



September 30, 2008

Yum Brands Kicks off Annual Anti-Hunger Campaign

Louisville-based Yum Brands announced that it had kicked off its annual hunger relief effort, World Hunger Relief. The company also said it planned to make a major announcement, at the Clinton Global Initiative, about its ongoing commitment to world hunger relief. Singer Mariah Carey will be featured in the company's World Hunger Relief restaurant posters as Hunger Ambassador, and customers who donate to the campaign at KFC, Pizza Hut, Taco Bell, Long John Silver's or A&W Restaurants worldwide will receive a free download of her song, "Love Story" from the CD "E=MC2." During this year's campaign, Yum plans to create the equivalent of nearly \$50 million in awareness of the hunger issue through advertising, Web-based communications and restaurant posters. Muhammad Ali's wife, Lonnie Ali, will do the voiceover for the campaign's global television ads and public service announcements.

Global hunger now reaches nearly 1 billion people due to higher commodity prices, increased competition for products that produce energy, natural disasters and increasing demand from growing economies in Asia and South America. "Hunger is unacceptable," said David C. Novak, chairman and CEO of Yum Brands, the parent company of KFC, Pizza Hut and Taco Bell. "As a society, we should not and cannot tolerate the fact that 850 million people are starving and go to bed hungry every day."

Source: Business First of Louisville

MAFSI Announces New Officers

President: David Wyllie, CFSP, MTC 301, Wyllie Marketing, Weymouth, MA. Vice-President: John Hoskinson, CPMR, CFSP, MTC 301, E. Ruff & Associates, Inc., Cincinnati, OH. Treasurer: Michael Turetzky, CPMR, CFSP, MTC 301, Chernoff Sales, Inc., Pompano Beach, FL. MAFSI Announces Industry Award Winners: The TONY AWARD, MAFSI's summit award, was presented to Ray Ward, Link2 Hospitality Solutions, Rochester, NY. The PACESETTER AWARD was presented to Peggy Bensinger, CPMR, CFSP, VQ&T, St. Louis, MO. The MARKET MOVER AWARD was presented to Jim Cullinane, CFSP, Vulcan-Hart Company. The SPECIAL RECOGNITION AWARD was presented to Michael Posternak, CPMR, MTC 401, Posternak Bauer Associates, Inc., Eastchester, NY. The BILL H. LOVELESS CHAPTER OF THE YEAR AWARD was presented to MAFSI Region 26 – Canada. Save the Date: 2009 MAFSI Annual Conference, September 23-25, 2009, Westin Harbour Castle, Toronto, Canada.

Source: MAFSI

Subway Goes To School

School kids as young as 11 could soon be ordering Subway specials like the "Meatball Marinara"--complete with 24 grams of fat and 560 calories--every weekday, as the American sandwich chain attempts to set up franchises in Scotland's schools. Subway is currently in talks with the local council of East

Renfrewshire, Scotland, to set up franchise outlets at up to six public schools. If successful, a pilot scheme could initially be launched, allowing kids to test out the experience of having big-brand fast food without leaving school grounds. A spokesman for East Renfrewshire council told Forbes.com that the council would look at buying a Subway franchise itself, at the cost of around \$185,700, and would hire and train employees. According to Subway, franchisees collect revenues directly and then give a percentage to the sandwich chain. One of Subway's managing directors in the West of Scotland, Wahid Sadiq, was unsurprisingly keen. He said that he already had plans for expansion, and opening chains in East Renfrewshire's schools would be a prelude to repeating the exercise across the whole region. Although public-private partnerships are not entirely new in Great Britain, this deal could come under fire from residents worried about their children's diet. Though it may be too early to worry about huge food courts at schools, featuring McDonald's or Burger King outlets, Subway may already be a step too far for parents concerned about their kids' exposure to fast food. But the Scottish government is eager to promote this deal as a good move for the health of school children. A government spokesman said that schools were now required to put health promotion "at the heart of their activities"; according to the council, this venture could also push Subway to adopt stringent health checks and provide more health-conscious food. Through a "cool brand" that provides a pretty salty, often fatty but always freshly prepared sandwich, the school authorities hoped to encourage image-conscious kids to stay at school during lunch, rather than head to the local burger joint.

Source: Forbes.com

Triarc and Wendy's Shareholders Approve Merger, Closing Expected by End of September

Triarc Companies, Inc., the parent company of Arby's Restaurant Group, Inc. which is the franchisor of the Arby's® restaurant system, and Wendy's International, Inc., announced that their respective shareholders have approved all proposals related to the pending merger. Upon consummation of the merger, the combined company will be called Wendy's/Arby's Group, Inc. and will trade under the symbol "WEN" on the New York Stock Exchange. Triarc and Wendy's® expect that the merger will be consummated by the end of September 2008. Under the merger agreement, Wendy's shareholders will receive 4.25 shares of Triarc's Class A common stock for each share of Wendy's common stock that they own. In addition, each outstanding share of Triarc Class B common stock, Series 1, will be converted into one share of Triarc Class A common stock, resulting in a post-merger company with a single class of common stock. Roland Smith, Chief Executive Officer of Triarc, said: "We are very pleased that the shareholders of both Triarc and Wendy's have approved the merger, and we look forward to working together with employees of both companies in setting a new course for Wendy's/Arby's Group. We believe our combination represents a major strategic opportunity to create significant long-term value for all of our stakeholders, and we are working on a comprehensive integration plan and organizational structure to support enhanced operating performance at both brands. We intend to share more detailed plans regarding the new company as soon as practicable after the transaction closes." Kerri Anderson, CEO and President of Wendy's, said: "We are committed to a seamless transition as the merger closes, working closely with the Triarc team. Wendy's has a strong foundation with outstanding employees and franchisees to help drive growth for the new company." Wendy's/Arby's Group will have a consolidated support center based in Atlanta, Georgia, which will oversee all public company responsibilities and shared service functions. The headquarters of the Wendy's brand will remain in Dublin, Ohio and the headquarters of the Arby's brand will remain in Atlanta, Georgia. Triarc stockholders also approved the re-election of all 11 current members of Triarc's Board of Directors. Regarding the pending board changes, Mr. Smith said: "We are delighted to welcome Janet Hill and Randy Lewis to our organization and look forward to working with them as we execute our post-merger business strategies. I would also like to thank Russ Umphenour for his board service. Russ has been a great contributor to the Triarc board and we all wish him well in the future."

Source: Triarc/Wendy's

AutoQuotes “Roadshow” Training

This fall, AutoQuotes will again hit the road, continuing a time-honored tradition of hands-on training seminars! Their partners at MAFSI, who sponsor & coordinate these events, are putting the finishing touches on the planning for this fall’s schedule. Training will consist of a basic AutoQuotes class in the morning and a more advanced class in the afternoon. Upcoming Dates: •Columbus, OH - Oct. 7; •Dallas, TX - Oct. 15; •Chicago, IL - Oct. 29; •New York, NY - Nov. 7 (a day before the IH/M&RS); •Los Angeles, CA - Dec. 3, and •Orlando, FL - Feb. 4 (a day before the NAFEM show).

Source: AutoQuotes



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Duke Manufacturing Europe Opens Call Center and Service Support

Duke Manufacturing Company CR, s.r.o., a division of Duke Manufacturing Company. Has announced the successful opening of its Central European facility in Stechovice, Czech Republic, Duke Manufacturing Company has transformed itself from US based company to a well-regarded European based food service equipment manufacturing and support Services Company with service network around Europe. We undertook this important step to enable us to concentrate our resources on what we do best: “Supporting development of Subway franchisee systems in Europe”. According to Duke in Europe, there are two core beliefs that their customers count on from us. First, we believe strongly in the character and integrity of the company, and second, its strong commitment to supporting all members of Subway Franchising Organizations, System Coordinators, District Managers and Franchisee’s through the Duke Manufacturing Company CR organizational support. All of Duke Manufacturing Company CR shares a common mission: “We are Your Solutions Partner.”

Source: Duke Manufacturing, CR. s.r.o.

Local Restaurateurs Launching Expansions

Three small local restaurant chains will expand during the next 12 months — and two of them plan to add franchising programs. They include: • George Ibarra’s 8-year-old, family-run Habaneros Mexican Grill restaurant, which will open a sixth and seventh location in Lake Mary and San Juan, Puerto Rico. They will debut a new interior design he plans to use to launch a franchising program. Ibarra’s restaurants, which each typically range from 3,200-5,000 square feet, totaled nearly \$1 million in revenue last year. Habaneros generally hires 33 people to staff a new restaurant. Ibarra, who owns restaurants in Orlando, Longwood, Casselberry, Leesburg and Apopka, expects to open the Lake Mary location by early next year. Despite the fact that his restaurant sales are down by 10-20 percent due to the slow economy, Ibarra said now is the best time to expand. “There are opportunities with a lot of restaurants going out of business,” said Ibarra, 35, adding that he may be interested in picking up property abandoned by other chains. “It can only get better.” He also will add a franchising program within the next 18 months. • Keller’s Real Smoked Bar-B-Q — which pulled in about \$2 million in revenue last year — will add a fourth, and possibly a fifth, location by year’s end, most likely in the Sarasota market. In addition, it’s in the last stages of finalizing its

franchising package, said owner Todd Keller, who launched his first Lake Mary restaurant in 1998, and now is ready to grow his reach beyond Central Florida. Franchise fees are set for about \$35,000, with royalties at about 7 percent. The existing eateries each have 15 employees, about 75 seats and are 1,600 square feet, but Keller would like to see franchised locations at 2,000-3,500 square feet. • Jerrod's Black Angus Steak House, which has 70 workers per location, will expand from two to 15 locations in Central Florida during the next several years. The first location opened nine years ago on International Drive, but now it's focused on growing in Orlando's local neighborhoods that lack an inexpensive, quality steak house, said co-owner Steven Zlatkiss.

Source: Orlando Business Journal

Dunkin' Donuts Growth Plans Remain on Track, CEO Says, With 38 Area Stores, and Dozens More Planned

The struggling national economy hasn't disrupted Dunkin' Donuts expansion plans in Western New York, the top executive of its parent company says. "We're actually ahead of plan," said Jon Luther, chairman and chief executive officer of Massachusetts based Dunkin' Brands and a Buffalo area native. "We're moving quickly. We're obviously seizing opportunities in real estate [for stores]." Luther visited Canisius College on Thursday to talk about how Dunkin' Donuts and Baskin-Robbins, another Dunkin' Brands company, have made sweeping changes in their brands. Through its franchisees, Dunkin' Donuts has grown its Western New York presence to 38 stores, and an additional two dozen or so stores are expected to open within the next couple of years. "Our franchisee networks have all worked together to create a very good operating team and marketing team," Luther said. "We're very, very sort of buoyed by our early results, knowing that we have some work to do and some more growth in front of us." One of Dunkin' Donuts rivals, Krispy Kreme, has disappeared from the Buffalo market, with the closing of its final area store. But the market remains competitive remains with chains such as Tim Hortons, which continues to add locations and battle for coffee and doughnut lovers' dollars. Asked how Buffalo stacks up to other Dunkin' Donuts markets around the country, Luther placed Buffalo in the middle of the company's second tier, which he said also includes markets such as Pittsburgh, Albany, Rochester and Syracuse. The first tier includes places like New York City, Boston, Hartford and South Florida. Luther called the second-tier markets "very important." "When you fight in the big markets, you've got 10 competitors. Sometimes you go into these second-tier markets, as we like to call them, there's a lot more chance for us to win." Those markets also offer advantages in advertising and real estate costs and the labor market, he said. "And they generate as strong sales per store as many of our first-tier markets," Luther said. Dunkin' Donuts continues to grow both in the United States and internationally, with nearly 14,000 points of distribution. But the Kenmore East High School graduate said he maintains an affinity for his hometown, the way the late Tim Russert did. "I've got the world to look at for Dunkin', but I pay a lot of attention to Buffalo," Luther said.

Source: The Buffalo News

Burger King Corp. Encourages Voters to Exercise Their HAVE IT YOUR WAY® Right to Vote

Burger King Corp. announced a national campaign that urges restaurant guests to make their political opinions – whatever they may be – heard just as freely as they do their orders at BURGER KING® restaurants. The advertisement features a fast-paced montage of real drive-thru restaurant guests in the act of exercising their HAVE IT YOUR WAY® right when placing their customized food orders at the drive-through window. BURGER KING® restaurant guests are never afraid to ask for what they want, and Burger King Corp. encourages all Americans to make their voices heard by voting in the presidential election on Nov. 4. "At its core, the BURGER KING® brand promise is all about empowerment and choice, and there is no better time than a national election to reinforce the importance of exercising the ultimate choice – the right to vote," said Brian Gies, vice president of marketing impact, Burger King Corp. "We know our customers have a voice; we hear it every day. We're simply encouraging them to use that voice at the polls on Nov. 4." On Sept. 24, Burger King Corp. will also launch interactive Facebook and MySpace applications that not only allow users of the social networking sites to showcase their own

political opinions, but also compare their views on the big issues to those of their friends in an engaging way. After completing a short, lively survey, the BK® “Poll-A-Rizer” calculates and charts the results to show where consumers and their friends fall on the political spectrum. Once views are shared, friends can have fun taking a look at who the Poll-A-Rizer says they might want to pick as “advisors” or debate as “opponents” during the final months of the election season.

Source: The Burger King Corporation



Smashburger Appoints Ryan McMonagle as Chief Financial Officer

Smashburger, a fast casual “better burger” concept recently launched by private equity and concept development firm Consumer Capital Partners (CCP), announced the appointment of Ryan McMonagle as Chief Financial Officer (CFO). McMonagle’s appointment further positions Smashburger for aggressive national expansion and complements the recent hire of Smashburger President, Scott Crane. Crane and McMonagle will provide the foundation of the executive management team and will build out the Smashburger leadership infrastructure in the near term to support the development of approximately 30-60 new Smashburger units across the country in the next twelve months. “Ryan makes a tremendous addition to an already strong leadership team put together by Scott Crane,” said David Prokupek, Managing Partner and Chief Investment Officer of CCP. “During his tenure with CCP, Ryan quickly became an invaluable resource and he will undoubtedly help drive significant returns on CCP’s investment in Smashburger. We look forward to continuing to work with Ryan as Smashburger brings a better burger to burger lovers around the country.” McMonagle was formerly Vice President, Private Equity at CCP, and was actively involved in the development of the Smashburger concept and the \$15 million round of funding that Smashburger received from CCP. McMonagle was an integral part of the team that identified the strategic opportunity in the “better burger” segment, which led to the formation of Smashburger. While at CCP, McMonagle also focused on restaurant and consumer investment opportunities. “One of the keys to Smashburger’s success is undoubtedly the caliber of talent we have on hand to execute on a plan that we know has significant potential,” said Scott Crane, President of Smashburger. “To that end, there is no higher caliber than Ryan. His insight and expertise have led us to the great success we have seen already, and he has the business acumen, skills and discipline as CFO to help Smashburger grow nationally.”

Source: Smashburger

Famous Dave’s Announces One Restaurant Closing, Other Impairments Updates 2008 Restaurant Opening Guidance

Famous Dave's of America, Inc. announced that it would close one of its 48 company-owned restaurants, in Chicago, and would incur non-cash charges associated with that closure. The company also announced that it would record non-cash impairment charges on two other locations, one in Chicago and one in Minneapolis, write off assets related to the recent acquisition of the Atlanta market from a franchisee and record remaining lease obligations on a location previously closed. The company expects that its actions could result in related non-cash charges and reserves of approximately \$4.1 million, or \$0.28 per diluted share on a year-to-date basis. This sum may be reduced by as much as \$600,000, pending the outcome of

negotiations for lease terminations due to the bankruptcy filing of a landlord on the location to close and on a location previously closed. "Anyone watching the headlines concerning our industry, food costs and other economic factors recognizes that this remains a very difficult operating environment," said Christopher O'Donnell, Famous Dave's president and chief executive officer. "We believe that it's important to recognize these realities while at the same time positioning the company to deliver strong financial results when conditions improve." The restaurant expected to close in Chicago, Illinois in mid-September, is the result of the company opening a new prototype restaurant within four miles of the existing restaurant, supporting the company's strategy to reposition legacy restaurants within a market when opportunities arise. Famous Dave's will recognize a net impact of approximately \$557,000 representing the disposal of assets and the recording of a reserve for remaining lease obligations, if negotiations for a lease termination are not successful. All managers will be relocated to the new restaurant, and many associates are being offered the opportunity to work at the new location or to relocate to another Famous Dave's restaurant within the market. The company will additionally record net impairment charges related to two locations, one in Chicago and one in Minneapolis, both of which are expected to remain operational through the end of their original lease terms, of approximately \$1.6 million, and will record remaining lease obligations of approximately \$217,000 on a location previously closed in 2006, if negotiations for a lease termination are not successful. Subsequent to the end of the second quarter, Famous Dave's acquired three franchise restaurants in Atlanta from a franchisee in exchange for amounts owed and deemed uncollectible. Based on the company's assessment of expected cash flows from those locations, a net impairment charge will be recorded for approximately \$1.7 million related to assets acquired. Over the next quarter, the company will continue to assess the long-term viability of these restaurants remaining operational and could engage in conversations with respective landlords regarding the potential buyout of remaining lease obligations.

Source: Famous Dave's of America, Inc.

Krispy Kreme Hopes to Heat up Sales with Ice Cream

Krispy Kreme's signature glazed doughnuts may be best hot, but its sales have been anything but in recent years. Now the chain is hoping that going cold — with its new soft-serve ice cream — will be the catalyst it needs.

The company has been trying to revive its sales for nearly three years, amid a health craze that made its glazed doughnuts an indulgence that many just couldn't stomach. Now industry watchers say Krispy Kreme Doughnuts' latest turnaround plan — which includes launching the new ice cream as well as opening smaller stores and expanding overseas — still may not be enough to help the chain climb out of its hole. "They're trying to reposition themselves as more of a treat concept" that offers consumers desserts and indulgences, said Bob Goldin, executive vice president at food industry research firm Technomic. But "it'll be hard to argue it's a growth business" given trends toward eating healthier, he said. The Winston-Salem, N.C.-based company replaced its chief executive with its chairman, James H. Morgan, in January to try to revitalize the management team. That followed years of losses as the company attempted to recover from allegations of mismanagement, bankruptcy filings of its franchisees and the resurgence of competitor Dunkin' Donuts. Krispy Kreme's stock price has reflected the turmoil, falling to an all-time low of \$2.23 earlier this year. The stock had been trading nearer to \$50 at the beginning of the decade. In the first half of the fiscal year that began in February, Krispy Kreme posted a profit of \$2.1 million after reporting a \$34.4 million loss a year earlier. But that gain was mainly due to a lack of one-time charges that had weighed down the prior year's results. Sales actually declined 8% for that period and same-store sales, or sales at stores open at least a year, dropped 6.5% in the six months ended Aug. 3. During the company's second-quarter earnings conference call, Morgan laid out his plans to regain the confidence of investors and analysts, who have largely dropped coverage of the company. Morgan said Krispy Kreme will begin opening smaller locations that are less expensive to build than its older "factory store" model that allowed consumers to watch the doughnuts being made. The company plans to open the first of those stores in North Carolina and Tennessee during this fiscal year. Spokesman Brian Little said the company is expecting the stores to perform well, particularly since it has used the model in its international locations and sales have been "very positive" there.

Internationally, the company has been expanding aggressively, adding 58 stores since February. More than half of its stores are now located outside the U.S. Another key part of the plan is the company's new Kool

Kreme soft serve, which will be featured with a toppings bar. The product is being tested in several stores around the country.

Source: The Associated Press

Buffalo Wild Wings, Inc. Announces Completion of Purchase of Nine Las Vegas Franchised Restaurants

Buffalo Wild Wings, Inc., announced the completion of the \$23 million asset acquisition of nine Buffalo Wild Wings® franchised restaurants in the Las Vegas, Nevada area. The transaction was funded with available cash and marketable securities. “We have completed the lengthy gaming license process and are very pleased to announce the long-awaited acquisition of the nine Las Vegas restaurants,” commented Sally Smith, President and Chief Executive Officer. “We have an experienced team on the ground in Las Vegas welcoming our new team members and actively implementing our transition plan to ensure a smooth conversion of these units to company-owned restaurants. We are excited to continue building the Buffalo Wild Wings brand in Nevada.” Average weekly sales for these restaurants, which includes net restaurant sales from food, beverage, and gaming, was approximately \$53,300 for the twelve months ending June 2008, compared to average weekly sales of \$54,900 during the similar period a year ago. Comparable units will be included in the calculation of same-store sales for company-owned restaurants in the fourth quarter of 2008. The Company expects the transaction to be neutral to earnings in the fourth quarter and accretive to earnings in 2009.

Source: Buffalo Wild Wings, Inc.

Pinkberry Names Michael Dixon Chief Financial Officer, Dixon Bolsters Emerging Company’s Top Executive Ranks

Pinkberry named Michael Dixon as Chief Financial Officer. Dixon is the most recent addition to Pinkberry’s new executive leadership team who were brought on over the past few months to work with CEO Ron Graves and the founders, Shelly Hwang and Young Lee, on initiatives aimed at strengthening and advancing Pinkberry as the leader in the frozen yogurt market. Dixon joins Pinkberry after eight years with The Cheesecake Factory Incorporated, most recently as senior vice president and chief financial officer. Prior to that, Dixon held positions with The Walt Disney Company and Coopers & Lybrand. Dixon’s arrival adds to the frozen yogurt leader’s slate of senior appointments. The other new members of Pinkberry’s executive team include: Mark Friedman, vice president of business development and general counsel; Karen Kelley, vice president of store operations; Todd Putman, vice president of marketing; and Eric Snyder, vice president of people. “We are extremely pleased that these five remarkable individuals have joined our team,” said Ron Graves, chief executive officer of Pinkberry. “They each bring to Pinkberry significant accomplishments, experience and most importantly a passion for the business.” “We are excited to have such a talented group of people on-board who can help grow the concept that we conceived just three short years ago,” said Shelly Hwang, co-founder and chief product officer.

Source: Pinkberry



FAST Hires Strategic Account Directors for Midwest and Northeast Market

Food Automation – Service Techniques, Inc. (“FAST”), has recently added two new members to its strategic accounts team for the purpose of offering flexible innovation, constant support and rewarding results to customers. “FAST’s business model is successful when we build effective 1to1 working relationships with our customers”, said George Koether, FAST CEO. “Because we are deeply involved with appliance manufacturers and restaurant operators, it is essential that we locate sales leaders near to where our key customers are located.” Tim Wrenn [northeast] and Joseph Ferron [midwest] join a team of sales leaders that have a strong reputation for delivering long term value, customer satisfaction, and effective communications with FAST’s design, manufacturing and support teams. Before joining FAST earlier this year, Wrenn spent 25 years with Winchester Electronics in a number of sales and product marketing positions where he was a key participant in the delivery of solutions to OEMs that needed to add value to their product offerings. He has a strong insight into the electronics equipment industry and broad experience with computer, telecommunications, and test and measurement applications. Tim received his MBA from the University of New Haven and B.A. from Western Connecticut State University. He resides in Connecticut. Ferron spent 13 years in applications engineering, manufacturing engineering, sales engineering and national account management for 3M and Invensys Appliance Controls where he gained a deep understanding of electromechanical timers, A.C. synchronous motors, fluid and gas filtration products and other systems used in appliance, HVAC and refrigeration applications. Joe received a BS in Electronics Engineering Technology from the University of Dayton. He is an active community member who volunteers in a number of charity organizations. He resides in the Chicago area.

Source: Food Automation - Service Techniques, Inc.

Starbucks to Introduce New Breakfast Sandwiches

Starbucks Corp. plans to introduce several new warm breakfast sandwiches next week, the company said. The sandwiches, called Piadini, will feature artisan bread and will be filled with either sausage, egg and cheese or portobello mushroom, spinach and ricotta cheese. "We're bringing something new to the category," said Michelle Gass, the company's senior vice president of marketing. Starbucks also is adding ovens to 800 more stores. The ovens are currently in about 3,000 locations. Gass said that over time, ovens will be in 90 percent of the stores. The company recently changed the kind of cheese it was using in its warm breakfast sandwiches to neutralize the cooking smell, which it found interfered with the coffee aroma at its restaurants. Starbucks added several new breakfast items earlier this month, including oatmeal, apple bran muffins and multigrain rolls. Gass said the oatmeal in particular has been extremely successful. Spokeswoman Lisa Passe said new lunch items will be launched in the next six to eight months.

Source: Starbucks Corp.

Chipotle May Spice Up Prices

Hungry diners craving a Chipotle burrito may soon have to fork over a bit more cash. Denver-based Chipotle Mexican Grill Inc. is considering raising its prices to combat high food costs, the company said Friday as it warned investors that the weak economy has hurt its third-quarter results. Its shares dropped more than 20 percent. Higher ingredient costs have been plaguing many restaurant chains that are also suffering from declining sales in the tough economy. Chipotle said it was "working on national pricing plans" for the fourth quarter and would release details when it reports its third quarter financial results in October. The company also said it now expects its third-quarter profit to be lower than a year ago, when it earned 62 cents per share. Chipotle also said same-store sales, or sales at locations open at least a year, will increase by the low single-digits for the quarter.

Source: The Denver Post

French Restaurants Hit by Economic Gloom

3,000 restaurants in France have gone bust in first quarter of this year alone and the number of restaurants going bankrupt rose 25 percent over last year. Restaurant and bar owners are experiencing fewer international tourists visiting France. The global economic downturn is taking its toll on gastronomic traditions in France where 3,000 eateries are reported to have gone bust in the first quarter of this year alone. Unions in the country, which is like many suffering from a sluggish economy, are predicting many more closures of restaurants, bars and cafes as diners worry about paying the bills. Le Figaro newspaper reported that the number of restaurants going bankrupt increased by 25 percent compared to last year, while 56 percent more cafes were forced to close in the same period. Instead of their usual steaks diners are increasingly choosing cheaper beefburgers, with restaurant chain Hippopotamus reporting a three-fold rise in sales of "steak haches" compared to last year. Le Figaro's restaurant critic François Simon said French consumers' frugality was changing habits and pushing restaurant owners to the edge. Perhaps heeding the plea of President Nicolas Sarkozy, who came to power last year urging the French to curb their long lunches, diners are now avoiding aperitifs and starters, even drinking tap water instead of wine. Daniele Deval, vice president of the UMIH restaurant and hotel union, told The Guardian: "We're very worried. Since the start of the year, the number of restaurant customers has dropped on average 20 percent and we're seeing no signs of improvement." Jean Guillaume, owner of Le Bouquet brasserie on Boulevard Haussmann in Paris's chic 8th arrondissement, added: "Lunch customers used to order a main course, dessert, coffee and a bottle of wine. Now they're limiting themselves to a main course, tap water, and giving up the rest. "Of 75 customers in this lunchtime, none had a bottle of wine ... It's the end of a tradition of lunching out and it looks like figures will stay this low for two to three years." Restaurant and bar owners are also reflecting on a poor summer with fewer international tourists visiting the country partly due to the strong euro.

Source: CNN.com

California Pizza Kitchen Location Opens in Guam

California Pizza Kitchen, Inc. opened a full-service location in Guam. The new restaurant, another opened by CPK franchise partner WDI Corporation, is located in the heart of Tumon Bay, a popular tourist destination. The new CPK restaurant seats approximately 196 people and is located at the Holiday Resort & Spa Guam. Easily accessible from Pale San Vitores Road, the new 5,000 square foot restaurant is tastefully decorated with warm colors and rich textures. The restaurant will open Sunday through Thursday from 11:00 a.m. to 10:00 p.m., Friday and Saturday from 11:00 a.m. to 11:00 p.m. Guests can dine-in or place a take-out order by calling (671) 647-4888. The open-exhibition kitchen takes center stage where guests can watch as all of California Pizza Kitchen's innovative dishes are prepared. The menu features a wide variety of innovative items including everything from the Avocado Club Eggrolls and Thai Chicken Pizza to Kung Pao Spaghetti and the popular BBQ Chicken Chopped Salad. A special menu is also available for children 12 and under. There are currently 25 restaurants located internationally in China, Japan, Philippines, Malaysia, Singapore, Mexico, South Korea, Guam and Indonesia.

Source: California Pizza Kitchen, Inc.

McDonald's Hikes Dividend 33%

The board of directors of McDonald's Corp. has declared a quarterly cash dividend of 50c per share on the common stock payable Dec. 15 to shareholders on record as of Dec. 1. The dividend represents a 33% increase and a quarterly dividend payout of more than \$550 million. "Today's substantial dividend increase is yet another indication of the strength and momentum of our global business," said Jim Skinner, chief executive officer. "By focusing on our customers and staying disciplined in our execution, we continue to drive sales, profits and ultimately cash provided by operations, which increased by more than \$700 million

in the first half of this year. We are confident in our ability to invest in key growth opportunities and maintain a strong credit rating even as we return a significant amount of cash to shareholders." McDonald's has returned \$5.1 billion year-to-date in 2008 and \$5.7 billion in 2007 to shareholders through dividends and share repurchases.

Source: Foodbusinessnews.net



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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