



October 11, 2010

Ali Group Buys Edlund

The Edlund Co. has been acquired by Ali Group, joining the Italian company's large stable of foodservice equipment manufacturers. The acquisition was publicly announced Sept. 30. According to Edlund Pres. Peter Nordell, there will be no visible changes at the company, which will remain based in Burlington, Vt., its home since 1925. Nordell will remain in his post and report directly to Robert Nerbonne, CEO-Ali Group North America. From its headquarters in Milan, Ali Group is a worldwide leader in commercial foodservice equipment, with 66 companies located in 24 different countries. It has been active in North America for more than 30 years. The privately held company is led by Chairman Luciano Berti, who stated, "We are very pleased to add a great company like Edlund to the Ali Group. Strong brands with strong management are a combination the Ali Group looks for in its acquisitions, and Edlund is another example of that." Edlund joins Ali Group brands including Adamatic, Aladdin Temp-Rite, Amana, Belshaw, Beverage-Air, Bi-Line Systems, Burlodge, Carpigiani, Champion, CMA Dish machines, Electrofreeze, Eloma, Moffat, Moyer Diebel, and Victory.

Source: Food Equipment Reports

The Manufacturers' Agents Association for the Foodservice Industry Names New Officers

The Manufacturers' Agents Association for the Foodservice Industry introduced its new roster of officers and presented four foodservice professionals and two chapters with awards during its 2010 Annual Conference, which took place Sept. 22-25 in San Antonio. The following MAFSI members are serving as officers of the association: President: Michael Turetzky of Chernoff Sales; Vice President: Danny Collis of the Collins group; Treasurer: Mike McGuire of the Zink Foodservice Group. Turetzky replaces John Hoskinson of E. Ruff & Associates, Inc. as MAFSI president. Hoskinson will remain involved with the MAFSI board of directors serving as its past president, a role he assumes from HRI's Mitch Reilly, whose tenure on the board has concluded following more than 10 years of service. In addition, MAFSI presented the following awards: Market Mover Award: David Bernstein of Dormont Manufacturing Co.; Market Mover Award: Deirdre Flynn, the North American Association of Food Equipment Manufacturers; Pace Setter Award: Mitch Reilly, HRI, Inc. Special Achievement Award: Barry Ford, South Eastern Manufacturers' Agents, Inc. Also, two chapters received the Bill H. Loveless Chapter of the Year Award: New York Metro (MAFSI Chapter 3) and South Central (MAFSI Chapter 12).

Source: MAFSI

Landry's Shareholders Approve CEO Buyout Offer

When Tilman Fertitta took Landry's Restaurants public in 1993, the company had nine restaurants. Today it's an empire, with more than 200 restaurants, amusement venues, hotels and casinos. And now it's all his. After trying more than two years to go private again, Fertitta finally succeeded. The deal, which is worth about \$1.4 billion

including debt, is expected to close today. On Monday, Landry's shareholders approved his offer. Although he no longer has to answer to anyone, he says the company strategy will be the same. "Tomorrow, nothing's going to change," he said Tuesday in his Galleria-area headquarters. "We are absolutely not selling anything, and we're always looking at opportunities." For example, Landry's is interested in buying the Atlantic City Hilton Casino. Fertitta is also looking into buying more restaurant chains, he said. Within the next few weeks, he said, Landry's will make a major announcement on plans for Galveston's Flagship Hotel, which was ravaged by Hurricane Ike. Emotionally, things are different, he acknowledged: "Does it feel good to own a company 100 percent? Yeah. But I've totally enjoyed being a CEO of a public company on the New York Stock Exchange for the past 17 years and proud of what we accomplished." Is he worried about the company's more than \$700 million debt? "Nope," he said. He owned about 55 percent of the company before taking it private, he noted, so he was already used to big risk.

Source: Houston Chronicle

Quiznos Veteran Named CEO. Quiznos President Greg MacDonald Appointed Chief Executive Officer

Quiznos, pioneer of the toasted sandwich and one of the nation's premier restaurant chains for subs, salads and soups, today announced the appointment of Greg MacDonald as CEO of Quiznos worldwide. MacDonald succeeds former CEO and Quiznos founder, Rick Schaden, who will remain involved with the company as chairman of the board as he pursues new entrepreneurial and philanthropic endeavors. MacDonald brings more than 12 years' experience at Quiznos to the role of CEO, including his most recent position as the company's president. MacDonald began his career with Quiznos in 1998, holding senior positions in both development and marketing before being named president of Quiznos Canada in 2005 and president of Quiznos worldwide in 2009. "Greg brings unparalleled brand and industry knowledge to this role as well as a targeted focus on company success through exemplary operations," said Schaden. "Greg has the support of Quiznos' board, shareholders and franchise owners. We are confident in his ability to execute a sound strategy for even greater company success." As president of Quiznos, MacDonald's primary objective has been to elevate the guest experience through stellar restaurant-level operations. Under MacDonald's leadership, since the beginning of 2010, Quiznos has experienced an uptrend in average unit volumes and customer experience measurements. MacDonald was the driving force behind The New Quiznos (TNQ) – a comprehensive guest experience remodel and in-store refresh. The company recertified all managers and more than 80 percent of stores have incorporated TNQ into their locations, setting a new standard for store operations. Further, MacDonald realigned the company's development strategy for a stronger focus on exceptional operators with proven experience. He led the charge to reintroduce a company store division to the chain, recruiting general managers with prior industry experience to operate the company's corporate-owned locations, 70 of which have opened within the last six months. "Quiznos is a great brand with excellent operators and a loyal customer following, and I am pleased to continue in the Quiznos tradition of outstanding 'only-at-Quiznos' taste, quality and service," said MacDonald. "Our senior management team is freshly dedicated to driving even greater company success through operations, an elevated guest experience and innovative new products. In the coming weeks, we look forward to sharing 2011 plans to benefit Quiznos moving forward."

Source: Quiznos

Yum's Growth Prospects Have a Foreign Flavor

Taco Bell, Pizza Hut and KFC aren't obvious candidates for this decade's big growth story. But they show precisely why investors need to think outside the U.S. Sales at Yum Brands, the parent company of KFC and Taco Bell, are expected to rise about 5% during the quarter at China locations open a year or more. The restaurant chains' parent, Yum Brands, will report third-quarter earnings shortly. For a company whose brands are so distinctly American, its results are likely to show a business that is increasingly international and, specifically, Chinese. Sales at China locations open a year or more are expected to rise about 5% during the quarter, according to analysts, compared with 1% to 2% growth at U.S. locations. That should push Yum one step closer to a turning point, likely to be reached sometime next year, at which more of its revenue comes from China than the U.S. Deutsche Bank analyst Jason West expects the company will fall just shy this year, with China contributing 36% of Yum's estimated \$11.2 billion in revenue, compared with 37% from the U.S. Locations across 100-plus other countries contribute the rest. Within

five years, Yum is expected to generate twice as much revenue from China as it does from the U.S. More broadly, Yum reflects a shift in consumer-spending growth away from Western economies toward Asia and Latin America. Consumer spending across emerging markets is expected to increase by about 6% this year and next, says HSBC, compared with 1.4% in the developed world. The transition of those nations from export-led growth toward consumer-driven economies bodes well for retail and restaurant demand.

Source: Bloomberg News

For Atlanta Bread Co., Baltimore Has Right Ingredients for growth

Atlanta Bread Co. doesn't just want to take on Greater Baltimore's already prolific array of sandwich shops. It's going after Starbucks, too. The upscale chain, fresh from a makeover that introduced gourmet coffee to its menu, is seeking franchisees to open between 30 and 40 franchise locations in Greater Baltimore. The Smyrna, Ga., company has locations in Greenbelt, Crofton and Severna Park. "We look for people who have passion for the business," said Basil Couvaras, Atlanta Bread's chief operating officer. "We want people who will care about their customers, their employees and their communities." The expansion is part of the chain's push to grow in its existing markets. Atlanta Bread is targeting its hometown Atlanta, the Carolinas, Arkansas, New York and New Jersey. Its hunt for franchisees comes at a time when many folks are looking for a new line of work or the chance to own their own business. But as with any business, owning a franchise requires money. Atlanta Bread Co. requires candidates to have a net worth of \$1 million and pay a \$40,000 franchise fee for an initial store. Additional stores are \$30,000 each. Franchise stores pay 5 percent in royalties and another 2 percent for advertising. Prior restaurant experience isn't necessary. Atlanta Bread mostly seeks 3,600-square-foot to 4,000-square-foot standalone stores in busy retail shopping centers. The ideal center has a Target or other big box store, Couvaras said. College campuses, airports and large hospitals also are target markets, he said.

Source: Baltimore Business Journal

Pizza Inn CEO in Bid to Put Brand Back on Top

When Tim Taft took over as CEO of Pizza Inn five months ago, he announced to the board, shareholders and franchisees that his salary for the first year would be \$1. "They framed the check for me," Taft said. "Now, I can't even cash it." Paychecks clearly aren't a priority this year for Taft, former president and COO of Corpus Christi-based Whataburger Inc. His sole priority is figuring out how to reposition 47-year-old Pizza Inn Inc. which insiders say has underperformed and not met its potential. "I told the team, internally, that we are not at war against the franchisees, suppliers or competition. We are at war against failure. We are at war against the status quo, against doing things the way we've been doing them," Taft said. Taft's turnaround plan for The Colony-based Pizza Inn involves strengthening corporate operations, boosting the number of corporate-owned locations, re-energizing the brand and improving relations with 200 Pizza Inn franchisees. At the moment, he is gearing up for the October launch of a new buffet prototype in Dallas that will replace the outdated Pizza Inn model. Corporate-run restaurants will mark a fresh start for Pizza Inn, which only has two corporate-owned locations -- both in Dallas -- and 400 franchise units nationwide. The new model will serve as a flagship restaurant where the company can set franchise standards, rather than relying -- as it has in the past -- on franchisees to take the lead, Taft said. "We should be constantly improving our franchise models and communicating that to our franchisees, and we haven't done that in a long time," he said. Pizza Inn is unveiling its new corporate-owned prototype on Park Boulevard and Midway Road in Plano this month. The restaurant will drop its trademark green, red and black color scheme for a "brighter, energetic" design. The prototypes will range in size from 4,000 to 5,000 square feet, a bit larger than the typical 3,500-square-foot Pizza Inn restaurant. Buffet restaurants will be the company's primary growth vehicle moving forward, Taft said, adding that the chain has several prototypes including a delivery/carry-out model and Pizza Inn Express, a prototype designed for convenience stores. With plans to grow corporate-owned units, Pizza Inn pumped up its financial muscle recently through an agreement with its lender, Wells Fargo, that doubles its revolving credit to \$6 million and increases its capital spending limits from \$500,000 to \$3 million. "This gives us the flexibility to do the things we need to do in the short-term and longer," Taft said. "We are looking to develop additional restaurants and would like to attract franchisees who would like to help us co-develop markets." Franchisee support.

One big challenge ahead is convincing franchisees that the company is indeed heading in the right direction, Taft said. Hap Squires, a four-unit franchise owner in South Texas, says he had lost faith in the brand to the point that he sold four franchise units, but is now becoming "a Tim Taft fan." "I think the steps (Taft) is taking are the correct steps," Squires said. "One of the things he (stresses) is brand identity, so that we are doing the same thing in Texas as we are in South Carolina. I think that's important for change." Mark Schwarz, chairman of the board of Pizza Inn, says Taft is "enjoying tremendous support from existing franchisees. He's doing things the right way; he's committed to improving the situation for franchisees." Since coming to Pizza Inn, Taft has been weeding out franchise restaurants that are not meeting the company's operational standards. Franchisees that have not passed corporate inspection have lost their franchise license, and some have subsequently closed. Taft did not specify how many franchisees lost their licenses but anticipates that more will be lost.

Source: Dallas Business Journal

Boston Market Gets 3rd New CEO Since 2007

George Michel will become CEO of Boston Market Corp. replacing F. Lane Cardwell, who was at the helm of the Golden-based food chain less than 17 months. "The leadership transition accompanies a shift in focus from the development of the vision for the new Boston Market toward careful attention to implementation," the privately held company said in a statement released Friday night. Michel previously was president and CEO of Toronto-based Timothy's Coffees of the World Inc., which was acquired by Green Mountain Coffee Roasters last November, and before that, was CEO of A&W Restaurants and an executive with Burger King Corp. and Brinker International. Michel will be the third CEO at Boston Market since investment firm Sun Capital Partners Inc. of Boca Raton, Fla., bought it from McDonald's Corp. in 2007. Industry veteran Cardwell in late May 2009 replaced Richard K. "Rick" Arras, who resigned "to pursue other interests," the company said at the time. Arras later became a consultant. "We appreciate Lane Cardwell's significant contributions in shaping the new strategy, and wish him well in his future activities," T. Scott King, senior managing director of Sun Capital Partners, said in a statement. "Now we turn our full attention to executing the plan for Boston Market under George Michel's able leadership." The company said that it will announce details of "a nationwide rollout of upgrades and new menu items designed to significantly enhance the overall guest experience." McDonald's bought the previously independent Boston Market — formerly known as Boston Chicken — in 2000, paying \$173.5 million. The company was founded in Massachusetts in 1985 and moved to Golden in 1994. The company says it now has more than 490 U.S. locations, down from 600 when Sun Capital Partners bought it. It sells home-style meals, including rotisserie chicken, and offers catering services.

Source: Denver Business Journal



Russian Company Plans Luxury Space Hotel

A Russian company is aiming to take the lead in the latest market for luxury hotels: outer space. Orbital Technologies has unveiled plans for its celestial hotel, which would let guests enjoy the thrill of space travel without having to endure the Spartan conditions of life on the International Space Station. The four-room hotel would tailor food to suit customer preferences and may even have food prepared by celebrity chefs, BBC News reported. A shuttle craft would ferry guests to the hotel. "Our planned module inside will not remind you of the ISS. A hotel

should be comfortable inside, and it will be possible to look at the Earth through large portholes," said Sergei Kostenko, CEO of Orbital Technologies. Until now, space tourists have had to hitch a ride in decidedly un-luxurious conditions of the International Space Station, where astronauts wash with no-rinse soap to save water and sleep in cots about the size of a phone booth. So far, Orbital Technologies hasn't decided what to charge guests at the luxury space hotel. There may even be the prospect of a space price war. Orbital Technologies hopes to have the hotel in orbit by 2016, The Los Angeles Times said. That's one year later than Bigelow Aerospace of Las Vegas, which is also working on a space hotel. The Nevada company's owner, Robert Bigelow, is the founder of Budget Suites of America hotel chain. He has already launched prototypes of inflatable modules that could serve as space hotels and research labs. "Bigelow is a competitor. That's all I'm going to say about that," Kostenko said, according to Discovery News.

Source: aolnews.com/Ehotelier.com

Krispy Kreme Goes to Thailand

Krispy Kreme may not be as popular in the US as it used to be (remember when its lines snaked around the block?), but the franchise adding another country to its list. The corporation announced that it opened its first shop in the Kingdom of Thailand. The new store is located in the Siam Paragon shopping center, a premium, destination conveniently located in the [heart](#) of the Bangkok [business](#) district. "As we continue the expansion of our brand around the world, we are thrilled that now consumers in Thailand will be able to share in the unique Krispy Kreme doughnut experience," said Krispy Kreme President - International, Jeff Welch. "KDN Company Limited is led by an accomplished group of [business](#) professionals, and we believe they will be a strong franchise partner for Krispy Kreme. We have great confidence in their ability to represent our brand and offer one-of-a-kind Krispy Kreme products to the Thai consumer. "We are very [happy](#) to be part of the growing international Krispy Kreme family," said Ausanee Mahagitsiri, chief executive officer of KDN Company Limited. "The team here is excited to bring smiles to the Thai people by sharing exceptional Krispy Kreme products, especially the hot Original Glazed doughnut, with consumers in Bangkok."

Source: ThirdAge News

Church's Chicken Gets Into Taco Biz

Church's Chicken has gone South of the border for a new, more portable snack item on its menu. The Atlanta-based chain fried chicken chain is now selling a "Crispy Chicken Taco." Church's said its Southwestern-flavored taco is made with a freshly prepared crispy flour shell filled with seasoned chicken and topped with shredded lettuce and shredded cheddar cheese. Two Crispy Chicken Tacos with crispy fries and a regular drink will go for \$3.99, while one taco costs 99 cents. "Our new Crispy Chicken Taco was developed to be more relevant and meet the needs of younger and more mobile consumers," said Tony Lavelly, Church's chief marketing officer, in a news release. "This portable product is the first on our new menu board, but it certainly won't be the last of its kind." In August, Church's began serving hotter spicy fried chicken and started a new campaign depicting a Church's team member named Doug, who has prepared the new "Spicier Spicy Chicken" and gets dubbed the "Chicken Genius" for his efforts. Doug will now tout the chicken taco in a new 30-second TV spot.

Source: Atlanta Business Chronicle

Bengel's Burgers Opens 14th Five Guys

Bengel's Burgers LLC, the Orlando area's Five Guys Burgers and Fries franchisee, opened its 14th Central Florida location Oct. 4 in Daytona Beach. The Orlando-based franchisee's related entity, 2470 LLC, bought the 2,700-square-foot freestanding building on nearly 1 acre on West International Speedway Boulevard for \$925,000 in August from former owners Dana and Randall Smith, Volusia County records showed. The new restaurant seats 114 — 76 indoors and 38 on an outdoor patio — and employs 50, said a spokeswoman.

Source: Orlando Business Journal

Taco Bell Hopes to Spice up South Korea

In South Korea, where talk of the border rarely involves dinner options, Taco Bell this summer opened a restaurant, its only one in Asia. But indeed, not its first. Taco Bell had tried Asia before, and the pair didn't get along. The chain closed its two previous South Korean franchises in the early 1990s. It then pulled out of [China](#) in 2008, restoring Asia's reputation as a continent unconquered by the taco. Taco Bell chose Seoul for its Asian re-launch, though, for a reason that has little to do with refried beans and sour cream. Seoul appealed to Taco Bell, executives say, because few cities on Earth can better turn a novelty into a mainstream obsession. In the time it takes for other countries to warm to a new product, South Koreans have already liked it, loved it, photographed it, blogged about it and waited in 30-minute lines for it for two weeks straight. Far away from a customer base in the United States that knows the delights and agonies of late-night taco dining, paid for entirely with pocket change, Taco Bell seeks a higher level of trendiness in South Korea. The new store's menu appears on an LED board. Wall hangings display a succession of culinary mood words: sizzle, steam, smash. Shin Sang Yong, chief executive officer of M2G Ltd., the company that brought the chain to South Korea, thinks Taco Bell can work here because "people are ready for something new. They've had 20 years of pizza and hamburgers." Shin envisions opening 30 South Korean franchises in the next three years. One hundred in the next six years. Right now, Seoul has about 30 Mexican and Tex-Mex restaurants. The city's three-story Taco Bell opened July 11, with 40-minute lines on the first day. Business in the first month exceeded projections by 20 percent, Shin said. It remains to be seen whether Taco Bell will prosper here, or elsewhere in Asia, over the long term. Since Taco Bell last existed here 15 years ago, little has fundamentally changed in the way people eat. What's different is how they decide where to eat. In the world's most wired country, two of every five people, according to some estimates, maintain a blog. One of South Korea's preeminent search engines, Naver, has a special category for "power-bloggers," many of whom love writing about food. Taco Bell has held special events for these bloggers, hoping to win their approval. Taco Bell's menu, for now, is simple: burritos, tacos, nachos, quesadillas and other demonstrations of nacho cheese engineering, such as the Fries BellGrande, which consists of fries, sour cream, cheese and meat all layered together. Yang says the restaurant might soon put up a sign showing newcomers how to properly eat a taco; so far, he has noticed South Koreans struggle to angle their heads, leading to a "taco at the wrong orientation," and spillage of ingredients.

Source: Washington Post

Flash Market Partners with Pizza Inn

Flash Market has inked a new deal with Pizza Inn to place the take-out pizza chain in stores throughout Tennessee and Arkansas. West Memphis, Ark.-based Flash Market Inc., owned by the Patterson family, installed its first Pizza Inn location at a Flash Market store in Lebanon, Tenn. It has plans to open additional Pizza Inn locations in the coming months. Flash Market, which owns and operates 70 stores throughout Arkansas, Tennessee, Mississippi and Missouri, also has Subway, Quiznos, Baskin Robbins and Dairy Queen franchises in its convenience stores and travel plazas. It has 17 Memphis stores. Flash Market distributes fuel under the Citgo, Shell, Phillips and Conoco brands. Along with its affiliate Flash Oil Co. of Arkansas Inc., Flash Market Inc. owns, operates or supplies fuel to more than 150 retail locations.

Source: Memphis Business Journal

Ruby Tuesday Acquires Rights to Mexican Fast-Casual Concept

Ruby Tuesday has inked a deal that will allow it to open and operate up to 200 fast-casual Mexican restaurants. The Maryville-based restaurant operator signed a licensing agreement last week with LFMG International LLC for the development rights to South Florida-based Lime Fresh Mexican Grill. The move into fast casual gives Ruby Tuesday, a casual dining chain with more than 850 company and franchise-owned locations, entry into a segment that has been the fastest growing in the restaurant industry. "It's a segment that has sustained growth over the last several years, even during recent economic times. There's more demand than supply. This brand has a lot of

opportunity within the category," Ruby Tuesday spokesman Rick Johnson said. Lime Fresh Mexican Grill has been open since 2004 and has grown to six South Florida locations with another three in development. Ruby Tuesday expects to open about a dozen over the next several months with the goal of up to 200 over the next several years in the Eastern half of the United States with the exception of Florida. The Mexican restaurant chain features a homemade salsa bar and more than 50 variations of hot sauces. The food is prepared in-house daily using ingredients sourced locally when possible, while the meat it serves has been certified humane by Humane Farm Animal Care, a certification and labeling nonprofit organization. "They've been very popular and have done very well," Johnson said. "It's a good fit for us. Like Ruby Tuesday, the brand is focused on using fresh, high quality ingredients and has high standards for food and service." Entry into the fast-casual segment represents the most recent component of an overall growth strategy that includes increasing sales and traffic at existing Ruby Tuesday locations and converting some underperforming stores to other brands. Lime Fresh Mexican Grill marks Ruby Tuesday's fourth dining concept outside of its core brand. Ruby Tuesday acquired Wok Hay, an Asian bistro concept, in 2007. Earlier this year, it entered into licensing agreements with Alabama-based Jim 'N Nicks Bar-B-Q and South Carolina-based Truffles Cafe, which is owned by Ruby Tuesday CEO Sandy Beall's brother, Price Beall. Ruby Tuesday said in July it planned to convert about a half-dozen of its underperforming stores to those dining concepts. Ruby Tuesday opens its first Jim 'N Nicks in Knoxville today and plans to open its first Truffles in November in Buckhead, Ga. "None of these other brands take away from our focus on the core brand, but the reality of the restaurant industry is the sustainable growth has been in fast casual," Johnson said. "This is an opportunity to have entry into this category."

Source: Knoxville News Sentinel Co.



HMSHost Opens Four New Burger King Restaurants Along Ontario 400-Series Highways in Canada

Burger King Corporation said that its franchisee HMSHost Corporation has opened four Burger King (BK) new restaurants inside the service centers along Highways 400 and 401 in Ontario, Canada. The new BK restaurants, which are located inside highway rest stops in Bainsville, Morrisburg, Tilbury North and Tilbury South, are now ready to serve travelers along Ontario's 400-series highways. HMSHost already operates Burger King restaurants in airports across Canada. Nine more new restaurants, which are slated for completion in 2013, will bring the number of Burger King restaurants in Canada to around 300. HMSHost, a provider of shopping and dining services for travel venues, has signed an agreement with Ontario-based Kilmer Van Nostrand Co, a builder of public infrastructure, to form Host Kilmer Service Centers (HKSC). With this partnership, HKSC will develop and operate a network of 23 Leadership in Energy and Environmental Design (LEED) Silver certified highway service centers, featuring 13 Burger King restaurants in addition to other restaurants. Burger King Canada general manager Raj Varman said that over the past 13 years, HMSHost has successfully operated Burger King restaurants located in some of Canada's busiest international airports and the company believes they are the right operator to run these service centers. HMSHost Corporation vice-president of operations Bruce Carbone said that the company has been part of the Burger King family for several years and it believes in the brand as well as the quality products and friendly service that it provides for its guests.

Source: Food Business Review

Dunkin' Donuts Inks Agreement to Open 14 New Restaurants in South Carolina

Dunkin' Donuts, an American coffee and baked goods chain, has signed a multi-unit store development agreement with The Beekman Group, the company's franchisee, to establish 14 new restaurants of its portfolio company, TBG Food Acquisition Corp (TBGFAC), in South Carolina. TBGFAC will build six restaurants in Greenville and eight in Columbia. Restaurants in both markets will begin to open in 2011 with the 14-store development anticipated to be completed by 2016. The Beekman Group is a private equity firm focused on partnering with small and middle-market companies. The group has teamed up with Peter Marrinan, a Dunkin executive, to develop TBGFAC through new store development and strategic acquisitions. TBGFAC currently owns and operates 44 locations, including 14 restaurants in Greenville in addition to its 30 locations in and around Westchester County, New York. The Beekman Group managing partner John Troiano said that since the company's initial acquisition in December 2005, it has worked with Dunkin' Brands and TBGFAC management to almost triple the company's locations through new store openings and acquisitions. "We look forward to continuing this development in South Carolina and New York," Troiano said. Dunkin' Donuts opened 338 net new locations across the world during the first half of 2010, with 75 of those new restaurants opening in the US. The company also signed 72 new domestic development agreements. Dunkin' Brands CFE, vice president of franchising and market planning Grant Benson said that as the existing Dunkin' franchisees, The Beekman Group possess a wealth of knowledge on the brand, and the company is thrilled that the group is expanding its network in Greenville and Columbia.

Source: Food Business Review

HMSHost and The Culinary Institute of America Form Partnership for Education Programs, Menu Development, Training and More

HMSHost Corporation and The Culinary Institute of America announced a five year, strategic partnership that will benefit travelers and the next generation of chefs. The scope of the unique alliance between the world leader in travel dining and the renowned culinary organization covers several phases of collaboration. "At HMSHost, we strive to make the traveler's day better in as many ways as possible, and now we can increase our innovation and expertise in tandem with the highest level of culinary expertise." One of the most important opportunities in the partnership is HMSHost's participation in the externship program of The Culinary Institute of America (CIA). More than 1,000 restaurants and resorts are part of the CIA's externship program which focuses on sharpening students' fundamental skills in culinary techniques. Every three weeks throughout the year, approximately 70 degree students leave the college to study a defined curriculum in a real restaurant setting. Studying in a working restaurant allows them to develop confidence in their abilities and learn essential skills including speed of service and order accuracy. HMSHost's program will offer students the option of studying in several airports with multiple restaurant formats—from quick service to quick casual to fine dining. Through the partnership with HMSHost, this experience will now be available to CIA students in a travel venue where speed of service and demand for quality are paramount. "This partnership with the world's premier culinary college forges new ground in providing exceptional dining for people on the move," said Vince Modica, Senior Vice President for HMSHost. "At HMSHost, we strive to make the traveler's day better in as many ways as possible, and now we can increase our innovation and expertise in tandem with the highest level of culinary expertise." The Culinary Institute of America will also provide HMSHost with customized training programs and consulting on menus and trends. Both organizations are excited by this relationship because it offers the opportunity to raise the level of taste and selection in airport dining. Ron DeSantis, Director, CIA Consulting added, "We view HMSHost as a unique opportunity to have our students receive culinary training that will truly benefit them in the real world, and we see a great fit for many future collaborative projects."

Source: HMSHost

Jimmy Johns About to Become First Fast-Food Union

If workers succeed, Jimmy John's could be the first fast-food chain in the country to unionize. No one has ever organized a fast-food restaurant before, and conventional wisdom in union circles has been that it can't be done. But Jimmy John's workers have never been conventional. The sandwich makers and delivery drivers at 10 Minneapolis

Jimmy John's restaurants have begun the organizing process with the National Labor Relations Board. If they succeed, it could change the fast-food industry forever. The conditions Jimmy John's workers are complaining about aren't that different from what most fast-food workers endure. They start at the minimum wage of \$7.25 an hour. Managers regularly schedule them for one- and two-hour shifts, sometimes twice in a single day. The short time handles the lunch and dinner rushes without giving workers enough hours for them to qualify for health benefits. Workers also don't get sick days—they can't miss work without a doctor's note. Since most of the workers don't have health insurance, most employees work through their health problems. Mike Wilklow, a long-time employee who has worked at Jimmy John's across the city, says he worked bicycle delivery shifts with a broken clavicle. Jared Ingebretson, a 24-year-old who works at the Riverside store, recalls working shifts with colleagues so sick they had to periodically duck into the bathroom to vomit. "If someone's that sick, we try to keep them on the register and away from the sandwiches, but still, it's not how you want to be working," Wilklow says. Increasingly frustrated by their working conditions, Jimmy John's workers began to talk about forming a union. The process started four years ago, but progress was slow. Frequent turnover made organizing difficult. For every worker who signed on to support the unionizing effort, it seemed two more quit in frustration. But through all the false starts, seeds were being planted. As workers transferred between the different Jimmy John's locations, word of the union spread. In early September, the workers staged their first actions, picketing outside Jimmy John's stores and demanding a meeting with the owners. To highlight the fact that owners could afford to pay them more, the workers picketed the construction site of one of the restaurant expansion locations near Stadium Village. Finally, two weeks ago, they marched into the local office of the National Labor Relations Board and filed the paperwork to force a vote among Jimmy John's workers. If the vote is successful, the owners will have no choice but to recognize the union. Restaurants have historically been a tough nut for unions to crack—fewer than two percent of all restaurant workers are unionized—and fast-food restaurants are especially difficult. Employees were often teenagers working after-school jobs. "From the perspective of many of the big unions, it just wasn't worth their while," says Peter Rachleff, a labor historian at Macalester College. "If you're approaching it from the perspective of, 'We want these people to pay dues to our union,' fast food just wasn't going to provide the return on the big investment it would take to unionize." But the Jimmy John's workers aren't depending on big union officials to send them teams of professional organizers. They're allied with the Industrial Workers of the World, a smaller union with a long history and a loose, do-it-yourself approach to organizing. The IWW's grassroots approach lets it go where bigger, more bureaucratic unions can't or won't. Over the last decade, it helped unionize Starbucks workers and got the company to cough up back pay. Mike Mulligan and his son Rob have owned the local Jimmy John's franchises since 2001, and have done well. They have expanded to include 10 locations in Minneapolis. But that doesn't mean he can afford to pay his workers more or give them health insurance, Mike says. "We're reinvesting our profits in the business, sure, but if we had to pay our employees something out of scale with what you see in other quick-service restaurants, we wouldn't be able to be competitive." Mulligan concedes it would be tough to raise a family on the wages of a sandwich maker, but says everyone has an opportunity to move up in the company. "What we're telling our employees is, 'Look, these are the jobs we have to offer.'" The stakes are high—not just for the Mulligans, but for Jimmy John's corporate headquarters. The Minneapolis unionizers are already hearing from other Jimmy John's workers across the country. If the Mulligans' stores are unionized, other franchises might follow, driving up the company's labor costs and driving down the value of its franchises. "If these guys are seen to succeed, it could really light a fire, because the level of dissatisfaction is unquestionable," says Rachleff. "The corporation knows that, and they have a lot of resources. They've got plenty of lawyers who will try to tie this up as long as they can."

Source: CityPages, Minneapolis/St. Paul, MN



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NY's first FRESH-Healthy Café opens at Crossgates

New York state's first FRESH-Healthy Café franchise has opened at Crossgates Mall in Guilderland, New York. The fast-casual restaurant features salads, wraps, paninis, smoothies and other healthy fare. FRESH-Healthy Café has 10 locations in five states, according to the company's website. The India-based franchise has its North American headquarters in British Columbia, Canada. The Crossgates Healthy Café is located on the lower level of the mall near Dick's Sporting Goods.

Source: The Business Review (Albany)

Pinnacle Names New Marketing Chief

Pinnacle Entertainment Inc., which owns the Lumiere Place and River City casino complexes in St. Louis, named Ginny Shanks executive vice president and chief marketing officer. Her appointment, which is subject to regulatory approval, is effective immediately. She'll report to Pinnacle's president and CEO, Anthony Sanfilippo, and will be in charge of companywide marketing. Pinnacle's public relations and IT functions will report to Shanks. Shanks most recently spent two years as chief marketing officer for Austin, Texas-based Multimedia Games Inc., which develops and supplies gambling devices. Prior to that, she spent 25 years in senior posts at Harrah's Entertainment Inc., including as senior VP of brand management. Las Vegas-based Pinnacle Entertainment (NYSE: PNK) owns and operates casinos in Louisiana, Missouri, Indiana and Nevada. Pinnacle lost \$49.3 million in the second quarter, on revenue of \$273.6 million. Late last month, Pinnacle announced expanded plans for a casino and hotel in Baton Rouge, expected to open in December 2011, from the original \$250 million project budget to \$357 million, excluding land costs and capitalized interest.

Source: St. Louis Business Journal

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