table and how much food they throw away. "You're already watched by cameras everywhere like 'Big Brother' so what difference does it make here?" said Bert Visser, a plant scientist eating a chicken sandwich. "Presentation really influences what you choose." Patricia van der Souven, a research assistant eating pumpkin soup and a salad, agreed: "One day they had blue lights and I didn't come in because the food didn't look nice. Blue light isn't warm, it's too business-like." Koster said researchers can experiment with variables like noise, smells, furniture and food packaging. Is the same ham and cheese sandwich more appealing if it is wrapped in cellophane, under a glass cover or on offer in a vending machine? They had already noticed that one table where the plastic chairs had pink flowery covers was always occupied. Koster said observation is much better than questionnaires for consumer research as many choices are unconscious. "I can imagine that music or smell make a difference," said Marco Hoeksma, a consumer scientist for a food company that is working with the university. "It will be very interesting to see what you can manipulate," he said, tucking into a typical Dutch meat and potato croquette. The new research center -- which cost almost 3 million euros (\$4.26 million) -- was set up in partnership with French catering group Sodexho Alliance and other companies interested in using the

restaurant to test their products. The kitchen staff are also being spied on -- cameras watch how they work with new gadgets like adjustable work benches and cleaning hoses. "It's not to see if they are working hard but how they are working," Koster said. Koster said he also hopes the centre's work will help governments and health organizations promote a more balanced diet, particularly given the modern rise in eating out. "Eating and drinking are primal. How you were brought up to eat is very important so there's no point trying to use words or sanctions, but you can influence behavior more subtly," he said.

Source: Reuters

Positioning: Jamba Juice Puts Squeeze on McDonald's, BK for Breakfast

Health-oriented QSR chain testing morning drinks for national rollout. McDonald's, Burger King and Dunkin' Donuts are among the quick-serve restaurant chains that have made breakfast a big part of their strategy. Now Jamba Juice wants a piece of the action. The QSR operation, best known for its healthy drink offerings (Tahiti Green Tea and Razzmataz fruit smoothies), is testing its first breakfast offerings in Los Angeles and New York, with a fast-track toward going national in March 2008. "[This is] one of the biggest opportunities for our brand because we can make the distinction of being one of the few really healthy breakfast options in the QSR world," said Kristel Cerna, director of product marketing at Jamba Juice, Emeryville, Calif. "It's a great play for us to grab more sales from our existing core consumers. And the advertising will bring in our light users and new users for additional sales." The effort targets consumers who can't find healthy morning options at fast-feeders and other QSRs as well as the growing number of people in the "deskfast" category who eat breakfast at their desk. The breakfast menu features items that blend organic granolas and low-fat yogurts alongside fruit, juices and blends. They come with such names as "Rise & Berry," and "Bright Eyed & Blueberry." The regional tests are getting the company's first marketing support, "Put the good in your morning," via Swirl, San Francisco. Marketing in New York and Los Angeles includes billboards, bus and subway ads, POP and street teams dubbed "The PaJamba Brigade" that will hand out samples. Radio will support in Los Angeles. Cerna did not reveal ad spending numbers but said that the breakfast program represented a "significant investment" and would be the focus of the company's messaging for 2008. Founded in 1991, Jamba Juice plans to open 140 locations in 2007, adding to its nationwide cache of about 660 stores. Jamba Juice has licensing agreements with retailers Whole Foods, Target, Safeway, Vons and Pavilions, and also operates stores on college campuses and in airport locations.

Source: Brandweek/E. Newman

Kona Grill Announces the Appointment of Mark Zesbaugh to its Board of Directors

Kona Grill, Inc. announced the appointment of Mark Zesbaugh to the Company's board of directors. The Company's board of directors has determined that Mr. Zesbaugh is an independent director as defined by the applicable rules of Nasdaq and the Securities and Exchange Commission (SEC). Mr. Zesbaugh will also serve as Chairman of the Company's audit committee. Mr. Zesbaugh recently retired from his position as chief executive officer of Allianz Life Insurance Company of North America (Allianz Life). While at Allianz Life, he also served as a member of the International Executive Committee of Allianz SE, one of the world's largest insurance and financial services provider. Prior to becoming CEO of Allianz Life, Mr. Zesbaugh served in various positions of increasing responsibilities at Allianz Life and Life USA Holding, Inc., which was purchased by Allianz SE, including executive vice president and chief financial officer. Throughout his 17-year career in the insurance industry, Mr. Zesbaugh provided valuable strategic and financial leadership, including the sale of Life USA Holding, Inc. to Allianz SE. "Mark has leadership capabilities in the areas of finance, insurance and business development, and brings a strong skill set to Kona Grill. We look forward to his contributions as an independent member of our board and audit committee," said Marcus E. Jundt, President and Chief Executive Officer of Kona Grill.

Source: Kona Grill

Developer Looks to Open Mexican Chain Locally

A Cincinnati developer is looking for potential franchisees in the Dayton area who are interested in opening restaurants known for serving up quick casual Mexican fare in a southern Baja atmosphere. Anthony Wean, who owns several restaurants in the Cincinnati and northern Kentucky markets, said he became interested in the Seattle-based Taco Del Mar chain after hearing about it a year ago. He traveled to Seattle on a fact-finding mission and said he liked what he saw -- and tasted. He said the business model for Taco Del Mar is very similar to that of Subway restaurants, which require an initial investment of about \$200,000. Wean intends to open the first Taco Del Mar in Cincinnati Nov. 9. The restaurant will serve as a prototype and training for what the hope will be 100 franchisees during the next 10 years in the Dayton, Cincinnati and Lexington region. He said he might consider opening one himself in Dayton to inspire interest among potential entrepreneurs here. He said Taco Del Mar prices are very similar to that of Chipotle Mexican Grill restaurants, which feature generous burritos, tacos and other Mexican fast food in the \$5 to \$6 range. Denver-based Chipotle operates seven restaurants in the Dayton region. Taco Del Mar restaurants feature Mondo burritos with slow-cooked and marinated meats such as braised chicken, carne asada steak and seasoned pork; platters; tacos; salads; kids' meals and vegetarian and vegan offerings, according to a news release from Wean. The 272-store chain was co-founded in Seattle in 1992 by brothers James and John Schmidt, who were inspired by southern Baja, Mexico and coastal beach shacks that serve burritos and tacos.

Source: Dayton Business Journal

Back Yard Burgers Expects Merger Closing to Occur on November 5, 2007

Back Yard Burgers, Inc. announced that it currently expects the merger transaction with BBAC, LLC and BBAC Merger Sub, Inc. to close on November 5, 2007, subject to completion by BBAC of its financing arrangements with its lenders. The Company also announced that it has entered into an agreement with BBAC and BBAC Merger Sub to extend the date on which either Back Yard Burgers or BBAC could terminate the existing merger agreement among the parties, if the merger has not then been completed, from October 31, 2007, to November 5, 2007.

Source: BUSINESS WIRE

Marriott International Will Add 59 Hotels in Nine Asian Countries Through End of 2010

Marriott International, Inc. will add a total of 59 hotels to its Asia-Pacific portfolio through the end of 2010. The new hotels will provide 18,160 rooms across five brands with multiple openings in Thailand, China and India. This growth will add about a third more hotels and almost 50 percent more rooms to Marriott's lodging presence in Asia-Pacific over the next 36 months.

Announced are six hotels in India and Thailand representing the company's Marriott Executive Apartments brand for extended stay travelers and its deluxe, upscale Renaissance brand. All six will operate under long-term management contracts.

Marriott Executive Apartments:

300-unit Sukhumvit Park, Bangkok-Marriott Executive Apartments (2008)

100-unit Benchasiri Place, Bangkok-Marriott Executive Apartments (2010)

Renaissance Hotels & Resorts:

333-room Renaissance Bangkok Ratchaprasong Hotel (2009)

175-room Renaissance Phuket Resort & Spa (2010)

278-room Renaissance Bangalore High Grounds Hotel (2010)

250-room Renaissance Bangkok Sukhumvit Hotel (2010)

These hotels join 53 previously announced properties that are now under construction and are expected to open during the same time period in China, Fiji, India, Indonesia, Thailand, Singapore and New Zealand. Today, the Marriott International hotel portfolio in the region consists of 90 operating properties and five brands offering 31,618 rooms in 14 countries.

In addition, the company's Ritz-Carlton brand portfolio in the region offers 11 hotels and resorts, providing 3,786 rooms in seven countries. Twelve additional Ritz-Carlton properties are scheduled to open through

2010 in China, India, Singapore, Hong Kong, Macao and Indonesia. Marriott's luxury Bulgari Hotels & Resorts brand also has a hotel in the region, in Bali. "We are thrilled by our dynamic pipeline in the region," said Ed Fuller, president and managing director of international lodging for Marriott International. "Our ability to have so many hotels coming on line in Asia-Pacific over the next 36 months rests, in part, on the success that our existing portfolio is enjoying in the region. Each of our hotels in Asia-Pacific ranks at or near the top of its competitive set in customer preference, guest satisfaction and operating results.

When developers consider a hotel management company for their asset, they know Marriott will deliver. "We've been operating in Asia since 1989 and have a proven track record of success," he continued. "Our goal is to appeal to a wide range of travelers, both those visiting the region from other parts of the world as well as those who are traveling intra-regionally. We are confident that the portfolio of lodging choices we are developing with our local investors and partners will be recognized and appreciated for their cosmopolitan amenities, sophistication, state-of-the-art connectivity and good value—whether at the luxury, upscale, or upper-moderate tiers of the travel continuum. We're deeply gratified by the acceptance all our hotel brands are enjoying among travelers in Asia."

Source: Marriott International, Inc./Ehotelier.com

More Restaurant Chains Aspire to Hit the Big 1-0-0-0

The dream of almost every restaurant chain — to hit 1,000 units — is happening at warp speed in 2007. Years can go by without a chain reaching that number. But at least five have in the past year or so. Sbarro and Papa Murphy's got there. So did Panda Express, as did Panera Bread and WingStreet. Even plucky Johnny Rockets, under new ownership, just unveiled plans to multiply its 217 units to 1,000. What's with 1,000? It took McDonald's about 20 years to get there, Starbucks almost 25. Then there's Boston Market, which grew too fast and filed for bankruptcy protection shortly after passing 1,000 in 1998. "It's a landmark. It's four digits instead of three," says Ron Paul, president of Technomic, a consulting firm. "It's a goal to join an elite class." But that class is growing faster than many would have predicted — particularly at a time when the \$537 billion restaurant industry has suffered some bumps and bruises.

Some chains that have hit 1,000:

- Papa Murphy's. It's taken 23 years for the ready-to-bake pizza chain to reach 1,000 units.

"It means you're for real, and you can strut your stuff," says Mark Strickler, marketing chief. "It means you can move across the country."

The 30-state chain plans to add about 165 stores annually, he says.

- WingStreet. In just four years, the chicken-wing chain — inside Pizza Huts and owned by Yum — passed 1,000. In two years, it will pass 4,500, says Brian Niccol, marketing chief of both chains. "One thousand is the tipping point where you transition from regional to national player."

- Panda Express. The Asian fast-food chain, which began with one unit in 1983, will pass 1,000 in November, says CEO Tom Davin.

Although the chain is in 37 states, about half of its stores are in California, Nevada and Arizona.

When will it reach 2,000 stores? About five years, Davin projects.

- Sbarro. The Italian fast-food chain opened its 1,000th store in August in Istanbul. Sbarro plans to have 2,000 locations by 2011, with much of the growth international, says Anthony Missano, business development president.

- Panera Bread. The fast-casual chain passed 1,000 units in November, 25 years after the first. We're fearful of aspiring to large numbers," says Mike Kupstas, franchise chief. "It conjures up misconceptions because our whole thing is about the community." When it opened No. 1,000 in Chicago last year, celebrants didn't cut a ribbon. They cut a baguette.

Source: USA TODAY

Restaurant Association of Maryland Names Interim President

The Restaurant Association of Maryland has named Paula Kreuzburg interim President by action of the executive committee of the Association's Board of Directors. As current Sr. VP of Operations and Services, Kreuzburg has been a staff member of RAM since 1997. In 1993 & 1994, Kreuzburg served as Chairman of the Board of Directors of the Association while serving as general manager of her family's

restaurant Mrs. K's Toll House in Silver Spring, Maryland. An advisor to recently passed President and CEO Marcia S. Harris, Kreuzburg has been integral in developing member services, operational procedures, strengthening the relationships with corporate sponsors and growing the association's endorsed programs that benefit the 3000 members of the association. Kreuzburg was recently accredited as a Certified Association Executive by the American Society of Association Executives and will receive her Institute of Organizational Management degree from the US Chamber of Commerce in January of 2008. "The Board of Directors takes the task of maintaining superior leadership at the Association very seriously. As the largest trade association in the state we are confident that Paula is the person to lead the Association during this transition period." said Lynn Martins, Chairman of the Board of Directors.

If you would like to have news about your company, please send all editorial contributions to Mario Schacher: mschacher@ariteam.com

Thank you for reading The Global Foodservice E-newsletter from American Recruiters!



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