



December 2, 2008

### **SEC Declares Middleby Form S-4 Registration Effective**

TurboChef Technologies, Inc. announced that the United States Securities and Exchange Commission has declared effective the Registration Statement on Form S-4, including the proxy statement/prospectus, relating to The Middleby Corporation's proposed acquisition of TurboChef. TurboChef will hold a special meeting of its stockholders on December 31, 2008, to vote on the proposed transaction. TurboChef previously set the close of business on November 24, 2008, as the record date for determining stockholders who will be entitled to vote on the transaction. TurboChef plans to begin mailing the proxy statement/prospectus today to all eligible TurboChef stockholders. The parties expect closing to occur promptly following satisfaction of all of the conditions to closing contained in the agreement, including the receipt of stockholder approval and other customary conditions.

Source: TurboChef Technologies, Inc.

### **CBRL Group, Inc. Announces Corporate Name Change**

CBRL Group, Inc. announced that its shareholders overwhelmingly approved changing the corporation's name to Cracker Barrel Old Country Store, Inc. ("Cracker Barrel"). Upon effectiveness of the name change, the Company's common stock will continue trading under the symbol "CBRL" on Nasdaq. The Company expects the name change to be effective within the next two weeks upon completion of certain administrative matters and the filing of an amendment to the Company's charter. Commenting on the name change, the Company's Chairman, President and Chief Executive Officer Michael A. Woodhouse said, "With our return to a single-concept company and to further build on our strong and highly-differentiated brand, we are pleased to return to the Company's original name of Cracker Barrel Old Country Store, Inc."

Source: CBRL Group, Inc./Cracker Barrel Old Country Store®

### **First BURGER KING® Restaurant Opens in the Czech Republic**

Burger King Europe GmbH, a subsidiary of Burger King Corp. announced the opening of the first BURGER KING® restaurant in the Czech Republic. This new market entry is an important step to accomplish the company's Central and Eastern European expansion strategy. The BURGER KING® brand now operates restaurants in Hungary, Poland, Bulgaria, Romania and the Czech Republic. Commenting on the market entry, Peter Robinson, president of Burger King Europe GmbH, said: "We are very pleased to announce our further expansion in Central Europe. It is part of our overall growth plan to increase our presence in both the existing European BURGER KING® markets and in strategic new ones. The expertise of our franchise partners in Central and Eastern Europe is crucial for the successful development of the

BURGER KING® brand. We look forward to continued collaboration with these franchisees and to the entry into further new markets in the region.” The first BURGER KING® restaurant in the Eastern part of Europe opened in 1991 in Hungary. The BURGER KING® brand’s entry into Poland in 2007 was also an important step towards the brand’s expansion in the region. In accordance with the company’s development plans there are 826 BURGER KING® restaurants in Central and Eastern Europe. The location of most of these restaurants in central business districts or large shopping centers strengthens the presence of the BURGER KING® brand in this region. Referring to these new business opportunities Peter Robinson stated: “We are excited about introducing the great flame-grilled taste of BURGER KING® products such as the WHOPPER® sandwich to even more customers in Central Europe. Our customers appreciate the affordable prices for high quality food and exceptional service at BURGER KING®.”

Source: Burger King Corporation

### **Wendy’s/Arby’s Group, Inc. Confirms Executive Leadership Team Roland Smith Leading Company as President and CEO**

Wendy’s/Arby’s Group, Inc., the parent company of Wendy’s International, Inc. and Arby’s Restaurant Group, Inc., franchisors of the Wendy’s® and Arby’s® restaurant systems, confirmed its executive leadership team. As previously announced, the merger between Triarc Companies, Inc. and Wendy’s International, Inc. was completed on September 29, 2008. Roland C. Smith is President and Chief Executive Officer, and a member of the Company’s board of directors. Previously, Mr. Smith was a director and Chief Executive Officer of Triarc Companies, Inc. and he was Chief Executive Officer of Arby’s Restaurant Group, Inc. (“ARG”) from April 2006 to September 2008. Mr. Smith also served as President of ARG from April 2006 to June 2006. Stephen E. Hare is Senior Vice President and Chief Financial Officer. Mr. Hare was Senior Vice President and Chief Financial Officer of Triarc from September 2007 through September 2008. Mr. Hare also served as Chief Financial Officer of Arby’s Restaurant Group, Inc. since June 2006. Previously, he served as Executive Vice President of Cadmus Communications Corp. and the President of Publisher Services Group, a division of Cadmus, from January 2003 to June 2006. J. David Karam is President of Wendy’s International, Inc. Mr. Karam has been President of Wendy’s since September 2008. Previously, Mr. Karam served as the President of Cedar Enterprises, Inc., a 135-unit franchisee of Wendy’s that has operations in Las Vegas, San Antonio, Indianapolis, Seattle and Connecticut since 1989. Thomas A. Garrett is President and CEO of Arby’s Restaurant Group, Inc. Mr. Garrett was Executive Vice President and Chief Operating Officer of Triarc from September 2007 through September 2008. Previously, he served as President and Chief Operating Officer of Arby’s Restaurant Group, Inc. Mr. Garrett served as Chief Operating Officer of ARG following Triarc’s acquisition of the RTM Restaurant Group in July 2005 to June 2006. Sharron L. Barton is Senior Vice President and Chief Administrative Officer. Ms. Barton was Chief Administrative Officer of Arby’s Restaurant Group, Inc. from July 2005, following Triarc’s acquisition of RTM Restaurant Group, Inc. (“RTM”), through September 2008. Previously, she served as RTM’s Senior Vice President, General Counsel and Chief Administrative Officer from June 2001 to July 2005. Ms. Barton began with RTM in 1977. Ms. Barton also serves as a trustee of the Arby’s Foundation. Nils H. Okeson is Senior Vice President, General Counsel and Secretary. Mr. Okeson was Senior Vice President and Secretary of Triarc from September 2007 through September 2008. He also served as Associate General Counsel of Triarc in 2007. Previously, Mr. Okeson served as General Counsel of Arby’s Restaurant Group, Inc. since October 2005. John D. Barker is Senior Vice President and Chief Communications Officer and has held the position for Wendy’s/Arby’s Group since September 2008. Mr. Barker previously served as Senior Vice President, Corporate Affairs and Investor Relations at Wendy’s, and joined the company in May 1996 as Vice President of Investor Relations. Steven B. Graham is Senior Vice President and Chief Accounting Officer. Mr. Graham was Senior Vice President and Chief Accounting Officer of Triarc from September 2007 through September 2008. Mr. Graham also served as Senior Vice President, Corporate Controller of Arby’s Restaurant Group, Inc. From October 2006 through December 2006, he served as Vice President, Assistant Corporate Controller of ARG. Other senior officers of Wendy’s/Arby’s Group include: Daniel T. Collins, Senior Vice President, Treasurer and Assistant Secretary; James C. Hartenstein, Senior Vice President of International; Wendy E. Henderson, Senior Vice President of Risk Management and Total Rewards; J. Cletus McGinty, Senior Vice President and Chief People Officer; J. David Pipes, Senior Vice President of

Financial Planning and Analysis, and Don Zimmerman, Senior Vice President and Chief Information Officer

Source: Wendy's/Arby's Group, Inc.

### **Papa Bello Sells Area Development Rights for Shanghai, China**

US-based restaurant company Papa Bello Enterprises has announced the sale of area development rights for Shanghai, China to partners Zhiqing Ma and Hsiao Endy. Under the terms of the agreement, a minimum growth of 60 units is contracted for the region. Construction on the first restaurant is underway, with an opening date scheduled before the end of 2008. In addition to the Shanghai region, the agreement also includes development rights to the Jiangsu and Zhejiang provinces. Mr Ma said: "After opening 77 stores in less than four years, we saw an equivalent opportunity for growth with Papa Bello in China." Ms Endy said: "I have full confidence in my partner's capability, experience and wealth of knowledge. Combining these strengths with the energy and vision of Papa Bello's CEO Chase Canfield, I am certain this is the most promising publicly traded pizza company of its time, which will continue its steady march towards success."

Source: Food Business Review Online

### **Dennis Samala Joins Jack in the Box® Restaurants as Senior Culinary Manager**

For nearly 60 years, Jack in the Box® restaurants has been a leader in menu innovation. It was the first quick-serve chain to offer a breakfast sandwich, a portable salad and a 100% Sirloin Burger. To help keep Jack on top of the fast-food pack, today the company announced the addition of senior culinary manager Dennis Samala to its top-notch, product-development team. Samala, an 18-year veteran of the food industry, will be responsible for developing and implementing innovative menu concepts and strategies for the Jack in the Box brand and managing the day-to-day operation of the quick-serve chain's research and development test kitchen and culinary lab. Samala previously worked as research chef and culinary service manager for Ventura Foods, LLC, a foodservice company based in Brea, Calif., that manufactures branded and private-label products, including salad dressings, oils and coatings. Prior to Ventura Foods, Samala was senior technical and culinary manager for Specialty Brands, Inc., a wholesale distributor of specialty foods in Ontario, Calif. Samala holds a bachelor's degree in biology and microbiology from California State Polytechnic University in Pomona, Calif., and is currently pursuing studies with the Culinary Institute of America.

Source: Jack in the Box Inc.

### **New chief at McCormick & Schmick's**

McCormick & Schmick's Seafood Restaurants Inc. has appointed a successor to Doug Schmick, the co-founder who has served as chief executive since 2006 but plans to step down in early January. The 91-restaurant chain announced that restaurateur William T. Freeman will take over as chief executive and will take a place on the public company's board. "We're excited," said Schmick, who will remain on the board as chairman. "We've been searching -- I've had my eyes open for quite a while." Freeman, 48, comes to the company's downtown Portland headquarters after founding B & B Restaurant Ventures, which operates the seven-restaurant Fox Sports Grill chain based in Westlake Village, Calif. On June 30, B & B Restaurant Ventures filed for Chapter 11 bankruptcy protection, reporting its debt between \$10 million and \$50 million, according to court records. As the company's chief executive, Freeman signed off on the filing, which includes more than 200 creditors. Some of Freeman's employees also have filed a class-action lawsuit against Fox Sports Grill, citing unfair workplace practices. Freeman could not be reached for comment on his company's bankruptcy and legal wranglings. Doug Schmick said that Freeman had been open about his company's issues during the executive interview process. Schmick said that B & B

Restaurant Ventures has been bought out of bankruptcy and that the lawsuit is a typical complaint about employee meal breaks faced by many California restaurants. "We were aware of those issues, but we did not feel they had an implication in terms of our decision," Schmick said. "It's a go-forward business," he said of Fox Sports Grill, though he was unaware of who purchased the company out of bankruptcy. "His business is credible, he's credible." Freeman signed on for three years with McCormick & Schmick's at an annual base salary of \$450,000, according to the company's filing with the Securities and Exchange Commission. "My vision is that we've got a great company here with McCormick & Schmick's," said Freeman, who began his career as an accountant and later founded a financial planning company. "Over 36 years, this company has not only sustained growth but exceeded expectations of the market. "I plan to honor that and to continue to develop and grow the concept, and to complement the foundation that Doug and Bill (McCormick) have built here."

Source: The Oregonian



#### **P.F. Chang's Announces Executive Transition. Russell Owens Resigns as President of Pei Wei**

P.F. Chang's China Bistro, Inc. announced that Russell Owens, President of Pei Wei Asian Diner, has notified the Company that he will resign from his position effective December 2008 to pursue other interests. Mr. Owens has served as Pei Wei's president since he joined the Company in May 2001. "Russell is a true professional who nurtured the Pei Wei business from an embryonic concept with 2 restaurants to a strong business with 159 locations across the country and that's an amazing accomplishment," said Rick Federico, Chairman and CEO of P.F. Chang's China Bistro, Inc. "Russell is a great friend, and a brilliant team member. We will miss him. He leaves us with a strong brand and a strong business team and will help us facilitate a successful transition." A search for Owens' replacement will begin immediately. The Elliot Group is representing the Company in identifying a strong leader with the strategic skills to build the business and to bring Pei Wei to the next level of growth and profitability. "The new leader will be inheriting a business with solid underlying fundamentals," said Federico. "It's a fantastic opportunity to take a strong concept with great-tasting, high-quality food that is well-positioned in today's economy."

Source: P.F. Chang's China Bistro, Inc.

#### **Economy Takes Bite out of Eateries. Some Local Restaurants See Double-Digit Sales Hit**

Josef Reif, owner of L'Auberge, said every restaurant is feeling the pinch from the economic crisis. The economic crisis has taken a bite out of the finance sector, the auto industry and, now, it is chewing into the restaurant business. Local restaurants have been hit with a variety of cost increases this year, from minimum wage increases to fuel surcharges to rising health care costs. While restaurants have absorbed the blows, the slow down in discretionary spending may be a shot to the jaw that some Dayton-area operators can't recover from. Josef Reif has seen bad times in the restaurant business before, but never have so many different factors nibbled on his profit. "We have never had to fight so many obstacles at once," said Reif, owner of L'Auberge in Kettering. "Every restaurant is feeling the pinch in a time like this." When discretionary dollars decrease, diners often ditch dining out first. The decline already has played a part in local restaurant closings, including the Lincoln Park Grille in Kettering that is closing by the end of the year. The National Restaurant Association's Restaurant Performance Index tells the same tale. A composite

index that tracks the health and outlook of the U.S. restaurant industry, the RPI is at its lowest point in the past five years. With a number above 100 indicating growth, and below indicating contraction, the index stood at 96.7 in September, down 1.7 percent from August. That index remained at more than 100 for much of the period from mid-2003 to mid-2007. According to the association, 15 percent of restaurants expect to have higher sales in the next six months, down from 30 percent compared with September. And 50 percent of restaurants expect worse economic conditions in the next six months. Reif said his business is down about 15 percent from this time last year. "A lot of customers' wallets have the flu," Reif said. Jay Haverstick, owner of Jay's Seafood Restaurant in Dayton, said his business also is down from last year, but his losses will be about a third of last year's because of cost-cutting. Mike Leigh, general manager for TJ Chumps in Miamisburg and Englewood, said business has held steady, but it isn't growing like it had been. "It's not horrible," Leigh said. "But when you have projected growth you're not hitting, it starts to be a concern." The original Chumps location in Miamisburg, a family sports restaurant, had seen 10 percent to 15 percent growth every year since 2005, but it is about even this year with last year. To get customers back in the booth, restaurants are spending more on advertising, adjusting prices and highlighting specials. Reif introduced a new "recession-proof" menu addition a few months back, which offers a three-course meal for \$30. "If you take \$30 to Dorothy Lane Market, you can't do that," he said. "And when you add in the hours it takes to prepare it, you can practically eat for free." TJ Chumps offers five items on its lunch menu for under \$6 and has a buy one, get one half-off deal for entrees on Thursdays. Leigh said that deal started last year, but only recently did people start to take advantage of it. Leigh said advertising spending has increased from little to nothing to about \$1,000 a month for both locations. Chumps is putting ads in coupon circulars, local newspapers and some direct marketing packets for businesses. Restaurants also are looking at ways to cut costs. Reif said he has focused on getting the best price for his fresh produce and other items. Haverstick changed his restaurant's seafood delivery and cut health care for his 50 employees. He also went through all of the restaurant's expenses to determine what was necessary. He has the windows cleaned outside once every three months instead of once a month. "They are small things, but they begin to add up," Haverstick said. "That's what you're looking at. Is this something vital to our operation? Is this something we can do without?" Bret Thorn, food editor at weekly food service industry magazine Nation's Restaurant News, said most restaurants nationally are seeing tough times, except for alcohol sales. "People still like to indulge in the small things," he said. "They may not go to Italy, but they will buy a bottle of wine." Despite the slow times, local restaurant owners have high hopes for the holiday season. Reif said his holiday season looks promising, with a good number of holiday parties already booked. Christmas still seems like the time when people want to go the extra mile," he said. Haverstick is putting tremendous emphasis on the Christmas season. "This is my chance," he said. "In January, nobody has any money. Their credit cards are maxed out." Local restaurants may be looking to the holidays for a boost, but Thorn doesn't think many operators will be jolly this Christmas. The slow economy is the biggest challenge facing restaurants right now and that isn't going to change anytime soon. "No one is expecting a great holiday," he said. "In fact, many are expecting a long, cold winter."

Source: Dayton Business Journal

### **With Bob Evans Chain Restored, Attention Turns to Fixing Mimi's Café**

After Bob Evans Farms Inc. acquired Mimi's Cafe in 2004, the casual dining chain became a steady performer while the company struggled with the heart of its business. Times have changed. The Columbus-based restaurant and food company has stabilized its Bob Evans restaurant chain, while Mimi's Cafe, with its West Coast base, has seen its performance slide. New executives, new menus, new marketing and a new look have arrived at the Tustin, Calif.-based chain, giving Bob Evans hope it can steady Mimi's Cafe as customers turn a cold shoulder to casual dining. "Even though we had a tough quarter, we remain focused on the things we can control, such as building sales, improving margins and, most importantly, the intelligent deployment of our capital assets and cash flow," CEO Steve Davis said in a Nov. 12 conference call with stock analysts. Sales at Mimi's restaurants open at least two years have fallen for 18 consecutive months. Cafes in Arizona, California, Nevada and Florida, areas hardest hit by real estate and economic troubles, account for 73 percent of the chain's sales. CFO Donald Radkoski said Mimi's same-store sales are projected to be down 5 percent to 7 percent in the second half of the year. Bob Evans restaurants, by contrast, have posted eight straight quarters of same-store sales gains through the first quarter, including a

1.8 percent increase for fiscal 2008. The streak ended this past quarter, when sales slipped 0.5 percent. Mimi's with its \$3.4 million average restaurant annual sales remains the growth engine for the company, with 12 new restaurants scheduled to open in 2009, down from an initial plan for 17. One Bob Evans, which average \$1.8 million annually, is slated to open in the coming year. Mimi's Cafe is thinking small and large as it tries to drive sales. The chain has introduced a menu offering smaller-size entrees that Davis said have become one of its top five sales categories. "I think everybody knows that folks are being more health conscious and watching what they're eating," he said. "With our heavy female skew, it made sense to introduce this line." Mimi's is working to improve its carry-out and breakfast sales as well. Davis said Mimi's Cafe did not have a takeout menu when Bob Evans acquired it and still lags competitors with just 4 percent of sales coming from the to-go menu. It's trying to build its breakfast business – lunch and dinner account for 80 percent of sales – with coupons that give lunch or dinner customers \$5 off a breakfast purchase. "The whole thought process is it's always easier to get a customer who comes in to come back more frequently than it is to try to get new users," Davis said. The executive suite at Mimi's Cafe has turned over in the past year. Tim Pulido, CEO of Alhambra, Calif.-based Shakey's USA Inc., became president a year ago. New chiefs of operations, finance and marketing followed. Davis said the chain is hiring three employees to focus on positioning the brand as the All Day Fresh Cafe. "They've cranked out more marketing in 90 days than we've probably seen in the last year," he said. "They're really making great progress on developing our product pipeline. ... These are individuals who have experience with that and, no disrespect to the prior team, but that was not a core competency." Mimi's has eliminated 250,000 work hours at its restaurants in the quarter without sacrificing customer satisfaction ratings, said Tod Spornhauer, senior vice president of finance. Mimi's also is testing redesigned entrances and bars to better promote appetizer and alcohol sales. It has seen some success, Davis said. "We have some Mimi's Cafe restaurants that are 27 years old and really haven't been touched," he said.

Source: Business First of Columbus

### **Fox Sports Grill Gets a New Lease on Life**

Atlanta's Fox Sports Grill and its five sister restaurants across the country have been purchased out of bankruptcy by one of the concept's founding investors. William Dallas and a group of new partners have bought the chain of six Fox Sports Grill locations. Dallas will take over as principal of the chain under its new parent company, DHP LLC. "Under the new DHP ownership structure, we have the opportunity to explore new options and to expand the Fox Sports Grill concept," Dallas said in a prepared statement. Fox Sports Grill's former parent company, Westlake Village, Calif.-based B&B Restaurant Ventures Inc., filed June 30 for Chapter 11 protection with the U.S. Bankruptcy Court of the Central District of California. Prior to its filing, B&B had suffered a series of setbacks. It closed once-profitable Fox Sports Grill locations in Irvine, Calif., and Nyack, N.Y. According to court documents, the Atlanta location is the highest volume seller of the chain. The new company will continue to operate its Fox Sports Grill locations in Atlanta; Houston; Plano, Texas; Glendale and Scottsdale, Ariz.; and Seattle. DHP has signed a long-term licensing agreement with Fox Entertainment Inc. to continue use of the name. Fox Broadcasting Co. had owned a 20 percent stake in the franchise. Dallas said the new company also has inked a deal to open a new waterfront Fox Sports Grill in San Diego, near the city's new convention center in February. Jennifer Parker, the senior vice president of marketing for the chain, said the company is also looking to add three additional locations.

Source: Atlanta Business Chronicle

### **Top Companies Urge Congress to Go Green. Starbucks, Others to Lobby for Climate Legislation**

A group of companies including Starbucks, Nike and Sun Microsystems has banded together to urge Congress to regulate greenhouse gas emissions and promote investment in renewable energy. The companies announced a partnership with Boston-based Ceres, a national network of environmental advocates and investors, which will lobby on energy policy. The new partnership, called Business for Innovative Climate and Energy Policy, is made up of consumer brands Starbucks, Levi Strauss, Nike, Sun

Microsystems and the Timberland Co. The group asks that polluters be required to pay for the freedom to pollute and wants Congress to stimulate renewable energy development and "green" job growth. "These companies have a clear message for next year's Congress: move quickly on climate change and create a prosperous green economy and green jobs at the same time," said Mindy Lubber, president of Ceres, in a statement. The point of getting together, they say, is to add a new voice to an energy debate that has been dominated by energy companies and manufacturers. For its part, Seattle-based Starbucks Corp. says that climate change is a threat because the company relies on coffee crops. Changing weather patterns and added storms affect regions where coffee is grown. "At our core, we are an agricultural company," said Ben Packard, Starbucks' vice president of global responsibility. "It's really time for a new voice. It's time for a voice represented by a larger percentage of consumers." Starbucks' interest in climate change is not new, and the company has worked on various related issues for years. In 2005, for example, Starbucks began taking out full-page advertisements in *The New York Times* to explain the effects of climate change. Starbucks also buys renewable energy credits from the World Resources Institute. The new partnership plays into Starbucks' "shared planet" initiative announced in October. The skeptic may wonder whether it matters that companies such as Nike and Starbucks want to stop global warming. "Absolutely," said Ross Macfarlane, senior adviser for business partnerships at Seattle-based Climate Solutions, a nonprofit. "We're only going to effect the kind of change that's needed if you can harness the power of key corporate leadership of our capitalist system to really move this whole agenda down the road." The national conversation about climate change has "been dominated by the fossil fuel industries, which include the extraction side, oil and coal companies, and power-generation companies," Macfarlane said. But the number of voices is growing, Macfarlane said. President-elect Barack Obama has declared that he intends to start a "new chapter in American leadership on climate change."

Source: Seattle Post-Intelligencer



### **Papa John's Announces Comprehensive Package of Franchise Support Initiatives. Company to Use Its Solid Financial Position to Help Operators Weather the Storm in 2009**

Papa John's International, Inc. announced a comprehensive package of proposed domestic franchise system support initiatives in response to the current economic and consumer climate. The proposed initiatives include: Providing continued cheese cost relief to our system in 2009 by modifying the cheese pricing formula used by BIBP Commodities, Inc.; Providing additional system-wide national marketing support for Q4 2008 and 2009; Providing expanded targeted royalty relief and local marketing support for struggling franchisees or markets; Convening a lender's summit, principally of regional banks and other lenders, to educate them on the Papa John's model with the goal of expanding credit availability to franchisees; Providing company loans on a selected basis to assist financially and operationally strong franchisees with the acquisition of troubled franchise groups; and for the first six months of 2009, suspending collection of the 0.25% royalty rate increase scheduled for January 2009. With respect to the BIBP cheese cost relief for 2009, the modified formula will establish the price of cheese on a quarterly basis as the greater of \$1.75 per pound or the expected average price per pound based on the futures market projections for the quarter. This approach provides a price per pound approximately equal to the Q4-08 modified price, and substantially less than the price as would be determined by the standard formula, while reducing the BIBP deficit during 2009 (based on current cheese futures market pricing). The proposed initiatives are conditioned upon certain actions being taken by franchisees, including their committing to certain cheese purchasing

requirements and increasing the national marketing fund contribution rate by a nominal amount. We are communicating our detailed proposal to the franchise system and expect to receive favorable responses to the proposal from our franchisees prior to year end. "Our solid financial position and conservative balance sheet allow us to offer this comprehensive support package to help our franchisees navigate through these challenging times," said president and CEO, Nigel Travis. "We continue to believe that the real winners in our category will be those brands who have the fewest net unit closings during this time of significant consumer pullback. We believe this package will result in Papa John's gaining market share." The company estimates the gross incremental impact of the cost of these support initiatives on the company's operating income to be \$3.0 million for Q4-08 and \$8.0 million to \$10.0 million for 2009 (excluding any favorable impact of the increased marketing spend in both periods). The ultimate impact for 2009 will depend upon the actual number of franchisees who choose to accept the proposed support program and company discretion with respect to support for struggling franchisees or markets. For purposes of this financial assessment, we did not assign any cost to the BIBP pricing modification; although it is expected to reduce the company's reported operating income from what it otherwise would have been for both Q4-08 and 2009. We also did not assign any potential cost to the provision of acquisition loans to franchisees, although it is possible that we may have some level of collectibility issues given the nature of the loans for the acquisition of struggling franchise restaurants. The company believes the support program will produce long-term shareholder benefits by mitigating potential unit closures and strengthening our brand during these challenging times. In addition to reducing unit closures, other important objectives of the support program include growing market share in a declining and consolidating category, stabilizing transaction levels and targeting a substantial multi-year increase in online ordering percentage.

Source: Papa John's International, Inc.

### **IHG Signs Agreement with Seba Properties to Develop InterContinental Fujairah Resort in the UAE**

InterContinental Hotels Group (IHG) has announced the signing of an agreement with Abu Dhabi-based Seba Properties for the development of the InterContinental Fujairah Resort, a new beachfront property in one of the United Arab Emirates' (UAE) most attractive tourist destinations. The 291-room hotel will be the first InterContinental beach resort property to open in the UAE and will establish a benchmark for quality and luxury amongst upscale resorts across the Middle East. Part of the growing portfolio of over 150 InterContinental hotels worldwide, InterContinental Fujairah Resort will connect guests with what is special about the destination, providing them with authentic and enriching 'in the know' experiences. Rabih Karam, Chief Executive Officer of Seba Properties, added: "We are committed to creating uniqueness, elegance and an appropriate response to the location and we are confident that with a partner like IHG, we shall develop a world-class iconic resort." Fujairah's strategic plan is to position the Emirate as a premium tourist destination. The Fujairah government has allocated over AED2.9 billion toward the development of the coastline and improving infrastructure of the Emirate. A new 45km highway connecting Dubai and Fujairah will cut travel times between the two destinations to 30 minutes. Expected to be completed mid 2009, the highway will provide easy access to Dubai International Airport as well as the new Al Maktoum International Airport, set to partially open late 2009.

Source: InterContinental Hotels Group

### **Fog Cutter Capital Group Inc.'s Fatburger Unit Continues Its Colorado Expansion**

Fog Cutter Capital Group Inc.'s Fatburger unit has announced the opening of a new restaurant at the River Point retail district in Sheridan, Colorado. The 2,000-square-foot Fatburger is a franchise location and will provide approximately 30 new jobs to the community. Franchise operators Jack Hercher and Chris Dupuis developed the restaurant in partnership with Montel Williams. This is the group's fifth Fatburger location in Colorado. Other Fatburger restaurants in Colorado are located in Aurora, Centennial, Highland Ranch and Colorado Springs. Fatburger is a quick-casual, takeout and sit-down restaurant serving big, juicy burgers custom made to guests' taste buds. The taste and quality of Fatburger inspires a fierce loyalty among customers that crosses all demographic lines, including Hollywood personalities and sports stars.

Source: Fog Cutter Capital Group Inc./Fatburger

### **Dunkin' Donuts Opens First Store in Mainland China**

Dunkin' Donuts, the world's largest coffee and baked foods chain with more than 7,900 restaurants in 30 countries and territories around the world, has opened its first store in mainland China. The restaurant, which is located on one of the busiest streets in Shanghai, is the first of an expected 150 Dunkin' Donuts outlets to be opened in mainland China during the next 10 years. The company said it plans to expand the concept to other regions of China in the near future. "Shanghai represents the first step in Dunkin' Donuts growth in mainland China," said Anthony P. Pavese, chief operating officer for Dunkin' Donuts International. "We are committed to expanding our presence in the region and are actively looking for a portfolio of partners to further accelerate our growth." The company said that the Shanghai restaurant will offer Dunkin' Donuts complete menu of products as well as items customized to suit local taste preferences, such as green tea donuts, mochi rings and iced fruit teas. Dunkin' Donuts operates nearly 1,800 restaurants in the Asia Pacific region, including more than 550 in Korea, 600 in the Philippines, and 260 in Indonesia.

Source: Foodbusinessnews.net

### **Las Vegas Restaurant Will Be Named for Sinatra**

Fans of Frank Sinatra will get a kick out of a new Italian restaurant planned for the Las Vegas Strip. Casino mogul Steve Wynn tells the Las Vegas Review-Journal that a restaurant at Encore, his newest resort, will be named Sinatra. Wynn says the singer's family has loaned him Sinatra's Oscar and Grammy Awards, which will be featured prominently in the restaurant. He says Paul Anka has promised the gold record that he won for writing the English lyrics for "My Way," which Anka wrote with Sinatra in mind. Encore is scheduled to open Dec. 22.

Source: Associated Press

### **WHATABURGER Announces Relocation Plans. It Will Accommodate the Company's Growth Come After Two Years of Research**

Family-owned Whataburger announced plans today to relocate its home office to San Antonio beginning as early as 2009. Approximately 250 home office 'Whataburger Family Members' will be affected by the decision out of the 21,000+ Family Members Whataburger employs across 10 states. The decision was made after two years of researching the best solution to address the company's growth and long-term viability for the people who run Whataburger's more than 700 restaurants. Whataburger crossed the \$1 billion in annual sales threshold for the first time in 2007 and the 58-year-old company expects the same steady, yet sustainable, growth pattern to continue over the next 10 years. "Whataburger has always made decisions based on what's best for our business and our Family Members. We feel it's our responsibility to prepare our company for long term stability and growth over the next 25 to 50 years." Founder Harmon Dobson opened the first Whataburger in Corpus Christi in 1950 as a small, roadside stand. He sold fresh, made-to-order burgers for 25 cents each and by the end of the first week, lines stretched down the street for the larger-than-industry-standard five-inch burgers. Today, the company is known for its friendly atmosphere and made-to-order food and is still owned by the Dobson family. "No matter where our home office is located, Corpus Christi will always be the hometown of Whataburger," Mr. Dobson continued. "We'll continue to support the community as we have over the years by helping with efforts like Whataburger Field, Driscoll Children's Hospital, the Texas State Aquarium, the USS Lexington Museum on the Bay and the Art Museum of South Texas and many more."

Source: Whataburger Restaurants, LP



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### **Highly-Acclaimed The Grill On the Alley Restaurant Debuts in Florida in the Aventura Mall**

Grill Concepts, Inc. announced the opening of its seventh flagship The Grill on the Alley restaurant in the internationally renowned Aventura Mall located in northeastern Miami-Dade County, Florida. Reminiscing the old-time grills in New York and San Francisco, the original restaurant was opened in Beverly Hills in 1984 and was inducted into the Nation's Restaurant News Fine Dining Hall of Fame in 1995. The Grill on the Alley is also a member of the Distinguished Restaurants of North America and was recognized by the Wall Street Journal as a power-lunch spot where the business elite dine. "We believe our fine-dining restaurant concept is perfectly suited for Aventura Mall, which is a leading high-end shopping destination for international visitors and is also one of the highest grossing malls in the country," said Philip Gay, president and chief executive officer. "Ideally located at one of the main entrances to the Mall, our Aventura The Grill on the Alley features more than 7,000 square-feet of indoor and patio seating for up to 250 diners. We look forward to introducing our freshly prepared American cuisine and uncompromising service to the visitors and local patrons of Aventura Mall and Miami-Dade County."

Source: Grill Concepts, Inc.

### **Michael Phelps Signs Up As Subway Pitchman. Olympian Adds Country's Largest Fast Feeder to His Portfolio of Endorsements**

Michael Phelps is racking up endorsements like they're gold medals. The Olympian has inked a deal with Subway to represent the brand "across all marketing channels" in a campaign touting the chain's variety of offerings. Mr. Phelps also helps promote Kellogg, Visa, Speedo and Rosetta Stone. The deal, which locks Mr. Phelps into an exclusive fast-food contract, is surprising because the swimmer openly campaigned for a relationship with McDonald's during the Summer Olympics in Beijing, where he won an unprecedented eight gold medals. But this isn't his first surprising endorsement. Mr. Phelps spurned General Mills' Wheaties in August for an exclusive cereal deal with Kellogg. "We enjoyed a very positive working relationship with Michael, particularly at the Summer Games in Beijing," McDonald's spokeswoman Heidi Barker said in a statement. "As a top Olympics sponsor, we wish Michael and all the Olympics athletes the best in their future endeavors." Subs for peak performance. "We knew Michael Phelps was a big fan of our sandwiches and we wanted to build on that with him to illustrate that Subway is a brand that can play a role in helping everyone -- from elite athletes to weekend joggers -- perform at their peak levels and make healthier, smarter choices about food, whatever the activity," Tony Pace, chief marketer for the Subway Franchisee Advertising Fund, said in a statement. Subway's recent work has focused on its highly successful "five-dollar footlong" campaign. The chain, which is the nation's largest fast feeder, has relied heavily on pitchman Jared Fogle for the last decade. Over the years, when the chain's message strayed from Mr. Fogle, same-store sales suffered. But that hasn't been the case of late. Subway is a private company and does not report systemwide sales. But some markets have reported gains comfortably in the double-digit range this year, which are virtually unheard of, particularly for a chain of its size. McDonald's, for instance, wowed investors last month by reporting a third-quarter same-store sales increase of 5%. 'A champion food option.' The new campaign will highlight Subway as a destination for indulgent meals, such as a meatball sub, as well as healthy choices, such as grilled chicken on wheat. "Subway restaurants have always given

me the options that I am looking for -- whether that's healthy sandwiches before a big meet or the tasty meatball sub that I treat myself with," Michael Phelps said in the company's release. "I was ready to take my Subway fandom to the next level -- I really think of Subway as a champion food option." While Mr. Phelps is the new gold standard of athletic endorsements, Subway has already worked with heavy hitters such as Laila Ali, Tony Parker, Michael Strahan and Reggie Bush.

Source: AdvertisingAge

### La Teresita Owners Plan To Add 10 Restaurant Locations

Fans of the historical West Tampa restaurant La Teresita soon could have 10 new locations to find their Spanish-style omelets, café con leche and grits. Despite terrible times for restaurants nationwide, the owners of the 36-year-old La Teresita say this is the perfect time for them to expand, and they have the financing to do it. Rents and equipment costs are at historically low levels, and people are looking for less expensive places to eat, owner Luis "Louis" Capdevila said. "We will be that neighborhood location for people, like the Spanish version of what Applebee's tried," Capdevila said. "People are looking for less expensive places to get good food and in large portions " that's what we do." For instance, a breakfast with coffee, toast, omelet and ham can cost less than \$5 at the original diner on Columbus Avenue in Tampa. Capdevila would not disclose exact revenue figures for the family-owned restaurant but said his sales are up about 15 percent this month compared with the same time last year. The new locations will open in phases. They will be diners with seating for about 50 people. The first new site will be in Wesley Chapel at State Road 54 and Interstate 75. Ultimately, Capdevila hopes to have locations throughout the region. This represents a second recent attempt by La Teresita to expand. Several years ago, the owners tried a franchising approach to open sites, but the concept didn't work, Capdevila said. The menu didn't translate well under different ownership, and service varied too much. This time, each new location will be company owned to maintain control over the menu, the purchasing and service, he said.

Source: The Tampa Tribune

If you would like to have news about your company, please send all editorial contributions to Mario Schacher: [marioschacher@yahoo.com](mailto:marioschacher@yahoo.com)



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