



June 14, 2010

Denny's Appoints Debra Smithart-Oglesby Interim CEO

Denny's Corporation announced that Debra Smithart-Oglesby, Denny's Board Chair, has been appointed Interim Chief Executive Officer (CEO), succeeding Nelson Marchioli. Ms. Smithart-Oglesby will serve as CEO until the Company completes the process of hiring a permanent CEO. Ms. Smithart-Oglesby stated, "I am a passionate believer in the Denny's brand and I welcome the opportunity to assume this interim role at an important juncture in the Company's history. As the Company nears completion of its transition to a franchise-oriented business model, we have been planning for a transition in leadership. Today's announcement will help accelerate that process and the Company's ability to attract best-in-class candidates for the position of CEO. I want to thank Nelson for his dedicated service to the Company and the Denny's brand; he has worked tirelessly on its behalf." Denny's also announced the formation of a strategic team to provide organizational focus on the Company's top priorities during this transition period, with particular emphasis on driving sales and guest counts and ensuring operational excellence across the system. This team will be led by Debra Smithart-Oglesby and will consist of Mark Wolfinger, Denny's Chief Financial Officer and Chief Administrative Officer, Bill Cox, a large Denny's franchisee of 16 years, with over 30 years of experience in the restaurant industry including senior operating roles at multiple restaurant concepts, and Bob Langford, a large Denny's franchisee of 10 years, with over 30 years of experience in the restaurant industry including senior leadership roles at a number of concepts. Mr. Cox will provide support related to operations until the position of Chief Operating Officer is filled and Mr. Langford will continue to provide support related to marketing until the position of Chief Marketing Officer is filled. The search process for both positions is in an advanced stage. Ms. Smithart-Oglesby concluded, "We are fortunate to have a deep and talented team of experienced restaurant professionals at the Company and within the Denny's family. Our team is intensely focused on driving sustained improvement in our results in order to maximize stockholder value. We look forward to bringing a renewed sense of energy and passion to our work to achieve the full potential of this great brand."

Source: Denny's Corporation

Pollo Tropical® Announces Expanded International Franchising Efforts

Miami-based Pollo Tropical®, a subsidiary of Carrols Restaurant Group, Inc., is planning to expand its unique restaurant concept to the Caribbean and Central and South America by franchising new locations in a number of countries. Pollo Tropical owns and operates 91 locations in the United States and has had longstanding franchised restaurants in Puerto Rico and Ecuador. In the last two years, the company has opened franchised locations in Honduras, Trinidad and the Bahamas and has entered into a development agreement for locations in Panama as well. The international franchising expansion effort is being led by Marc Mushkin, Pollo Tropical's Senior Vice President of International Development. According to Mr. Mushkin, the brand is seeking seasoned franchise candidates with experience in the hospitality industry to enter into multiple-unit agreements. Targeted franchise territories in the Western Hemisphere include Brazil, Chile, Colombia, Costa Rica, El Salvador, Mexico and the Caribbean, including the Dominican

Republic, St. Thomas, St. Martin, Martinique, Barbados, St. Kitts, Nevis, St. Lucia and the Netherlands Antilles, among others. Looking north, the Company is also setting its sights on Canada - as the country ranked #1 in foreign tourists who visit Miami, according to the Greater Miami Chamber of Commerce. "Pollo Tropical's Caribbean-inspired menu, featuring its signature citrus-marinated grilled chicken and many other freshly made items, is appealing to today's health-conscious consumer. The brand's outstanding unit economics and differentiated food offerings make it a great addition to operators of others brands interested in diversifying their businesses," said Mr. Mushkin. "There are nearly 50 delicious items to choose from on the Pollo Tropical menu which feature healthful, fresh ingredients and many made-from-scratch dishes," he continued. The first Pollo Tropical opened in 1988 in Miami. Over the years, the brand expanded its Company operations throughout Florida and has recently branched out to the northeast including locations in New York, New Jersey and Connecticut. "Pollo Tropical prides itself on fresh, homemade, flavorful food that is known as an incredible value," said Mr. Mushkin. "This is a brand perfectly positioned for today's and tomorrow's consumer."

Source: Pollo Tropical®

Bar Louie Sold to Boston Market Owner. Bar Louie Restaurants Has a New Private-Equity Owner.

Florida-based Sun Capital Partners Inc. announced it acquired the 36-restaurant chain launched in Chicago in 1991. Terms of the purchase from Restaurants-America were not disclosed. Bar Louie was the flagship of Chicago restaurateur Roger Greenfield, a principal of Restaurants America. Mr. Greenfield's three decades long career on the local dining scene has included busts such as Coyote Grill and the Dixie Bar & Grill. Bar Louie was one of his most successful concepts. He could not immediately be reached for comment. "We look forward to working with management on strengthening its current market position and further differentiate the chain in the casual to upscale market segment while staying true to the brand," Anthony Polazzi, principal at Sun Capital Partners, said in a statement. "Given the current market environment, this is also an opportune time to seek out opportunities to grow the chain and take the concept to new locations." There are six Bar Louie restaurants in the Chicago area. Sun Capital's restaurants include Boston Market, Bruegger's, Captain D's, Fazoli's Restaurants, Friendly's, Garden Fresh, Restaurants Unlimited, Smokey Bones Barbeque and Grill and Souper Salad.

Source: Crain's Chicago Business

McDonald's Targets Emerging Markets with Restaurant Openings

McDonald's Corp. plans to open 100 more restaurants in South Africa and 120 in India over the next five years as the company seeks out further growth in emerging markets. The Asia-Pacific, Middle East and Africa area contributes about 14 percent to the company's operating income, compared with less than 8 percent five years ago, Tim Fenton, McDonald's president for the region, said in an interview. China, which attained 1,000 McDonald's restaurants faster than any other country outside of the U.S., according to Fenton, is the main focus for investment in the region. McDonald's plans to have 2,000 outlets there by 2013, he said. "It took us 19 years to get to a 1,000 restaurants in China," Fenton said. "We will hit the second thousand in four years." McDonald's has the "critical mass" in China now for it to grow at 15 percent "new store growth" for the next four years, he said. India and South Africa are two other countries that have achieved the necessary critical mass for the Oak Brook, Illinois-based company to take advantage of economies of scale, and supply chain to grow faster, Fenton said.
Bloomberg/Businessweek

KFC to Give Away Free Big Crunch Boxes

In honor of the launch of its new global advertising tagline, "So Good," the world's largest chicken chain plans to give away free food to 100 customers in each of 50 states on June 17. Louisville-based KFC is asking customers who want a restaurant in their city to give away free food to nominate that city in a

posting on one of KFC's social-media pages on Facebook, Twitter or MySpace. Or, they may make nominations via e-mail to sogood@kfc.com. KFC plans to review all the submissions and select at least one restaurant in each state where 100 customers will receive free \$5 Big Crunch Boxes on June 17. The box features three Extra Crispy Strips, a biscuit and medium drink. On June 14, KFC plans to distribute a secret password through all its social-media channels that can be used to get a free lunch at the selected restaurants. "There's no better way to unveil our new global tagline than rewarding some of the millions of KFC fans who connect to us through social media," said Javier Benito, executive vice president of marketing and food innovation for KFC, in a news release. The "So Good" tagline is the first-ever global ad campaign in the 70-year history of KFC, the release said.

Source: Business First of Louisville

Burgers in Vietnam? CKE is Banking on It

CKE Restaurants Inc. opened its first Carl's Jr. restaurant in Ho Chi Minh City, Vietnam, this week. This marks the first of at least 25 Carl's Jr. units to be opened in Vietnam over the next six years and is the first major Western quick-service hamburger chain to open in the market. The restaurants in Vietnam will be operated by Mesa Asia Pacific Trading Services Company Limited, whose parent is a successful holding company specializing in consumer goods distribution, restaurant operations, media, and real estate development. CKE's entry into the Vietnam market is part of a strategic plan to accelerate franchise development in international markets and grow the system as a whole. The 25-restaurant development deal is part of a greater development plan that CKE Restaurants has for Asia. In addition to existing operations in China, Singapore, Malaysia, American Samoa, and Vietnam, CKE plans to enter Indonesia later this year after signing a commitment agreement with PT Fortune Foods Limited to open 25 Carl's Jr. restaurants in Jakarta, Indonesia. CKE continues to expand its presence in the region and is actively seeking new franchisees. "We are very pleased to welcome Mesa Group Inc. as a part of the CKE team. The strength of our brand matched with Mesa's expertise and knowledge of the Vietnamese market gives us confidence that we will have a bright future in the market," says Andrew F. Puzder, CEO of CKE Restaurants Inc. "The growth in the Vietnamese consumer market is truly remarkable and we wanted to take this opportunity along with the Mesa Group to employ a 'first-mover' strategy in our segment. In this regard, we are happy to introduce real, American-style charbroiled burgers to the market. "We are very excited to launch Carl's Jr. in Vietnam with our great partner CKE Restaurants. We are determined to make Carl's Jr. the leading QSR brand in Vietnam by providing premium, high-quality menu items, premium facilities, and exceptional customer service," says Ms. Luu Tuyet Mai, CEO of Mesa Group. "We have aggressive growth plans for Vietnam, and plan to bring Carl's Jr. to major cities over the next few years. We hope to make Carl's Jr. the destination of choice for hungry Vietnamese consumers." CKE franchises 342 international restaurants between both its Carl's Jr. and Hardee's brands. The company has strategic development plans to double its international presence within the next five years.

Source: QSR

Smashburger Hires John Harris as Senior VP of Marketing. Marketing Veteran Joins "Better Burger" Restaurant Chain to Guide the Smashburger Brand

Smashburger has appointed John Harris as Senior Vice President of Marketing. As the company grows at a rapid rate, having sold franchise and joint venture agreements to open more than 350 locations over the next five years, Harris will play an integral role in guiding Smashburger as it becomes one of the great American brands. As an industry-leading integrated marketer, he has launched, grown and optimized some of the most renowned consumer brands across all media platforms, including advertising, promotions, public relations, social media and digital marketing. Harris has 20 years of experience in leading brand strategy and marketing communications for restaurant, beverage and packaged goods companies on a local, national and global level. Previously, Harris served as President of TBWA's Karsh/Hagan Advertising in Denver, developing marketing campaigns for McDonald's, Fresh Gourmet, American Crew and TD Ameritrade. "John's industry knowledge will support Smashburger's exponential growth and our goal of

becoming every city's favorite place for burgers," says Smashburger Chairman and CEO David Prokupek. "Our fast-casual concept and delicious menu items are truly resonating with our customers. John's expertise will continue to build our brand as we spread our concept across the country through traditional marketing initiatives as well as nontraditional methods such as social media and mobile technologies. "Smashburger is a relatively young restaurant, but is growing at an accelerated rate," says Smashburger Senior VP of Marketing John Harris. "I look forward to providing guidance and strategic direction for Smashburger as we mature and become one of America's favorite new brands."

Source: Smashburger



Oak Hill Capital Partners Closes Dave & Buster's Acquisition

Dave & Buster's, Inc. announced that Oak Hill Capital Partners, in partnership with the company's management team, has completed its previously announced acquisition of Dave & Buster's from Wellspring Capital Management, LLC. In connection with the closing of the acquisition by Oak Hill Capital Partners, Dave & Buster's closed its previously announced \$200 million issuance of 11% Senior Notes due 2018 and its new senior secured credit facility consisting of a \$150 million term loan and a \$50 million revolving credit facility.

Source: Dave & Buster's, Inc.

Del Frisco's Restaurant Group Names Edie Ames as New Chief Operating Officer

The award-winning Del Frisco's Restaurant Group, parent company to Del Frisco's Double Eagle Steak House and Sullivan's Steakhouse, welcomes Edie Ames as the new Chief Operating Officer, announced Mark S. Mednansky, Del Frisco's Restaurant Group Chief Executive Officer. Ames brings more than 30 years of restaurant industry experience to her new role as COO. Previously, she served as the President for Morton's The Steakhouse, where she successfully led a global staff of more than 4,500 employees. Prior to her role at Morton's, Ames held the positions of Regional Director of Operations and Regional Vice President of Operations and Training for California Pizza Kitchen.

"We are thrilled to welcome such an extraordinary talent to the Del Frisco's Group family. Edie brings a storied history of success, wealth of industry knowledge and a passion for taking exceptional care of both employees and guests," said Mednansky. "We are staged for future growth to add to our 20 Sullivan's and eight Del Frisco's locations nationwide. The addition of Edie will be a tremendous asset as we continue to successfully grow our award winning brands." As Chief Operating Officer for the Del Frisco's Restaurant Group, Ames will be responsible for providing engaged leadership for both the Del Frisco's Double Eagle Steak House and Sullivan's Steakhouse brands, while closely working alongside the Chief Executive, Executive Management Team, and the entire DFRG team. Ames is key in directing the company toward achieving its primary organizational objectives. Ames said: "Del Frisco's and Sullivan's have long been known for delivering the finest quality and genuine hospitality. I am truly honored to be working with Mark and the entire team to continue to grow these amazing brands."

Source: Del Frisco's Restaurant Group

Starbucks Adapts to Local Palates in Growth Quest

Coffee chain Starbucks Corp is changing its ways in France and trying to adapt to the local palate as it tries to break with past losses. The group's French outlets have recently started to offer well-known local fare like the "cafe gourmand" -- a single shot of espresso served with three delicate pastries including a mango macaroon. It is a far cry from the 12-ounce cups of American coffee and chunky muffins that made Starbucks a worldwide brand, but after years of losses in France the \$20 billion group is having to make concessions to the local cafe culture. Achieving international success in markets like continental Europe and Asia is seen as crucial for Starbucks as it seeks to drive growth outside a saturated home market. "We in France don't drink coffee all day long and flavored coffee is not in our culture," said Bernard Boutboul, head of food retail consultancy Gira Conseil. Starbucks needed to "Gallicise" its menu if it wanted to succeed in France, Boutboul said. Other typically American brands have taken similar steps. Domino's Pizza Inc. for instance sells special pizzas such as the Savoyarde, smothered in fragrant Reblochon cheese from the Haute-Savoie region in the French Alps, while McDonald's Corp. has offered toasted ham and cheese "croque monsieur" sandwiches. "Starbucks is going more local," said Ilaria Guandalini, an analyst with consultancy Planet Retail. "They want to trial outlets that are more inspired by the neighborhood where they are located." Starbucks' newest store in the southern city of Marseille, which opened earlier this month, has even preserved the local style of architecture and interior decoration. "It's true that we seek to respond as best we can to consumer wishes in all of our markets, France especially," said Starbucks France head Philippe Sanchez. He said new menu items in France were a sign of development rather than a "correction." Untapped Demand: Starbucks has just 54 stores in France and annual sales of around 55 million euros (\$67.5 million). The operation has lost money on a yearly basis since 2004 but turned its first quarterly profit in the last three months of 2009. Analysts say continental Europe is a key area of untapped demand for Starbucks. Sanchez said the French unit's recent profit was proof of strong demand and said he aimed to open stores at a rate of one a month in 2011 after a planned six openings in 2010. Gira Conseil's Boutboul was more skeptical. He said the swing to profit was more likely due to Starbucks taking full control of its French unit last September, when it bought out 50 percent equity partner Grupo Vips for an undisclosed sum. Full ownership will have immediately lightened the load of royalty payments the subsidiary had been paying to the Starbucks group as a licensed entity, which along with pricey rental agreements had been crippling profitability, said Boutboul. Starbucks' Sanchez declined to comment on "internal accounting," but said the French unit had not differed from other license-model businesses that paid royalties. Regardless of doubts over past performance, international markets like Europe and Asia are seen as crucial levers of Starbucks' future growth that it cannot afford to do without. "The international side of the Starbucks business is really the growth engine over the next decade," said one New York-based analyst. "In order for this company to double or triple in size the international markets are really important."

Source: Edmonton Journal/Canwest News Service

Gucci's Dubai Hotel Will be First of 40 Worldwide

Luxury hotelier Elisabetta Gucci is planning to open 40 hotels in the next 15 years in the Middle East, Far East and South America, an executive told the Reuters Global Luxury Summit this week. The hotelier expects to open its first hotel in Dubai at the end of this year, the executive said. The Elisabetta Gucci Hotel in the Media City is expected to have 80 suites, two penthouses and one "royal" suite and expects to offer the ultimate in hospitality. Part of the attraction will be a unique club, exclusive dining facilities and a fantastic roof-top lounge bar. Guests will also enjoy exclusive limousine service, the hotelier said. Elisabetta Gucci is the daughter of fashion designer Paolo Gucci. She is the fourth generation of the famous Florentine dynasty. The decision by Elisabetta Gucci to develop a hospitality business follows the international trend to bring well known Italian names into the hospitality industry, the company said. "She realised that she is probably one of very few who have the cultural background and experience to express her family heritage through the creation of an ambiente representing true Italian luxury and lifestyle," the hotelier said. "All this thanks to her cooperation with Formitalia Luxury Group in creating exclusive

interiors, furniture and art." After Elisabetta Gucci's experience in the family company, in 1995 she started working in Formitalia Luxury Group near Florence. In recent years Elisabetta Gucci has dedicated more time to her role as Formitalia Luxury Group artistic director, and she has followed the opening of the luxury furniture showrooms and accessory boutiques around the world.

Source: gulfnnews.ehotelier.com

Logan's Roadhouse Parent to File IPO

LRI Holdings, the restaurant company that owns the Logan's Roadhouse chain, filed for an initial public offering recently. LRI did not disclose the number or anticipated price range of shares in its filing with the Securities and Exchange Commission. But the company said the maximum total offering price is \$200 million, although that may change. The bar & grill chain, with 211 locations mostly in the Southeast and Southwest, is headquartered in Nashville, Tenn. It opened in 1991 and was once part of Cracker Barrel Old Country Store Inc. It was sold in late 2006 to a group of private equity investors. Those investors, Bruckmann, Rosser, Sherrill & Co., Black Canyon Capital LLC and Canyon Capital Advisors LLC, may sell shares in the deal. The company won't receive money from the sale of their shares. The regulatory filing didn't disclose how much of the company the private equity firms will own after the IPO, but said they will have controlling interest in the publicly traded company and have seats on the board. Through the first three quarters of its current fiscal year, LRI Holdings Inc. reported net income of \$6.2 million, or \$6.39 per share. That compares with a loss of \$10.7 million, or \$11.06 per share, during the same period last year. Revenue rose 3 percent to \$414.5 million. The restaurant posted net losses during the previous two fiscal years. LRI said it will use money raised from the IPO to pay debt and to redeem outstanding preferred stock. LRI plans to list its shares on the Nasdaq Global Market under the symbol "LGNS." Credit Suisse Securities LLC is serving as an underwriter for the deal.

Source: The Associated Press



NexCen Brands Announces Opening of First Marble Slab Creamery® in Mexico

NexCen Brands, Inc. announced the opening of the first Marble Slab Creamery® store in Mexico. The store opened at the Galerias Guadalajara, a premiere shopping center in Mexico with 220 retail stores. The store opened under an existing master franchise agreement with Julian Reyez-Cuevas that calls for the development of 35 Marble Slab Creamery franchised stores in Mexico over a 20-year term. Kenneth J. Hall, Chief Executive Officer of NexCen Brands, Inc., stated, "We are delighted with the entry of Marble Slab Creamery into Mexico through this first franchised store. This marks our fourth franchised brand in Mexico and continues the international expansion of NexCen's franchised brands." Chris Dull, President of NexCen Franchise Management, Inc. stated, "We are pleased to be working closely with this master developer to establish the Marble Slab Creamery brand in Mexico. We believe that Galerias Guadalajara is a great location to introduce this franchised brand to consumers in this market."

Source: Marble Slab Creamery®

Diversified Restaurant Holdings Expands Board of Directors

Diversified Restaurant Holdings, Inc., the owner/operator and franchisor of the unique, full-service, ultra-casual restaurant and bar, Bagger Dave's Legendary Burgers & Fries®, and a leading franchisee for Buffalo Wild Wings®, announced that Bill McClintock and Joseph M. Nowicki were elected new members of the Company's Board of Directors at its June 3, 2010 Annual Meeting of Shareholders. Mr. Nowicki will serve as a member of the Audit Committee as well. Shareholders also re-elected the current members of the Board of Directors and approved an increase in the number of board seats, from five to seven. Michael Ansley, Chairman, President, and Chief Executive Officer of DRH, commented "Bill McClintock and Joe Nowicki, both independent directors, are outstanding additions to our Board and we will benefit greatly from the experience they bring to DRH. Bill's background in franchise development will be invaluable as we establish the franchising operations for our Bagger Dave's® concept and expand our Buffalo Wild Wings operations. Joe's experience in public company finances and capital markets will offer wise counsel to our management team. I look forward to working with our expanded Board as we pursue our growth strategies for both Bagger Dave's and Buffalo Wild Wings." Mr. McClintock brings 24 years of experience to DRH. Since November 2008, he has served as Senior Vice President of Development at McAlister's Franchise Corporation, an operator and franchisor of quick-casual restaurants in more than 20 states, where he is responsible for all aspects of franchise sales, real estate, and construction. Mr. Nowicki is Chief Financial Officer of Spartan Motors, Inc., a publicly-traded manufacturer of specialty vehicles, and is responsible for its finance, human resources, and information systems functions.

Source: Diversified Restaurant Holdings

O'Charley's Inc. Announces Resignation of Chief Executive Officer

O'Charley's Inc. announced that Jeffrey D. Warne has resigned as President and Chief Executive Officer and as a member of the Company's Board of Directors. Commencing today, Philip J. Hickey, the Company's Chairman of the Board, will serve as interim CEO until a permanent replacement is selected. O'Charley's concept," Mr. Hickey said. "We wish him all the best in the future." The Company's Board of Directors has initiated a nationwide search for Mr. Warne's replacement.

Source: O'Charley's Inc.

Denny's Franchisee Association Board Expresses Support for Leadership Transition

The Denny's Franchisee Association ("DFA") Board of Directors expressed recently its support for the leadership transition at Denny's Corporation and also noted its confidence in the transitional leadership team that was announced in the Company's press release. W. Craig Barber, Chairman of the DFA stated, "The DFA Board is fully supportive of the leadership transition at Denny's and is confident in the transitional leadership team to accelerate the Company's progress on key initiatives. We have worked very closely with Debra Smithart-Oglesby as the Company's Board Chair and believe she will be an excellent interim CEO while the Denny's Board completes its search for a permanent CEO. Debra has significant restaurant leadership experience and brings unique perspective to this critical juncture for our Brand. We are confident Debra and the Denny's leadership team will continue to engage franchise leadership with a collaborative and constructive intensity. We look forward to working closely with her to benefit the Company's franchisees and the Denny's brand." Mr. Barber added, "We also want to thank Nelson Marchioli for his passionate leadership and commitment to the Brand. He has led the effort to transform Denny's to a franchise-oriented model and we look forward to validating the wisdom of his vision by successfully growing the Brand and re-establishing Denny's leadership position within the industry. We appreciate Nelson's dedication and positive contributions to our Brand. We wish him and his family well."

Source: Denny's Franchisee Association



With New Prototype, Qdoba Sets Its Pace

Qdoba may have grown to include more than 500 stores in 15 years, but the burrito chain isn't just getting comfortable with its existing model as it pushes forward with strategic growth. In fact, the company is already rolling out a new store prototype, an upgrade that follows the menu shakeup Qdoba launched in January with its Craft 2 option of smaller portion sizes. Ted Stoner, director of strategic product development at Qdoba, says the new prototype store, designed by WD Partners, follows a lot of research the company did to figure out how to stay relevant with its core consumers. "As a chain you're always trying to reevaluate yourself and how relevant you are with the consumer and the guest, and we really realized that we needed to update things and get a warmer feel," Stoner says as he tours one of the new prototype stores, in the Lincoln Park neighborhood of Chicago. "We really needed to elevate the dining room to match the food a little better." To see the changes Qdoba made with its new prototype store, watch here as Stoner gives a tour of the Chicago location. Please enable javascript in order to view this video. "This dining room helps to kind of make it a little bit more comfortable, get more of an emotional tie with the guests, let them know who Qdoba is and what we're all about," Stoner says. Stoner says the company felt that the previous Qdoba interior may have been "a little too sterile." "We wanted to warm it up, but we also said, 'You know what, our guests will appreciate a quieter—not necessarily less trendy—but more of a warm feeling than the ultra-trendy places with music blaring at you.'" Stoner's tongue-in-cheek reference to Qdoba's main competitor, Chipotle, shows how the company is separating itself from the burrito pack. He says Qdoba is providing for the needs of its own demographic, which he says skews older than Chipotle's and does not demand the hippest environment. "The challenge of being [really] trendy is it dates faster," he says. "It's one of those things where you want to be really trendy, but three years later, you've got to look at yourself and see if that's still what the guest wants."

Source: QSR

TCBY Serves Up a New Identity

TCBY's parent company is attempting to reinvigorate the nearly 30-year-old brand with a new self-service prototype scheduled to open in July. Combined with an updated design, logo and brand identity, TCBY officials said Tuesday that the move to self-service is a step in reclaiming the chain's former leadership in the frozen yogurt category. Tim Casey, chief executive of TCBY parent Mrs. Fields Original Cookies Inc., said the new company-owned prototype would not be the first TCBY to offer self-service. A franchisee in North Carolina has opened a self-service unit with some components of the new design, and another existing franchisee is in the process of converting a traditional counter-service location to the new self-service model. However, the prototype will be the first self-service location to incorporate all aspects of what Casey called "a new TCBY," and most new stores going forward will include the new format and design. "We feel like the tone of the experience, energy and choice self-serve offers the consumer is not only a dramatic departure from our current experience, but a departure from the category as a whole," said Casey, who joined the company in May. "There has been a shift in behavior that clearly indicates that consumers like choice, convenience and options." A division of Mrs. Fields, which emerged from Chapter 11 bankruptcy in October 2008, Salt Lake City-based TCBY, or The Country's Best Yogurt, has more than 800 locations globally, including 441 in the United States. However, more recent upstarts such as Los

Angeles-based Pinkberry, with about 80 units, and Dallas-based Red Mango, with 71 locations, have redefined the category with tart yogurts served in stylish settings with health-focused marketing messages.

Source: NRN

ESPN Zone to Close Five ESPN Zones, Including D.C. and Baltimore Restaurants

ESPN said it is planning to shut five ESPN Zone restaurants next week, including the locations in Washington and Baltimore. Executives at ESPN, which is owned by the Walt Disney Co., attributed the decision to continued weak economic conditions across the country. The company said in a statement that it will also close its restaurants in Chicago, New York and Las Vegas. "The economy has hit every facet of our country," said Rick Alessandri, senior vice president at ESPN. "We weren't immune." The restaurant, which features a bar with big-screen televisions and sports-themed events, opened its first location at Baltimore's Inner Harbor in 1998. The one in Washington opened in 2000 at 555 12th St. NW, just blocks from Pennsylvania Avenue and prime tourist attractions. However, the business has been buffeted by the recession, which caused consumers to pare back their restaurant outings. Last year, the company closed its locations in Atlanta and Denver. The moves will leave just two ESPN Zone locations open. Those restaurants will be operated by AEG and Zone Enterprises. "I would call it a positive for Disney," said Laura Martin, an analyst at New York-based Needham & Co. She explained that restaurants are expensive to run, and thus less profitable than Disney's content businesses such as film or television. Alessandri declined to comment on the performance of individual locations. The closing of the ESPN Zone in downtown Washington, which employed about 115 people, comes as the city's restaurant industry remains relatively healthy despite the national downturn. The District added 27 independent restaurants between fall 2008 and fall 2009 for a total of 5,931, according to the market research firm NPD Group. "Restaurants have fared better here than the rest of the region," said Jo-Ann Neuhaus, executive director of the Pennsylvania Quarter Neighborhood Association, citing the area's mix of office and residential occupants. "We'll have to wait and see how it impacts the neighborhood." A.J. Laban, the general manager at the nearby Hard Rock Cafe, says he is not sure how ESPN Zone's closing will affect his business, but he expects to field some job inquiries from laid-off ESPN Zone employees. He said he plans to hire about 15 to 20 more people throughout the summer. "It's always sad to see a great business partner leave with everybody losing their jobs," he said.

Source: The Washington Post



Pizza Inn Announces Significant Development in Saudi Arabia. Texas-Based Pizza Chain Continues Aggressive Expansion Into the Middle East; Completes Agreement for 44 Additional Locations in Saudi Arabia

Pizza Inn, Inc. announced a new development agreement for 44 new locations in Saudi Arabia over the next five years. In a continuation of the brand's expansion throughout the Middle East, Pizza Inn has signed a new development agreement with Master Licensee, United Food Company, a subsidiary of Abdullah Abunayyan Group. The agreement calls for the development of 44 additional locations throughout the Kingdom of Saudi Arabia and will bring the total number of Pizza Inn locations in the Middle East to more than 100. "We're excited about our continued growth throughout the Middle East and North Africa in our

partnership with United Food Company," said Charlie Morrison, CEO of Pizza Inn, Inc. "It is a testament to the success of our freshly made pizzas, pastas, salads and more that are a favorite of the people of the Kingdom of Saudi Arabia." For more than 50 years, Pizza Inn has provided consumers with a variety of specialty and traditional handcrafted pizzas, pastas, salads and desserts in a dine-in buffet format with delivery and carryout. The company popularized a unique thin crackery crust that is made from scratch everyday and has since become the signature product offering. Over the years the menu has expanded, but the company's commitment to the highest quality ingredients, the friendliest service and affordable pricing have remained unchanged. "United Food Company is proud to be Pizza Inn's partner for over 19 years," said Khushru Mistry, CEO of United Food Company, who recently received Pizza Inn's esteemed Legacy Award recognizing his commitment and contributions to the company's advancement. "We think the product and the brand are exceptional and we're looking forward to the continued successful growth of the concept not only within the Kingdom, but throughout the MENA region." United Food Company also controls the master licensee rights for Bahrain, Oman, Qatar, United Arab Emirates and MENA.

Source: Pizza Inn

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

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