



September 27, 2010

The Middleby Corporation Completes Acquisition of Cozzini Food Processing Equipment Group

The Middleby Corporation announced it has acquired the food processing equipment business of Cozzini Inc. The acquisition of Cozzini, with approximately \$30 million in global annual sales, expands the Middleby portfolio of leading brands and technologies serving the food processing industry. Selim A. Bassoul, Middleby Chairman and Chief Executive Officer, said, "We are very pleased to have completed the acquisition of Cozzini. Cozzini is a premier brand with leading market positions. The broad line of Cozzini product offerings include grinding, slicing, emulsification, mixing and blending equipment, which complement our existing products offered under the Alkar, MP Equipment, and RapidPak brands. This acquisition significantly strengthens our leadership position in the food processing industry." Mr. Bassoul continued, "We are very excited to have the Cozzini team, lead by Ivo Cozzini, joining the Middleby organization. Ivo brings significant industry experience and deep customer relationships to Middleby, which will benefit the overall group. In addition to continuing as the division president of Cozzini, Ivo will have leadership responsibilities at Middleby in further expanding our food processing platform through the acquisition and development of new market opportunities." Statements in this press release or otherwise attributable to Middleby regarding its business which are not historical fact are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Middleby cautions investors that such statements are estimates of future performance and are highly dependent upon a variety of important factors that could cause actual results to differ materially from such statements. These risks are detailed from time-to-time in the Middleby SEC filings.

Source: The Middleby Corporation

GNC Signs Licensing Agreement with Legacy Companies. The Legacy Companies to License and Distribute GNC Brand Quality Retail and Foodservice Products Worldwide

IMG Licensing, a division of IMG Worldwide, Inc. the global sports, entertainment and media company, announced it has signed a worldwide licensing agreement for GNC with top notch retail and commercial foodservice equipment provider The Legacy Companies to develop GNC branded retail and food service equipment for worldwide distribution. Under the terms of the agreement, which runs through 2015, GNC will partner with The Legacy Companies to create GNC branded retail and foodservice products. The products to be licensed under the GNC brand name include juicers, blenders, yogurt makers, dehydrators and food processors. The Legacy Companies will license and distribute the products worldwide. These exciting new products will be available both at GNC and other specialty and mass retailers. The GNC brand juicers, blenders, yogurt makers, dehydrators and food processors will retail from \$150-\$400. Tom Dowd, Executive Vice President, GNC, adds "GNC is very excited to partner with a high quality manufacturer that can produce a variety of products that complement the healthy lifestyle of our customers." Tim Rothwell, IMG Executive Vice President and Co-Managing Director, Worldwide Licensing, said, "GNC has set the standard as an industry leader in the nutritional supplement business and

is truly dedicated to helping its customers improve health and quality of life. Teaming up with The Legacy Companies to expand its brand and create this new and exciting product line will continue to solidify GNC's brand and its commitment to providing exceptional products and services to consumers." The Legacy Companies anticipate great success for the GNC line of products. Neal Asbury, Chief Executive of The Legacy Companies, commented, "The partnership between GNC and Legacy is ideal. By providing their customers with quality crafted kitchen equipment from Legacy, GNC can continue to offer the most innovative products for healthy living." Countless hours of design, development and testing, ensure that the new product line created by GNC, the powerhouse expert in nutrition, and Legacy a legendary food service equipment provider, offers clients the tools to continue "living well."

Source: GNC Inc./The Legacy Companies

Five Guys Ranks as Fastest-Growing Restaurant Chain

Five Guys Burgers and Fries is ranked as the fastest-growing restaurant chain in the nation in 2009, according to data compiled by restaurant consulting firm Technomic. Five Guys had \$453 million in 2009 sales, a 50 percent increase over 2008 revenue, led by rapid expansion of its franchise locations. That ranks it No. 1 for sales growth among chains with sales over \$200 million. Tim Hortons ranked No. 2, with \$446 million in 2009 revenue, a 23 percent increase. Buffalo Wild Wings Grill & Bar ranked No. 3, with \$1.5 billion in sales, up 22 percent from 2008. Five Guys, which opened its first restaurant in Arlington in 1986, grew slowly in its first few years, with just a half dozen Washington, D.C., locations by 2001. It began franchising regionally in 2002 and then nationally in 2003. The chain now has 550 locations in 35 states, and opened 300 of those locations in less than five years.

Source: Triangle Business Journal/Washington Business Journal

OpenTable Buying Toptable.com, a British Rival, for \$55M

OpenTable is in consumption mode, acquiring the U.K. restaurant reservation system toptable.com for \$55 million. The purchase will accelerate OpenTable's growth in Britain, said Jeff Jordan, OpenTable's CEO. The deal will close in the fourth quarter, and will be paid for with existing cash, cash equivalents and short-term investments. OpenTable said it will incur a one-time transaction and integration cost of \$1 million spread evenly over the third and fourth quarters. Toptable.com was founded in 2000. Its 2009 revenue was \$9.85 million and its net income in 2009 was \$1.2 million.

Source: San Francisco Business Times

Lone Star Steakhouse closes 19 Units. Chain Told Local Papers that the Restaurants Were Unprofitable

Lone Star Steakhouse & Saloon has reportedly closed 19 of its underperforming casual-dining restaurants in multiple states. The move leaves Lone Star with 112 locations across 31 states, according to the chain's website. The Plano, Texas-based chain did not return a call to confirm the multiple news reports about the closures by press time. Howard Terry, Lone Star's director of marketing, told a reporter for the Bay City Times in Michigan that the 19 closed restaurants had been unprofitable and that the company did not anticipate any additional closures. The Bay City Times was reporting on the closure of three of the seven Lone Star restaurants in Michigan. Once publicly owned, Lone Star operated more than twice as many restaurants as it has today - 253 units - in its 2005 fiscal year. But negative sales trends led it to begin shedding units the following year, and it was acquired in December 2006 by an affiliated company of Dallas-based Lone Star Funds. Lone Star Funds also controls the Sullivan's, Del Frisco's Double Eagle Steak House, and Texas Land & Cattle Co. chains.

Source: NRN



Krispy Kreme Names New CMO

Krispy Kreme Doughnuts has named Dwayne Chambers as the company's senior vice president and chief marketing officer. Chambers will officially assume his responsibilities on 27 September 2010. Chambers, a senior level marketer, has more than 20 years of quick service restaurant Marketing and brand development experience. He will now lead all domestic and international marketing operations for Krispy Kreme. Chambers previously worked for Fuddruckers, as senior vice president of marketing and brand development. He was also associated with Sonic, Red Robin and Noodles & Company as senior marketing officer. Krispy Kreme president and CEO Jim Morgan said that Dwayne has the broad QSR marketing experience and brand development expertise to help the company take its brand to the next level. Chambers said that having an opportunity to represent an iconic brand like Krispy Kreme is every marketing professional's dream, and he is excited to get to work and looks forward to being a part of the bright future of the organization.

Source: Food Business review

CiCi's Pizza to Add 500 Locations

CiCi's Pizza has announced that it will add 500 U.S. restaurant locations within the next five to six years. To drive the expansion strategy, the chain -- known for its \$4.99, fresh-ingredients "endless" pizza, pasta, salad and dessert buffet -- recently hired Nancy Hampton as CMO and Bill Spae as chief development officer. Hampton's background includes executive positions at Chili's Bar & Grill and Corner Bakery Café. Spae's background includes 30 years of experience as a restaurant president, CEO, investor and franchisee. Headquartered in Coppell, Tex., CiCi's currently has more than 600 units in 35 states. Nation's Restaurant News has ranked the chain the #1 franchise business in the pizza category for the past three years.

Source: Marketing Daily

Quiznos Eyes Argentina, Chile, Ecuador

Quiznos has signed a master franchise agreement to expand into Argentina, Chile and Ecuador, as the sub-shop chain makes a major push to grow overseas. The Denver-based company announced that the agreement calls for master franchisee QSR International to oversee development of about 30 locations in those countries, which would raise the number of Central American and South American countries where Quiznos has a presence to 12. QSR International currently owns, licenses and operates 99 Quiznos restaurants in the Caribbean, Central America and South America. Lee Vala, Quiznos' chief development officer international, told the Denver Business Journal in August that with rent and labor costs low worldwide, the time was right to enter new markets. He also said that Quiznos hopes to achieve enough penetration in foreign markets - specifically in South America, Southeast Asia and northern Europe - to become the dominant fast-food restaurant in each. In a news release, Vala said Quiznos wanted to work with a partner that knows the markets and has had regional success. "In the past, Quiznos has generally

enjoyed success in Central and South America, and we are eager to try to replicate that success in these new markets," Vala said. "Quiznos enjoys the distinction of a high-quality unique brand in a fast casual segment that is underdeveloped in these countries," said Richard Eisenberg, QSR International president.

Source; Denver Business Journal

3G Capital Commences Tender Offer for All Shares of Burger King Holdings, Inc. Previously-Announced Offer Price of \$24.00 per Share in Cash

Burger King Holdings, Inc. and 3G Capital announced that an entity controlled by 3G Capital, Blue Acquisition Sub, Inc., has commenced the previously-announced tender offer for all of the outstanding shares of common stock of Burger King Holdings, Inc. at a price of \$24.00 per share, net to the seller in cash without interest. Blue Acquisition Sub, Inc. and its parent company, Blue Acquisition Holding Corporation, are controlled by 3G Special Situations Fund II, L.P. On September 2, 2010, the Company and 3G Capital announced that the Company and certain entities controlled by 3G Capital had signed a definitive merger agreement pursuant to which the tender offer would be made. The Company's board of directors has unanimously approved the terms of the merger agreement, including the tender offer. Pursuant to the merger agreement, after completion of the tender offer and the satisfaction or waiver of all conditions, the Company will merge with Blue Acquisition Sub, Inc. and all outstanding shares of the Company's common stock, other than shares held by Blue Acquisition Holding Corporation, Blue Acquisition Sub, Inc. or the Company or shares held by the Company's stockholders who have and validly exercise appraisal rights under Delaware law, will be cancelled and converted into the right to receive cash equal to the \$24.00 offer price per share. In certain cases, the parties have agreed to proceed with a one-step merger transaction if the tender offer is not completed. Blue Acquisition Holding Corporation and Blue Acquisition Sub, Inc. are filing with the Securities and Exchange Commission (SEC) a tender offer statement on Schedule TO, including an offer to purchase and related letter of transmittal, setting forth in detail the terms of the tender offer.

Source: Burger King Holdings, Inc.

Green Mountain Coffee Roasters to Acquire Canadian Rival

Green Mountain Coffee Roasters Inc. said it plans to acquire smaller rival Van Houtte in a deal valued at \$890 million. Green Mountain won an auction for Van Houtte staged by private-equity firm Littlejohn & Co., which put the business up for sale earlier this year. The deal is expected to close by year end. Van Houtte sells coffee-brewing equipment such as the Keurig branded machines and K-Cup single-cup packages. The Montreal-based company, founded in 1919, also provides packaged gourmet coffee to retailers and operates about 70 cafes in Quebec province. It had sales in the 12 months ended Aug. 21 of about \$433 million and employs about 1,900 people in Canada and the U.S., according to the company's Web site. In 2007, a group of investors led by Littlejohn acquired Van Houtte for about \$600 million, which mean the deal is likely to produce a healthy return for them. Following the close of the deal, Green Mountain said it will look to sell Van Houtte's U.S. Coffee Services business. Known as Filterfresh, the unit serves more than 71,000 offices in most major North American cities, and overlaps with Green Mountain's existing network of independent Keurig distributors in the U.S. Proceeds from any sale would be used to repay Green Mountain debt, the company said.

Source: The Wall Street Journal

Ohio Domino's is First in U.S. to go 24-Hours. Outlet Near the University of Dayton Offering Breakfast

Domino's Pizza Inc. says a franchise store in southwest Ohio is the first of its U.S. stores to remain open 24 hours a day. A manager of the store near the University of Dayton campus says it began staying open 24

hours about a month ago. Manager Steve Martin says the store is offering a breakfast pizza with toppings like eggs, cheese and bacon.

Domino's spokesman Tim McIntyre says the first of the Ann Arbor, Mich.-based stores to remain open 24 hours opened also about a month ago in Manchester, England, and two other stores in England have since gone to 24-hour schedules. McIntyre says company officials will be watching the performance of the stores closely in areas including sales and product offerings.

Source: The Associated Press

Claim Jumper Restaurant Chain Files for Bankruptcy Reorganization

The company that operates 45 Claim Jumper Restaurants in eight states filed recently for bankruptcy reorganization. The restaurants will stay open. Claim Jumper Restaurants, LLC said in a statement it agreed to sell its assets and operations to Private Capital Partners, an affiliate of Canyon Capital Advisors LLC, and voluntarily filed for bankruptcy protection in Delaware. "Claim Jumper Restaurants is expected to emerge from Chapter 11 in approximately 60 to 75 days with new ownership and a significantly strengthened balance sheet," the company said in a statement. "As a result of this transaction, the business will be adequately capitalized and debt-free." "This transaction represents a great outcome for our company, our loyal guests, our employees and our valued business partners," Chief Executive Officer Mark Augarten said in a statement. "We are excited about the prospect of quickly implementing the sale through the Chapter 11 process which will allow us to emerge within two months as a company with zero debt, thereby providing the recapitalized business with stability and greater financial flexibility to promote future growth and success." The chain opened in Los Alamitos, Calif., in 1977. It also operates three restaurants in the Las Vegas area.

Source: RGJ.com/ClaimJumperRestructures.com.

Wyndham & Planet Hollywood Team Up

Wyndham Worldwide Corporation subsidiary Wyndham Hotel Group announced recently that it has entered into a license agreement with Planet Hollywood Resorts International LLC. As per the agreement, Wyndham will franchise the Planet Hollywood Hotels brand and provide management services globally. However, Wyndham will have no right on brand's trademarks and intellectual property; the rights will be retained to Planet Hollywood only. The Planet Hollywood brand was founded in 1989 and it is renowned as an entertainment-based brand. Management anticipates that the recent addition of this brand to its portfolio will enable it to broaden its customer base. We remain positive on the deal as it is in sync with Wyndham's strategy to acquire brands and expand through its franchise model, given that it reduces the company's capital intensity. Going forward, we expect Wyndham to benefit from its repositioning as a more fee-for-service based business. In March 2010, Wyndham Hotel Group signed four franchise agreements in India with Ramada brand, bringing the total number of hotels that the company has opened or under development in India to 14.

Source: zacks.com/Ehotelier.com

Baja Sol Stirs up Its Recipe for Growth

Baja Sol Restaurant Group had 'grande' growth plans in 2009, but instead ended up shrinking amid the recession. After some soul searching, company officials said they're ready to take another run at expansion. The Inver Grove Heights restaurant company reported \$12 million in system wide revenue last year, up from \$7 million in 2008, but well short of the \$25 million it had projected for the year — a shortfall created when 15 planned franchise units did not open due to the recession. It also closed all five of its locations outside of Minnesota: four in Columbus, Ohio, and one in Oak Lawn, Ill. But Baja Sol President Bridget

Sutton — who owns the chain along with her husband, Minnesota Republican Party Chairman Tony Sutton, and TCF Financial Corp. Chairman and CEO Bill Cooper — said the company is gearing up for a new wave of expansion, turning to corporate growth instead of franchising until the economy rebounds. “We’ve resorted to corporate expansion because franchising is impossible to get done in this economic climate,” she said, referring to franchisee struggles to obtain financing. “I don’t see it loosening up for a couple more years.” Sutton said she wants to open as many as six Baja Sol Tortilla Grills in the next year and as many as 12 over the next two years. The first new store is scheduled to open at the Fountains of Arbor Lakes in Maple Grove on Oct. 4, replacing a recently closed location in downtown Minneapolis. The company plans to expand beyond Minnesota again, targeting a nine-state area in the Upper Midwest. The first stop will be the Chicago market, where Sutton said she expects to sign four deals soon. “We’ll continue to develop Minnesota, but in order to keep deals moving at a fast enough pace, we need a new market,” she said, noting that private funds will fuel the growth. Baja Sold now has 13 restaurants, six of which are company owned. There are two Baja Sol Cantina full-service restaurants, 10 Baja Sol Tortilla Grill fast-casual locations and one Baja Joe’s Beachfront Grill. The Tortilla Grill chain hasn’t grown as quickly as hoped, but Sutton said the stores are performing well. Same-store sales were up 9 percent in 2009 following gains of 11 percent in 2008 and 9.2 percent in 2007. All locations are profitable.

Source: Minneapolis / St. Paul Business Journal



Straw Hat Pizza Grabs Bigger Slice of Market

Straw Hat Pizza is the fastest-growing local restaurant chain that few people know. The 51-year-old San Ramon company has grown from 38 restaurants to 77 over the past 18 months. It plans to reach 100 eateries by year’s end, with a minimum of 45 more in 2011, if current development agreements are met. Most of that growth will happen outside California, where Straw Hat has traditionally made its home. When Jonathan Fornaci joined as president two years ago, Straw Hat Cooperative Corp. had 38 locations in California and Nevada. Now it’s in seven states and will soon move into Florida. Most of this expansion comes through area developers. Straw Hat has sold franchising rights in the state of Arkansas to one developer; another has bought rights to 22 counties in Texas. They, and the franchisees they find, are why the company can grow so fast. “We started to hit this growth mode right when the recession was hitting full tilt,” Fornaci said. That may be the secret sauce to Straw Hat’s success so far. Not surprisingly, retail spaces are becoming available as businesses fail, and the Straw Hat retail team has insisted — with success, it says — that landlords cover one-third to half of build-out costs for each restaurant. Straw Hat also encourages its franchisees to buy used rather than new restaurant equipment. These factors have in some cases halved the \$250,000 to \$400,000 cost of opening a restaurant, Fornaci said. He said that one franchisee in Folsom converted a Baja Fresh into a Straw Hat Pizza for \$80,000, including the franchise fee; another franchisee in Roseville spent just \$54,000 to turn a sushi restaurant into a Straw Hat. Trailing revenue for the past 12 months is \$43.5 million, up from \$20 million two years ago. Five new Texas stores already planned will bring in \$6 million more. The average Straw Hat location has annual sales around \$700,000. At one point, there were 450 Straw Hat Pizzas in California alone. Marriott Corp., the owner then, decided to sell the chain to Pizza Hut, which is how Pizza Hut entered the West Coast in the mid 1980s. But a few Straw Hat owners didn’t want to convert to Pizza Hut, so the brand struggled on. About two years ago, remaining Straw Hat owners decided they wanted the brand to grow again. They brought in Fornaci to do just that — to hire an executive team, develop franchising standards and sell new stores. The

company did a private placement a year ago and now has about 250 investors, none with more than a 3 percent ownership, Fornaci said. Though pizza sales are trending up after a bad 2009, Straw Hat is adding a frozen yogurt concept it created and calls Tower 27 Yogurt. The first opens in Walnut Creek in three weeks, and all California Straw Hats will undergo a \$25,000 retrofit to add the yogurt shop.

Source: San Francisco Business Times

Shaich Stepping Down as Panera CEO in May

Ron Shaich, chief executive and co-founder Of Panera Bread Co., plans to step down as CEO but stay with the company as executive chairman. The company's board also announced a plan to repurchase up to \$600 million shares of stock. Executive Vice President and Co-Chief Operating Officer Bill Moreton will become president, CEO and board member of the Richmond Heights, Mo.-based company in May 2010. "I have long harbored desires to contribute to the broader world beyond Panera," Shaich said in a statement Tuesday. "Given my responsibilities to Panera, I have not had the time to explore how I might contribute beyond Panera." Shaich co-founded Panera with Louis Kane 28 years ago under its original name Au Bon Pain Co. Inc. From 1998 to 2003, Moreton served as Panera Bread's executive vice president, chief financial and administrative officer. He then rejoined Panera in November 2008 as Panera's executive vice president and co-COO.

Source: St. Louis Business Journal

Krispy Kreme to open 20 stores in Malaysia

Krispy Kreme Doughnuts is expanding overseas once again. Last week, Krispy Kreme announced it would open 20 retail shops in Malaysia within the next five years. The Winston-Salem company has entered into a franchise agreement with Berjaya Krispy Kreme Doughnuts Sdn Bhd, a 70 percent-owned subsidiary of Berjaya Corp. Berhad, or BCorp. Berjaya Corp. Berhad is a Malaysian conglomerate that already owns the rights to Malaysian franchises of Starbucks, Wendy's, Kenny Rogers Roasters and Papa John's Pizza. "We are delighted to enter into a franchise relationship with Krispy Kreme and be part of their international expansion in Asia," Tan Sri Dato' Seri Vincent Tan, CEO of BCorp., said in a statement. "Krispy Kreme is very popular in Japan, South Korea, and Philippines, and we expect Krispy Kreme to do well in Malaysia as well." Half of all Krispy Kreme stores are located outside the U.S., and about three-fourths are franchises. The company's first international store opened in Canada in 2001, and it now has locations in 14 countries including Australia, Hong Kong, Indonesia, Kuwait, Saudi Arabia and the United Arab Emirates. Krispy Kreme went public in 2001. While it experienced early success, the doughnut maker has struggled with accounting problems, diet trends and other issues.

Source: Triangle Business Journal

Kinsey Stands on Frontline of Operations for Noodles

Keith Kinsey has worked in many areas of restaurant operations during his career of more than 30 years. He's made fresh bread, stood beside new employees at openings and overseen complex financial arrangements for international franchises. He's worked at an impressive list of companies: McDonald's, KFC, Chipotle and now Noodles & Company, where he's been CFO since 2005. "If you look at my background, I'm kind of a split personality," Kinsey said. "I have as much experience in operations as I do in finance, and I love both aspects of the business. Noodles & Company draws on all the different elements that I've learned in my career." Kinsey grew up in Moline, Ill., where his father ran an auto body shop. The time he spent at the family business instilled a strong work ethic and sense of pride that remain intact. He earned a bachelor's degree in accounting at the University of Illinois at Urbana-Champaign, and then after getting his CPA, spent two years on the audit staff at Touche Ross in Chicago. "It's rare to find somebody that has the work ethic and amount of experience he has," said Kevin Reddy, CEO of Noodles & Company.

“He’s usually up at 4 a.m., reviewing financial data, and does so much before most people get out of bed. A big chunk of his time is spent at the restaurants. It’s how he remains close to what’s going on in day-to-day operations. “My experience in working with CFOs is that they really have to understand the business. It’s one thing to speak the language of bankers and investors, but to truly gain credibility, you need to know the business on a deeper level. That’s what makes Keith unique — he has true insight in analyzing the data and looking at the numbers based on what he sees in the field.” Kinsey supports community involvement, such as participating in local fundraisers or partnering with Make-A-Wish Foundation. “That’s so important to me, because I truly think that the way we do these things, with integrity and commitment to the community, it builds loyalty and helps us manage the right things and be consistent,” Kinsey said. Probably the biggest testament to his leadership is that several people he has worked with through the years have followed Kinsey when he switched companies. “When you talk about why I’m here, it’s about seeing people build their career and get to levels they never thought they could get to,” he said. “I have so much pride in seeing this happen. When you respect people, teach them and honestly show that you care about the success they have, it’s just phenomenal.”

Denver Business Journal



Ruby Tuesday to Open up to 200 Mexican Eateries

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 franchisee-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: The Knoxville News-Sentinel (TN)

Outback Steakhouse Pledges \$1 million to Support Troops

Outback Steakhouse announced its commitment to donate \$1 million to Operation Homefront. Operation Homefront is a nonprofit organization that provides emergency and morale support for active troops, veterans and their families. The commitment reflects the company's appreciation to those who give so much, Liz Smith, chief executive officer of OSI Restaurant Partners LLC, said in a release. Outback Steakhouse is the flagship brand of OSI Restaurant Partners, headquartered in Tampa. Some of the funding to meet the commitment will come from proceeds from sales from a special "Red, White and Bloomin'" menu during March, the release said. To further raise awareness, Outback has partnered with country musician Tim McGraw, who is touring 60 U.S. cities this spring and summer. Proceeds from a commemorative t-shirt also will be donated to Operation Homefront, the release said.

Source: Tampa Bay Business Journal

U.S. Census Bureau Releases Its First Franchise Report

The U.S. Census Bureau has issued its findings from the 2007 Economic Census Franchise Report. This is the first detailed report by the bureau on this aspect of the country's economy. The report concluded that franchise businesses accounted for 10.5 percent of all businesses with paid employees in 295 industries. Among the 4.3 million businesses surveyed, 453,326 were either franchisee or franchisor-owned. Also, franchise businesses accounted for about \$1.3 trillion of the \$7.7 trillion in total sales for these industries, \$153.7 billion out of the \$1.6 trillion in total payroll, and 7.9 million workers out of a total workforce of 59.0 million. The survey was conducted via a partnership between the Census Bureau and the International Franchise Association. Previous economic censuses only included franchising questions for limited-service (QSRs) and full-service restaurants. "The understanding we gain from these statistics about what impact franchise businesses have on the U.S. economy is a good example of how government and business can partner to provide relevant, quality data to the business community," said Tom Mesenbourg, deputy director of the U.S. Census Bureau. The report includes statistics on the number of businesses with paid employees engaged in franchising, annual sales for these businesses, and employment and payroll. The data is presented in three categories: franchisor-owned businesses, franchisee-owned businesses and all businesses and looks at areas such as paid employees in franchising, annual sales for franchisees and employment and payroll. Among franchise businesses, 77.4 percent of the them were franchisee-owned, accounting for \$1.1 trillion in sales, \$125.1 billion in annual payroll and employing nearly 6.3 million workers. Franchisor-owned businesses made up 22.6 percent of franchise businesses, with \$210.4 billion in sales, \$28.6 billion in annual payroll and 1.6 million workers. From the report: Limited-service restaurants or fast food restaurants, had the highest number of franchise establishments with paid employees (124,898), followed by gas stations with convenience stores (33,991) and full-service restaurants (30,130). New car dealers led in sales for franchise establishments (\$687.7 billion), followed by gas stations with convenience stores (\$131.1 billion) and limited-service restaurants (\$112.6 billion). Limited-service restaurants also had the third highest percentage (59.1 percent) of franchise establishments compared with all establishments within that industry, surpassed only by new car dealers (100 percent) and private mail centers (67.9 percent).

Source: FastCasual.com

Genghis Grill Brings Mongolian Flavors to Georgia

Genghis Grill will open a new restaurant in Buford, Georgia, by the end of this month. The Buford restaurant, which marks the chain's first Atlanta area restaurant, will be located in front of Mall of Georgia, at the corner of Buford Drive and Mall of Georgia Boulevard, in the former Ray's Pizza location. The restaurant chain will also be expanding into the Buckhead and Perimeter Mall areas of Atlanta by the end of 2010. Genghis Grill has scheduled to open nine more new restaurants throughout the US in 2010, encompassing the southwest, south central, Midwest and southeast regions. The aggressively expanding 51-unit chain operates locations through franchised and corporate restaurants throughout Arkansas, Arizona, Colorado, Florida, Iowa, Illinois, Kansas, Missouri, Minnesota, New Mexico, Nevada, Oklahoma, Tennessee and Texas. In addition to Georgia, more locations in Arkansas, Alabama, Florida, Kansas, Kentucky, Louisiana, Maryland, Missouri, Nebraska, North Carolina, New Mexico, Nevada, Oklahoma, Tennessee, Texas and Virginia are awaiting construction or site selection.

Source: Food Business Review

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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