



November 24, 2008

McDonald's Plans for China

McDonald's Corp., the world's largest restaurant company, plans to add 175 locations in China next year after opening its 1,000th outlet there very shortly. The latest is in Dongguan in Guangdong province, the Oak Brook-based company said. The 2009 plan will create 10,000 restaurant jobs and 1,200 manager positions, it said. McDonald's joins other foreign consumer companies such as PepsiCo Inc., Best Buy Co. and Wal-Mart Stores Inc. in focusing on emerging markets such as China, which saw retail sales rise 22 percent in October, close to the fastest pace in nine years.

Source: The Chicago Tribune

CVap® Cook & Hold Oven Honored to Receive Technology and Innovation Award from StarChefs International Chefs Congress

Winston Industries is pleased to announce that the CVap Cook & Hold Oven received one of the 2008 ICC Innovator Awards during the September StarChefs International Chefs Congress in New York City. These awards were given to three chefs and four products, and they were voted on by Congress attendees. The award earned for the CVap Cook & Hold was in the Heavy Equipment category of the Technology and Innovation Awards which recognize companies whose products are innovative in mission or design, and instrumental in helping chefs or culinary professionals succeed in their endeavors. The CVap Cook & Hold utilizes a patented dual heat system that cooks food to a precise, uniform temperature. The oven provides control over doneness, temperature and level of browning, maximizing profits through increased yield. It is a favorite of chefs in all levels of dining, from hotel operations to local restaurants to the best fine dining establishments in the country.

Source: Winston Industries, LLC

BK Menu Gives Casual Dining Reason to Worry. Ribs, Thicker Burgers Are Lower-Cost Alternatives to Applebee's, Others

Soon, the troubled casual-dining industry won't just be worrying about its nearest competitor -- Burger King could be closing in as well with a new slate of premium items, including ribs and thicker burgers. "These up-market products are going to meet with great reception, great value for the money perceptions, and they cook out beautifully on the new equipment," CEO John Chidsey said on a recent earnings call

with investors. We have license as Burger King to be in the business of thicker burgers, products like ribs, and I won't go any further because there are still some that are under wraps." A Burger King franchisee who is not participating in the tests said that options are still being tested, and it's too early to say what the specific offerings will be. But it's not just about ribs. Russ Klein, BK's president-global strategy, said the products are about expanding the chain's "barbell" menu strategy with a variety of both low- and higher-price items. "Value for the money also comes with premium products that are on par with casual dining that are available for a fraction of the price," he said. "So, we work the value for the money equation on both ends of our menu." To prepare the new products, Burger King operators are adding grills and other back-of-the-house equipment, which the franchisee described as being "a significant expense" for each store. Chris Ondrula, chief operating officer of a BK franchise company, applauds the strategy. "There's going to always be, and should always be, a value component, but reasonable minds can always differ on what reasonable means and what value means," he said. "That's where not only causal and quick-serve brands are struggling. What's reasonable, how do you define value in this market, this economy?" Mr. Klein said about 20% of U.S. locations have the products ready to go, and 50% of U.S. locations have the batch broilers in place. He said national advertising could begin next summer, but the chain has no plans to pull back on value-menu advertising. The company's agency is Crispin Porter & Bogusky, Miami. "We're going to continue to drive against higher quality and innovation, which are better values for the money than one can find in casual dining as well," said Mr. Klein.

Source: AdvertisingAge

Yum Brands Bets on Taco Bell To Win Over Customers Overseas

Earlier this month, a Taco Bell opened at a massive Dubai shopping mall. Patrons waited as long as four hours to buy beef gorditas and chicken chalupas at the chain's first location in the Middle East. That restaurant is part of a broader strategy for Taco Bell's parent company, Yum Brands Inc. As it has done with KFC and Pizza Hut, Yum wants to build Taco Bell into a global brand with locations across the world. While Yum has struggled to increase sales in its nearly 20,000-location U.S. restaurant division, the company's international results have been far better. The Louisville, Ky., company built on Colonel Sanders's Kentucky Fried Chicken chain will generate 60% of its profit overseas this year. In general, "we should do better outside the United States than we have in the U.S.," says David Novak, Yum's chairman and chief executive. To expand Taco Bell, which has been the company's most profitable U.S. brand, Yum plans to put the chain in Spain by the beginning of next year and in India by April. Right now, there are about 240 Taco Bells in 10 countries outside the U.S., with the majority in Canada and Puerto Rico. The challenge will be going to countries where Mexican food isn't popular and persuading customers to try the Americanized version sold at Taco Bell. Mr. Novak says the lack of authenticity in the chain's Mexican cuisine is an advantage. "It owns its own category," he says. Yum has tweaked the Taco Bell menu to adapt to local tastes but says it wants to keep it mostly the same as in the U.S. In Dubai, food is prepared so it is Halal, or ritually fit according to Islamic law. In India, Taco Bell won't serve beef, and the menu will use more potatoes and other vegetarian ingredients. So far, Taco Bell has made some missteps overseas. In Costa Rica and Guatemala, the chain struggled because it priced its food too high, Mr. Novak says. Taco Bell has since lowered prices and moved toward a pricing structure that's more similar to its U.S. menu. In a seemingly audacious move, Taco Bell opened a location in Mexico last year. "The transactions in Mexico are not yet where we want them to be," Mr. Novak says. But Mr. Novak points out that the company's track record winning over customers overseas and the lack of competition show that Taco Bell has global potential. For every million people in the U.S., Yum has 60 locations. Overseas, Yum has just two locations for every million people. Taco Bell's target market is consumers ages 16 to 24, a fast-growing segment. "They're going to have to learn and probably not make much money from it for quite some time," UBS analyst David Palmer says of the expansion. The Dubai Taco Bell is a small stand across from a Burger King and a Pizza Hut at a massive shopping center that has an ice rink and a shark tank. Youseef Al Sharyani, an Emirati who recently went to that Taco Bell for tacos and quesadillas with his wife, nanny and four children, said it didn't taste as good as when he ate Taco Bell as a student in San Diego. But he thinks the chain will work there because the region has strong demand for fast food and a large international population. "People like having options," he said.

Source: The Wall Street Journal



CiCi's Launches Franchise Fee Incentive

CiCi's Pizza is waiving its normal franchise fee for existing franchisees or managers willing to take on sagging stores that would otherwise shut down. Over the next year, up to 25 restaurants of the company's 640 locations may fall into that closed or about-to-close category, Craig Moore, president and chief executive of Coppel-based CiCi Enterprises LP, said Monday. The policy will be in force at least through 2009, the company said. The fee for existing franchisees and managers averages about \$25,000, Mr. Moore said. Franchisors charge upfront fees, in part to cover administrative costs. Given the lost royalty payments if a restaurant shuts down and the cost of opening new ones, the company decided it was better to keep restaurants open if they have potential, Mr. Moore said. The move comes as banks tighten up on credit, forcing many restaurant chains to pare back growth plans. "With the economy the way it is, we're trying to work with our existing guys," said Mr. Moore, who launched the program a few weeks ago. "We feel that the stores are viable, but for whatever reason ... the operator couldn't make enough profit to make it worthwhile." Franchisors nationwide are hurting for recruits and have tried a number of options to keep stores opening, such as offering "associate" franchises for a lower fee, said David Omholt, chief executive of the Entrepreneur Authority LLC, a Plano franchise consulting firm.

Source: The Dallas Morning News

Bagel Lovers May Get a New Place to Nosh

Einstein Bros. Bagels, a national chain of bagel restaurants, is looking for people who would like to open a few stores in Connecticut under a franchise agreement. The Danbury area looks extremely appetizing to its corporate leaders. "We have one in Fairfield," said Kevin Kruse, vice president for franchise development for the Einstein Noah Restaurant Group. "We like the Northeast. Connecticut and the Danbury area would be a great place for us. The demographic fits us very well." However, local bagel bakers, established in town for many years, were somewhat skeptical about the chances of Einstein Bros. succeeding, especially in the face of an unstable business climate. "It's going to be pretty tough to do, given that there already are two or three established bagel shops in the city," said Stan Makarewicz, owner of What About a Bagel on Newtown Road. "Good luck in this economy." "We've been here 25 years," said Dave Tarantino, who with his brother-in-law, Mark Froelich, runs three Bagelman shops -- two in Danbury, one in Brookfield. "People are coming here now who started buying bagels from us when they were kids. It would be tough to break into this market. I don't know who would want to right now," he said. But Kruse said Einstein Bros. Bagels markets to a specific clientele. "We like to locate our stores near new offices, near hospitals and other retail stores," he said.

Source: NEWSTIMES.COM

Justify Your Attendance at The NAFEM Show

The NAFEM Show offers the products, education and networking you need to ensure a solid return on your investment. Your attendance at The NAFEM Show guarantees:

600+ foodservice equipment and supplies manufacturers offering products to meet your purchasing needs. What's Hot! What's Cool!, NAFEM's first-ever new product gallery, showcasing the most innovative products addressing industry issues - labor savings, sanitation, sustainability, energy efficiency, food safety and lifecycle costs. Topical, relevant, free education sessions focusing on macro-level issues important for your business - sustainability, innovative thinking and future trends. FS/TEC (hospitality technology) co-location with The NAFEM Show, a niche, high-tech trade show for the restaurant and hospitality industries, comprised of more than 150 foodservice technology exhibitors. Premier networking opportunities for building valuable, professional relationships, including the Global Networking Event (GNE) and the All-Industry Celebration (AIC). Certified Foodservice Professional (CFSP) Overview, Course and Exam, a full-day seminar based on NAFEM's study guide, An Introduction to the Foodservice Industry. ServSafe® Food Safety Training and Certification Exam for foodservice managers, owners, operators, F&B directors, chefs, line cooks, kitchen managers, dietary managers, dieticians and others in need of training. For more information on The NAFEM Show visit www.thenafemshow.org.

Brazil Fast Food Expands Bob's Restaurants In Chile And Develops Doggis Brand In Brazil

Brazil Fast Food Corp., the second largest fast-food restaurant chain with 663 points of sale in Brazil, operating under multiple brands including Bob's, In Bocca al Lupo Cafe, Pizza Hut and KFC, announced that it has entered into an agreement with Grupo de Empresas Doggis S.A. to cross-franchise the Bob's and Doggis brands in Chile and Brazil, respectively. Brazil Fast Food will control the Doggis master franchise in Brazil and GED will control the Bob's master franchise in Chile. The Company expects to develop up to 30 Bob's points of sale in Chile and 40 Doggis points of sale in Brazil in the next five years. "We are pleased with this opportunity to expand in Latin America, and we believe that the Bob's brand has great potential in the Chilean market," said Mr. Ricardo Bomeny, CEO of Brazil Fast Food. "We are also very pleased to add the Doggis brand to our multi-brand portfolio. This transaction is another example of the successful execution of our strategy to become a leading multi-brand food service company in Brazil, and to expand internationally by pursuing carefully evaluated opportunities." "After judicious analysis we have concluded this agreement provides a strong platform for both brands to expand within the Latin American market as both companies have proven experience in the food service business," said Mr. Flavio Maia, Brazil Fast Food's Business Development Director. "This is an important step in our development and an ideal partnership because it insures the commitment of both parties in cross developing our brands in Chile and Brazil." Mr. Mauricio Taladriz CEO of Grupo de Empresas Doggis S.A commented: "We are very excited with our partnership with the BFFC group, because we both have been very successful in our respective markets, and this alliance will allow us to build on that success to develop our brands."

Source: BUSINESS WIRE

Del Taco Raises \$10,000 for Juvenile Diabetes Research Foundation

Recently, employees and customers at Del Taco put their best foot forward to help the Juvenile Diabetes Research Foundation. During a two-week campaign, Utah Del Taco restaurants raised \$10,000 for the Juvenile Diabetes Research Foundation, \$1 at a time, by selling paper shoes. Customers put their name on the paper shoes that were then hung on the walls of the restaurant. The West Salt Lake Del Taco, managed by Donna Lockhorst, raised the most money at \$1,200. In total, more than 9,300 customers and employees contributed to the JDRF fundraiser. "As a member of the community, Del Taco strives to serve families with the highest level of customer service, quality and commitment. This also means reaching beyond our restaurants and we are honored to make this contribution to the Juvenile Diabetes Research Foundation to help find a cure," said Paul Hitzelberger, president of Utah Del, Del Taco franchisee and owner of the 19 participating restaurants. "Del Taco's gift helps move the Juvenile Diabetes Research Foundation, one step closer in its urgent mission to find the cause and a cure for diabetes. We are pleased to count Del Taco among our friends who will share in the success of our endeavors when the cure is found," said Laura Hayes Western, executive director of the Utah Chapter of the Juvenile Diabetes Research Foundation.

Source: Del Taco

ARAMARK Refreshment Services Acquires Brand Coffee Service. Acquisition Expands ARAMARK Refreshment Services' Presence in Texas

ARAMARK Refreshment Services, LLC announced it has acquired Brand Coffee Service, Inc., a Houston, Texas-based company providing brand-name refreshment services in Austin, Dallas, Fort Worth, Houston and San Antonio. The acquisition was completed on November 3, 2008. "Like ARAMARK, Brand Coffee has long been admired for its product quality and ability to provide the brands its customers want," said Robert W. Wilson, President of ARAMARK Refreshment Services. "The acquisition was a collaborative effort and represents an ideal combination of two businesses committed to providing high quality solutions and outstanding customer service." Founded in 1981, Brand Coffee provides office coffee service that includes premium coffees, hot and cold drinks, snack selections and allied products. Brand Coffee has nearly 3,000 clients who will continue to receive the customer-focused service upon which Brand built its reputation. According to H. Ben Taub, former Chairman of Brand Coffee, "This is a wonderful opportunity for two great companies. We believe ARAMARK will provide the same quality products and service that our customers value." "We are excited about the new opportunities to enhance the workplace experience for so many customers in Texas," said Rod Armstrong, Vice President of Acquisitions. "Brand Coffee is a well-known and highly respected business that shares the same values in terms of providing an outstanding workplace experience and great customer service."

Source: ARAMARK Refreshment Services

McDonald's Well Positioned in Face of Recession-CEO

McDonald's Corp. is shielded against recession and has hardly been hit by the international financial crisis, Chief Executive Jim Skinner was quoted as saying on last week. "Worldwide turbulence is barely affecting our business," Skinner told Germany's Bild daily. "We are growing worldwide, especially in Europe we have significant gains at the moment -- also in Germany." Skinner said the fast-food chain would be in a better position without the global financial crisis and the significant rise in food prices, but added: "McDonald's seems well positioned for recession. In bad times, people think twice about where to spend money when going out for food." His comments appeared in German and were translated by Reuters into English. Last month McDonald's results showed it growing faster than rivals as U.S. consumers visit fewer restaurants, with the world's largest hamburger chain posting a quarterly profit that beat Wall Street estimates, helped by a 7 percent jump in global sales.

Source: Reuters 2008

Umphenour named CEO of Focus Brands

Arby's veteran Russ Umphenour has succeeded Steve Romaniello as president and chief executive of Focus Brands Inc., franchisor of the Moe's Southwest Grill, Schlotzsky's, Carvel and Cinnabon chains, the company said recently. Romaniello moves up to chairman of Focus and joins Roark Capital Group, the private-equity firm that owns Focus, as managing director and a member of the investment committee. Roark also owns a controlling stake in McAllister's Corp., franchisor of the namesake fast-casual deli chain. Umphenour's appointment follows his exit from the board of Wendy's/Arby's Group Inc., the concern that was known as Triarc Cos. Inc. until it completed the acquisition of Wendy's International Inc. Triarc is now operating and franchising both the Wendy's and Arby's chains. Umphenour had been affiliated with Arby's since 1967, when he started in a part-counter job at a store. In 1973 he started his own franchise, called RTM, for Results through Motivation, and parlayed it into the system's largest operator, with 870 stores. When Triarc decided in 1997 to focus exclusively on franchising restaurants, the operator-franchisor divested its company units to RTM for \$71 million.

Source: Focus Brands Inc.

Diversified Restaurant Holdings Inc. Begins Trading

Diversified Restaurant Holdings Inc., a franchisee of Buffalo Wild Wings, and creator and owner of the Bagger Dave's Legendary Burgers and Fries concept, announced recently that the company has successfully completed its initial public offering and is now trading on the Over the Counter Bulletin Board under the symbol DFRH. "We are extremely pleased that our initial public offering was completed in a short amount of time and that we are now a publicly traded company," stated T. Michael Ansley, Diversified's President and CEO. Diversified Restaurant Holdings Inc. is a restaurant management company, handling the operations of 14 Buffalo Wild Wings restaurants; five in Florida and nine in Michigan. The company also owns and operates Bagger Dave's Legendary Burgers and Fries, a fast-casual concept Ansley created in 2006. Currently there are two locations, one in Berkley, MI and Ann Arbor, MI. In 2009, the company plans on opening one additional Bagger Dave's location and two more Buffalo Wild Wings restaurants in Michigan.

Source: Diversified Restaurant Holdings Inc.

FER Forecasts For 2008 and '09 Available

In light of all the recent negative economic news, Foodservice Equipment Reports has revised its exclusive forecasts of the equipment and supplies market downward for this year and next. The complete FER forecasts, featuring detailed data and analysis of general economic, operator and materials trends, data on E&S pricing trends from AutoQuotes, as well as an analysis of performance of the Top 150 E&S manufacturers, is available for \$349. For information on the forecast, contact Jessica Scurlock at jscurlock@fermag.com.

Source: FER

Gordon Ramsay Restaurant to Open in Melbourne

Celebrity chef Gordon Ramsay's renowned Maze restaurant is to open in Australia at Melbourne's Crown Casino. The award-winning Maze restaurants, located in London, New York and Prague, offer French-based cuisine with Asian influences. Crown chief executive David Courtney said Maze would be a major drawcard for local, interstate and international visitors. "Gordon Ramsay and Maze fit extremely well within the positioning of our new hotel as Maze has become renowned for being stylish, contemporary and providing an innovative food offer," Mr. Courtney said in a statement. Ramsay said the new restaurant presented an "exciting and challenging opportunity". "This is our first step in bringing the Gordon Ramsay brand to Australia," he said. The restaurant is due to open in February 2010.

Source: The Sydney Morning Herald, Australia

Yum Said to Be Planning Job Cuts, U.S. Restructuring

Yum! Brands Inc. is reportedly planning to eliminate several hundred corporate jobs and restructure its flagging U.S. business as a result of an ambitious refranchising program. Positions will be eliminated at the headquarters of the corporation and its KFC brand, as well as the Irvine, Calif., base of Taco Bell and the Dallas home office of Pizza Hut, according to an Associated Press report. Yum is also the operator-franchisor of Long John Silver's and A&W All-American Food. Initially, positions will be eliminated by not replacing employees who leave, spokesman Jonathan Blum told the AP. Yum posted a 16-percent drop in U.S. operating profit for the third quarter ended Sept. 6, with KFC leading the decline. The company said it plans to reduce the percentage of company units within the KFC system to 10 percent by selling corporate stores to franchisees. At present, 20 percent of the chain is company-owned. Yum also plans to

cut its ownership of Pizza Hut units to 10 percent of the system, from the current 20 percent, but has indicated that it plans to continue owning and operating 20 percent of the Taco Bell chain. Yum's overseas restaurant profits have been much higher than those in the United States, especially in emerging markets such as China. Yum operates or franchises about 35,000 fast-food restaurants worldwide.

Source: Nation's Restaurant News



Buffalo Wings & Rings Opens Training Center

Buffalo Wings & Rings has invested about \$600,000 to open a new international training center and restaurant in Eastgate Mall. The restaurant/training center will be open to franchisees from across the nation and overseas, said Philip Schram, CEO and president of Buffalo Wings. "Our training center will allow us to improve the support service we offer to franchisees," Schram said. The 3,500-square-foot store, which opened last week, is the chain's 43rd location in the United States. The company has 16 stores in Greater Cincinnati and Northern Kentucky. Schram said the center features demonstration kitchens for the development of basic technical skills in cookery and presentation. It also offers other skills training to help franchisees run their own restaurants. The opening comes after Buffalo Wings earlier this year invested about \$800,000 to expand into a new corporate headquarters in Union Township. Buffalo Wings, named in July as the nation's fastest-growing restaurant chain by Restaurant Business magazine, plans to open another 25 restaurants next year. Schram said the company plans to open the restaurants in the Midwest, Sun Belt and West Coast regions.

Source: The Cincinnati Enquirer

BJ's Restaurants Opens Two New Restaurants in Chula Vista and Newark, California

BJ's Restaurants, Inc. announced the opening of its two newest restaurants in Chula Vista, California (in the San Diego market), and Newark, California (in the East Bay area just south of Oakland), on Monday, November 10, 2008.

The new BJ's in Chula Vista is located in the Chula Vista Center, a 900,000 square foot shopping mall south of downtown San Diego. The new restaurant is approximately 9,000 square feet and contains seating for approximately 280 guests. The new BJ's in Newark is located at 5699 Mowry Avenue across from the NewPark Regional Mall. The new restaurant is approximately 8,500 square feet and contains seating for approximately 270 guests. "We are excited to open two new BJ's restaurants on the same day in our 'home court' of California, where we enjoy strong brand awareness and overall sales volumes," commented Jerry Deitchle, Chairman and CEO. "Both new restaurants are located in mature, densely populated trade areas with proven levels of retail sales. Sales for our first day of operations in both restaurants were very strong. The opening of these two new restaurants represent our 14th and 15th new restaurants for the year, thereby achieving our stated goal to open as many as 15 new restaurants during fiscal 2008. As we noted in our press release on October 23, 2008, we currently anticipate that our growth in total restaurant operating weeks during fiscal 2009 will be in the approximate range of 15% to 18%. We anticipate completing our annual business planning cycle for 2009 during the next month or so, at which time we will announce the expected number and timing of new restaurant openings for the upcoming year and refine our expected

operating week growth target if necessary. The entire BJ's team is very excited to open additional BJ's restaurants next year and further increase our market share in the casual dining segment."

Source: BJ's Restaurants, Inc.

California Pizza Kitchen Opens in McCarran International Airport in Las Vegas, Nevada

California Pizza Kitchen, Inc. opened a new full-service location in McCarran International Airport in Las Vegas, Nevada. The new CPK restaurant, opened by franchise partner HMSHost Corporation, a world leader in travel dining and shopping, is located in the newly expanded Concourse D, which hosts sixteen different air carriers including Jet Blue, United and American Airlines. The menu at the McCarran International Airport CPK features a specialized selection of CPK's most popular pizzas, pastas, salads, soups, appetizers and desserts from the full-service restaurant menu, including the new Buffalo Chicken Pizza, Chicken Tequila Fettuccine, Original BBQ Chicken Chopped Salad, Spinach Artichoke Dip and Red Velvet Cake. A variety of sandwiches including the Pesto Chicken Salad Sandwich will be available along with a selection of beverages. In addition to the items from the full-service restaurant menus, the new CPK restaurant in McCarran will offer a full breakfast menu.

California Pizza Kitchen, Inc.,

Ordering Pizza Hut From Your Facebook Page? It's on the Way Fast-Food Chains Experiment With Takeout/Delivery Services Via Social Networks and iPhone Applications

A number of fast-food chains are reaching across the digital divide to get young consumers to order via Facebook or their iPhones. And they're building valuable databases of their customers in the process. Pizza Hut, which recently crossed the \$1 billion benchmark in online sales, is launching a Facebook application that allows fans to place orders without leaving their profiles. Although online ordering isn't new -- the chain has offered it in some form since 2001 -- Bob Kraut, VP-marketing communications at Pizza Hut, said the bulk of that \$1 billion in sales has come in the past 18 months. The chain is also launching text-ordering capabilities and e-gift cards, which can be purchased, exchanged and redeemed online. Pizza Hut's not alone: A number of the nation's biggest fast-food chains are beginning to embrace text and iPhone ordering capabilities, at least as tests. Already for the three months ending in August, food marketers sent almost 1.4 million text-message ads, up 37% from the same period last year, according to ComScore's M:Metrics data. Consumers seem to want the offers: of all the ad categories using SMS marketing, restaurants had the highest response rates, with 15.5% of consumers responding to the ads. Subway spokesman Les Winograd said some of the chain's franchisees have begun to offer ordering via text and iPhone apps. The chain has an unusually open policy that lets individual franchisees experiment with their businesses. "Some of that is stuff that they're doing on their own, but they share information," Mr. Winograd said. "We're constantly encouraging franchisees to think out of the box and try something new. You never know, it might take off." (He said adding turkey to the menu was a franchisee experiment in the chain's early days.) McDonald's experimented with text-message ordering in Chicago last summer, with signs encouraging consumers to text in their late-night orders. Spokeswoman Danya Proud said there were "some very good lessons from this campaign about how to execute future viral campaigns." Chipotle is developing an iPhone-ordering application to complement its existing web- and fax-ordering platforms. The chain also lets consumers pay online, place group orders and save ordering information for return visits. While shifting consumer behavior may be behind the move toward mobile ordering, it's also lucrative. According to Mr. Kraut, online buyers spend more. "It's a little more upscale demographic, and a lot of people use credit," he said. To attract those customers, Pizza Hut is launching a promotion with eMusic.com that gives customers 75 free downloads in exchange for buying a pizza online. The chain is hoping to boost awareness of its online ordering, up its cool factor and build its customer database.

Source: AdAge.com

It May Be All or Nothing. Some Restaurants Try All-You-Can-Eat as Last Chance to Stay in Business

Already fans of the fare at World Beat Café in Melbourne, William and Cathy Phillips were happy to learn the restaurant is now offering a \$7 all-you-can-eat buffet. "I'll take a look at it," William Phillips, a West Melbourne resident, said as they pondered their lunch order Friday. "I've never had anything here I didn't like." As the nation's fiscal woes continue to create indigestion for the restaurant sector, some establishments are starting to offer all-you-can-eat specials in hope of attracting customers. Asian restaurants have been featuring all-you-can-eat buffets for years, and they seem to have mastered the economics of setting out steaming dishes of lo mein, egg rolls and dozens of other items to attract customers, particularly for lunch. Other eateries now are trying to copy that success. Gino's Pizzeria and Subs Restaurant in Rockledge began a pizza buffet featuring cheese and pepperoni pizzas about eight weeks ago to help boost business. It's \$4.99 for lunch and \$6.99 for dinner. "I had two choices," said owner John Hogan. "I could either put up an 'all-you-can-eat' sign or a 'going-out-of-business' sign. If you can get the volume on it, it can work." Hogan said his overall business is down about 50 percent from last year but that the buffet has helped recoup some of those losses. Time will tell if it's going to be enough. "The last four months have been very, very bad," he said. As gas prices started to skyrocket earlier this year, restaurant operators around the nation found themselves paying more for ingredients and utilities just as consumers were having to pare their dining expenses in the face of escalating gas prices. While prices at the pump have plummeted in recent weeks, the nation's continuing economic struggles have meant consumers are spending even less and looking more and more for bargains. Buffets could help out, said Brian Wansink, a food psychologist and author of "Mindless Eating: Why We Eat More Than We Think." "It's a big option for the lower-cost food provider," Wansink said. Wansink, currently on temporary leave from his position as director as the Cornell University Food and Brand Lab, said all-you-can-eat buffets tend to give consumers more power in their eating experience. "You can get exactly what you want, the quantities you want and when you want it," Wansink said. "If what you want is instantaneous convenience, a wide variety and cost effectiveness, that's exactly what you're getting." Some restaurant experts say buffet menus can be cost effective for restaurants. There is less of a need for skilled wait staff and food can be prepared in quantity and served as needed. And Wansink noted while some restaurant goers may overindulge at the buffet, many diners often eat less than their fill. One of his studies showed people who eat off 10-inch plates, instead of typical 12-inch plates, actually consume less at buffets. That means less cost and less food waste. Furthermore, if people have a good experience at a lunch buffet, they're more likely to return to the restaurant for a more costly dinner meal, Wansink said. The World Beat Café's buffet, held Sunday through Friday, features soup, salad, pizza and pasta as well as a unique dish every day. Thursday it was chicken paella. Friday it was fish and chips. "We wanted to give people a good value because of what's happening in the economy," said Lori Tsamoutales, who operates the restaurant with her husband, James. "So far the feedback has been good," she said. All-you-can-eat buffets certainly aren't the answer for every restaurant. Cantina Dos Amigos in Indialantic for years offered a popular lunch buffet. When the restaurant reopened in May, following a fire four months earlier, Kim Salter the owner, decided to forgo the buffet because of the expenses involved.

Source: FLORIDA TODAY

Patrick Kaufmann Joins DDIFO Board of Directors

The DD Independent Franchise Owners Group, which represents the largest association of Dunkin' Donuts franchise owners in the U.S., is pleased to announce the addition of Professor Patrick Kaufmann to its Board of Directors, a Professor and Chair of Boston University's Marketing Department and renowned expert on Franchising. Kaufmann holds a BA in Economics from Georgetown University, a JD from Boston College Law School, an MBA from Wharton, and a Ph.D. in Marketing from Northwestern University. Professor Kaufmann is on the executive committee of the International Society of Franchising; he chaired the organization in 1992. He has also served as a member of the Education Committee of the International Franchise Association and is a member of the New England Franchise Network. Kaufmann

says, "I am delighted to be joining the DDIFO Board and to have the opportunity to work with the Dunkin' Donuts franchisees. I look forward to assisting the DDIFO Board in its efforts to help franchisees operate profitably in this difficult economic environment." Kevin McCarthy, the Chairman of the Board of the DDIFO, echoes Professor Kaufmann's comments, "We are delighted to have Professor Kaufmann join our Board. Pat's impressive professional background, combined with his collaborative and creative business style, makes for an excellent strategic fit with both the mission and franchisee membership of DDIFO".

Source: The DD Independent Franchise Owners Group



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Pizza Inn Opens New Restaurant in Durant, OK. New Operation Features Buffet, Delivery, Dine-In and Carryout Services

Pizza Inn Inc. announced the opening of a new buffet/delivery/carry-out restaurant in Durant, Oklahoma. The new unit is the seventh restaurant owned and operated by Mr. Allen Odetallah. The 3,500 square foot restaurant is located at 415 Westside Drive in Durant. This is the first franchise location to utilize the new décor and layout of the recently opened company-owned Pizza Inn prototype in Denton, Texas. "We are excited to see our new prototype gain traction with our existing franchisees," said Charlie Morrison, President and CEO of Pizza Inn. "We are confident Allen and his management team will bring Pizza Inn's legacy of freshness, quality and excellent guest service to the Durant area. "There is tremendous excitement throughout the community about Pizza Inn opening in Durant," said Allen Odetallah. "I look forward to continuing the Pizza Inn tradition of serving great tasting, made-from-scratch pizza for years to come."

Source: Pizza Inn Inc.

5 Guys Moves In with Quiet Sizzle. East Coast burger chain brings a cult following in Chicago opening

The popular eastern U.S. chain Five Guys Burgers and Fries moves to the Chicago area starting this week. The Oak Park eatery opened recently at 1115 Lake St. is the first of four local restaurants planned. A Lincoln Park outlet at 2140 N. Clybourn opens next month. Stores in Schaumburg and Orland Park are slated for early 2009 launches, and the Lorton, Va.-based chain is scouting other area locations. Having doubled in size last year, the fast-growing privately-owned business has about 350 restaurants nationwide, including about 40 that are corporate-owned. It's expanding by 150 restaurants this year, and by another 200 in 2009. Don't expect to see any advertising, a la Sonic, for the low-key chain. The company shuns advertising and relies on word of mouth and reviews to drive traffic, said spokeswoman Molly Catalano. Five Guys doesn't need to, said Darren Tristano, of Chicago-headquartered restaurant consultancy Technomic Inc. "They have a cultlike following," he said. "They've dominated on the East Coast. There's no reason to think they won't have the In-N-Out Burger impact here." Outside of photos included in press clippings that adorn the walls, there aren't even images of the food at the stores. Its menu is limited to hamburgers, hot dogs, fries, grilled cheese and vegetable sandwiches and Coca-Cola products. Meals cost about \$8 each. Customers can help themselves to free peanuts, and often toss the shells on the floor. Burgers are cooked to order and 17 possible toppings are offered.

Source: The Chicago Sun-Times

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



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