



June 28, 2011

Grindmaster-Cecilware™ Announces New Chief Executive Officer

Grindmaster-Cecilware Corporation announced that Michael G. Tinsley has joined Grindmaster-Cecilware as Chief Executive Officer. Mike returns to the beverage and food equipment industry, having served as an executive with American Metal Ware and H&K International early in his career. Mike has served as a Board Member of NAFEM and was very active in the Food Service Consultants Industry (FSCI), Manufactured Agents Association for the Foodservice Industries (MAFSI), and Foodservice Equipment Distributors Association (FEDA). Michael was most recently Chief Executive Officer of Permian Holdings. Paul Echausse, Chairman of the Board said, "Mike's broad operational experience, deep customer knowledge and consistent high achievements in significant leadership roles equip Mike to provide the type of inspired and insightful hands on experience that can significantly contribute to the long term success of Grindmaster-Cecilware™." Grindmaster-Cecilware™ is headquartered in Louisville, Kentucky with locations in New York, Illinois, and Thailand. The company is owned and managed by BNY Mezzanine Partners, L.P. Grindmaster-Cecilware's™ extensive product line is the basis for the company's mission; to build the next generation single source global beverage and foodservice equipment solution. Grindmaster-Cecilware™ manufactures a comprehensive line of quality beverage dispensing equipment for hot, cold, and frozen beverages and a complementary foodservice equipment line. -- Source: Grindmaster-Cecilware Corporation

Singer Equipment Co. Acquires M. Tucker Co.

The deal expands Singer's full distribution and market coverage from Connecticut to Maryland Singer Equipment Co., an Elverson, Pa.-based foodservice equipment and supplies dealership, has acquired the assets of M. Tucker Co., a Patterson, N.J.-based dealership. M. Tucker's Stephen Tucker and Marc Fuchs will continue on as the executives leading the new division, which will operate as M. Tucker, a division of Singer NY, LLC. In 2010, Singer posted revenues of \$126 million, placing it in eighth place on FE&S' 2011 Distribution Giants Study, which ranks the top 100 foodservice equipment and supplies dealers by sales volume. M. Tucker posted revenues of \$60 million in 2010, placing it 22nd among the top 100 dealers. As a result of this acquisition, Singer's annual revenues of \$186 million would make it the fifth largest dealer in the industry. While announcing the deal for M. Tucker, Singer Equipment Company president and CEO Fred Singer left the door open to similar deals in the future. "Singer will continue to look for other strategic acquisitions that enhance our ability to service key markets and customers," he said. -- Source: FES

Burger King Corp. to Establish Master Franchise in Brazil. New Company to Assume Operations of the BURGER KING® Brand

Burger King Corp. announced that an affiliate of Vinci Partners would become the BURGER KING® brand's master franchisee in Brazil. Following the closing, the new company will assume responsibility for the management and development of the BURGER KING® business in Brazil. "We believe there is tremendous opportunity to grow the BURGER KING® brand in Brazil," said Jose Tomas, president, BKC Latin America and Caribbean. "I look forward to working closely with our master franchisee on their development plans and am confident they will drive aggressive growth to rapidly expand our footprint in Brazil." The current General Manager for Brazil, Iuri Miranda, is expected to assume the newly-created role of chief executive officer of the new company. "I am thrilled to be

leading the BURGER KING® brand during this period of exciting growth in Brazil,” said Mr. Miranda. “The establishment of this joint venture with BKC will better position us to expand the brand’s presence across the country and will allow more Brazilians the opportunity to experience our ‘HAVE IT YOUR WAY™’ brand promise.” The creation of this new company is the latest investment by Vinci Partners’ new private equity fund, which has recently made other significant investments in Brazil and does not involve capital expenditures by BKC. BKC entered Brazil in 2004 and there are currently 108 franchise-owned restaurants in the country. -- Source: Burger King Corp.

Former Texas Dining Chain COO to Develop Firehouse Subs

A former chief operating officer of a popular steakhouse chain has signed an area development agreement to oversee 18 existing Firehouse Subs restaurants in the Dallas/Fort Worth area and complete the development of 62 others in the area over 10 years. Ryan Franklin was the COO of casual dining chains Lone Star Steakhouse, which has more than 100 restaurants throughout the U.S., and Texas Land & Cattle Steakhouse, which has 26 restaurants in and around Texas. He took over the Dallas-Fort Worth area development for Firehouse from another area development director earlier this month. Once the area is completely developed, Texas will have the third largest concentration of Firehouse Subs restaurants outside of Florida. Firehouse Subs, based in Jacksonville, operates 432 restaurants throughout the U.S. -- Source: Jacksonville Business Journal

McDonald’s Uses Social Media for Menu Development

"Build your own burger and become famous" is the Mein Burger pitch. These are the finalists. What should your next burger be? Ask your customers. McDonald’s is trying out social media as a means to involving consumers in the tricky business of menu R&D. In Germany, the “Mein Burger” (My Burger) promotion invited consumers to create their own McDonald’s burger. One finalist is a meatloaf-style patty and potato salad combo on a McRib bun. Perhaps fearing such possibilities, the chain in The Netherlands has begun a promotion that simply asks consumers to use social-media sites to determine which past burger should be brought back to the menu as a limited-time special. The My Burger promotion in Germany narrowed the field from 116,468 entries to five finalists before the Just Stevinho (breaded chicken patty, herb sauce and cucumber) won with 143,552 Facebook likes. But all five finalists are getting menu tryouts, beginning (June 22-29) with the N.Y. Cheesebeef. A TV commercial (at left) features its creator, Mario K., proudly telling young women at a McDonald’s, “My burger!” The Just Stevinho chicken burger is up next (June 30 to July 6), followed (July 7-13) by the McBrezel (McPretzel). This combines a shmear of potato salad, onions and cheese with a meatloaf (Bayerischer Leberkäse) patty on a McRib bun. That would have gotten my vote, just for audaciousness. The other finalists are the Tanja Grilled Chicken Barbecue (July 14-20), with corn, pepper-Jack cheese, lettuce and barbecue sauce and grilled chicken patty on a McRib bun. Finally, there’s the Big Flavor, with jalapenos, bacon and grilled onions, from July 21 to 27. The Dutch promotion, called “Return of Your Favorite Burger,” lines up 16 past LTOs and invites consumers to vote for the one they’d like to see back on the menu. Those blasts from the past—which suggest the Dutch are getting far more funky burger choices from McDonald’s than we are—include the double-decker McAmerika; McOriental on pita; Vegas Classic with bacon and pepper cheese; and the Chicago Works with bacon, Cheddar and salsa. But the top three Favorite Burgers vote-getters so far are pretty straightforward: the McDeluxe (with lettuce, tomato, onions, cucumber and Cheddar); the Greek Mac (yogurt sauce, lettuce, tomato and red onion on pita bread) and the Fondue (beef and Emmentaler cheese on ciabatta). Consumers can vote for any of the 16 via Facebook, Twitter or MySpace. The three finalists will be determined July 15; the winning burger goes on the menu in October.

Source: BurgerBusiness.com



Au Bon Pain to Remodel all of its Cafés

Fast-casual bakery café operator Au Bon Pain has announced plans to remodel all 318 of its locations. Au Bon Pain also announced the veteran executive chef Stefano Cordova has joined the company to lead its culinary efforts. The café remodels include a new sandwich suite and fresh tossed salad station. Au Bon Pain has also redesigned its layouts to speed service, particularly at the sandwich bar, where the restaurant chain is testing an ordering process that utilizes tablet computers. The plan also includes refurbishing its dining rooms and outfitting staff members in new black uniforms with a sunburst orange apron. Accompanying the physical changes are some new menu items, including cupcakes, enhanced beverage offerings and new soup and sandwich value combinations. As part of this initiative, Au Bon Pain has remodeled the majority of its restaurants in the New York City area, one of its largest markets where the chain operates more than 30 cafés. The chain reports that the newly remodeled cafés have experienced double digit sales increases. In addition, Au Bon Pain plans to added more than 20 locations this year, in markets such as Sacramento, Calif., and Nashville, Tenn. Chef Cordova has more than 30 years of food service experience in fine dining, casual dining and major sporting events such as the Olympics, PGA tournaments and international tennis events. -- Source: FES

Real Mex Restaurants Names Edie Ames as New Chief Operating Officer

Real Mex Restaurants, Inc. announced the appointment of Edie Ames as the Company's new Chief Operating Officer, effective July 11, 2011. A seasoned restaurant industry executive, Ms. Ames most recently served as Chief Operating Officer of Del Frisco's Restaurant Group, LLC, a boutique steakhouse company that owns and operates the Del Frisco's Double Eagle Steak House and Sullivan's Steakhouse concepts. In that role, she was responsible for operations, culinary, beverage, training, marketing, social media, human resources and national sales. Previously, she served as President of Morton's Restaurant Group, Inc. for five years, overseeing all restaurant operations, along with purchasing, marketing, training, human resources and sales with a worldwide staff of more than 4,500 employees. David Goronkin, Chairman, President and Chief Executive Officer of Real Mex Restaurants, Inc., said, "We are pleased to be welcoming Edie to Real Mex Restaurants and are highly confident that she will play an instrumental role in shaping our Company's future. Edie has a tremendous passion for people and a unique ability to engage them in driving organizational success. Throughout her career, she has established a proven track record of aligning functional departments with operations to improve efficiencies and execution, and we intend to leverage Edie's well-defined skill set to achieve similar objectives at Real Mex. We are delighted that an individual of her caliber is joining our executive team." -- Source: Real Mex Restaurants, Inc.

Quiznos Heading to Brazil

Denver-based Quiznos announced it signed a master franchise agreement to open the first of its sandwich restaurants in Brazil as part of the company's international development initiative. The plan calls for seven Quiznos shops to open by the end of the year, the first by this fall. Expansion plans call for the development of 200 Quiznos shops in Brazil's north, northeast and Midwest over the life of the agreement. Quiznos partner in the deal is master franchiser Brazil Best Food Inc., which has a strong history of franchising. -- Source: The Denver Post



Pizza Hut Plans to Expand UK Delivery Outlets

Pizza Hut plans to open 300 delivery outlets throughout the United Kingdom, a move that would bring as many as 5,000 new jobs to the country. According to The Grapevine Magazine, there are currently 318 such units in the U.K. and Ireland. The company anticipates doubling that by 2020. Pizza Hut is seeking 15 franchisees to help with the expansion. These plans are in response to the company's double-digit growth in the market throughout the past three years. -- Source: PizzaMarketPlace.com

Baskin-Robbins Opens 4,000th International Location

Baskin-Robbins, a global ice cream chain, has announced the opening of its 4,000th international location, in Singapore. Baskin-Robbins will also adapt its menu to the Singaporean palate. It will serve traditional American offerings such as Mint Chocolate Chip and Jamoca Almond Fudge in addition to traditional Southeast Asian flavors, including Green Tea and Mango Tango, which is made with King Alfonso mangos from India. The Novena Square restaurant represents Baskin-Robbins' new international store design and features relaxing lounge-style seating, "pink spoon" door handles and textured walls reminiscent of Baskin-Robbins waffle cones, expanded topping station, interactive LCD menu displays, and improved dessert displays for modeling ice cream cakes and sundaes. Baskin-Robbins, which is part of Dunkin' Brands, creates and markets premium ice cream with more than 1,000 flavors, specialty frozen desserts and beverages, at 6,400 retail shops in 48 countries. -- Source: Food Business Review

New Jersey Restaurant Association Returns to IHMRS 2011 with Foodservice Arena

The International Hotel, Motel + Restaurant Show® (IHMRS) has renewed its strategic partnership with the New Jersey Restaurant Association (NJRA). As part of the partnership, NJRA will produce the Foodservice Arena at IHMRS 2011 to include exhibits, special features and education. "The New Jersey Restaurant Association is pleased to partner with the International Hotel, Motel + Restaurant Show for the 13th year," said Judy Richards, NJRA Vice President of Events & Allied Relations. "NJRA members attend this Show for their purchasing needs, in addition to seeing what is new and exciting in the marketplace. Through this partnership, we are able to offer our members VIP access to the Show where the industry's top decision-makers convene for three days." The NJRA Foodservice Arena is one of the most popular features of the Show, attracting thousands of restaurateurs from the tri-state region and around the world. Product categories to be featured within this space include beverages, credit card and payroll systems, cutlery, equipment, furniture, oil and grease systems, packaging, and table linens, as well as services such as architecture, design, construction and culinary schools. The Arena will be enhanced this year with the addition of specialty pavilions, including International Flavors, Green Solutions, Business Solutions and Pizza Solutions. Additionally, the Education Center, inaugurated in 2010 with a series of peer-to-peer seminars about current industry subjects will continue. "The success of the IHMRS depends greatly on strategic relationships such as this," said Lynn White, show manager. "It's through these partnerships that unique destinations are created on the Show floor, generating buzz and excitement. The NJRA produces a fantastic Foodservice Arena each year that serves as a central location for the Show's foodservice professionals, and this year will be no exception." The 96th annual International Hotel, Motel + Restaurant Show will run Saturday, November 12, through Tuesday, November 15, 2011, at New York City's Jacob K. Javits Convention Center. -- Source: The International Hotel, Motel + Restaurant Show



Bubba Gump to Replace Phillips Seafood at Harborplace. Similar Food, Different Menu

Less than a week after Phillips Seafood said that it's leaving Baltimore's Harborplace this fall, Bubba Gump Shrimp Co. said it's moving into the former Phillips space. Bubba Gump has signed a lease to open a restaurant by May 2012 in 13,000 square feet of space currently occupied by Phillips Seafood Restaurant and Phillips Express, Harborplace officials announced. Phillips Foods said June 10 that it will terminate its lease for 20,000 square feet in Harborplace, effective Sept. 30. Bubba Gump Shrimp Co., the restaurant group based on the movie "Forrest Gump", will offer both a sit-down restaurant and a fast-casual dining experience in Harborplace, according to the waterfront retail center's release. It will be the chain's first restaurant location in Maryland and only one of two in the Northeast. Baltimore Mayor Stephanie Rawlings-Blake praised the addition of another new restaurant to Harborplace. "Bubba Gump Shrimp Co. is a great new restaurant and attraction for the Inner Harbor and Harborplace," Rawlings-Blake said. The first Bubba Gump Shrimp Co. Restaurant and Market opened in 1996 on Cannery Row in Monterey, Calif. The Baltimore Sun reported in 1998 that the company had plans to open a restaurant fit with its own barge in the Inner Harbor, but those plans later were scrapped. -- Source: Baltimore Business Journal

Carl's Jr. Franchisee Opens Chain's First Store in Canada

Carl's Jr., a wholly owned subsidiary of Carpinteria, Calif.-based CKE Restaurants Inc., has entered Canada, with its first-ever restaurant located in Kelowna, British Columbia. Opened and operated by Jove Franchise Development Corp., this store is the first of five Carl's Jr. locations that the franchise group plans to debut in Canada. According to the company, its entry into Canada is part of a strategic plan to accelerate franchise development in international markets and to double CKE's international presence to more than 700 restaurants over the next five years. -- Source: Display & Design Ideas

Salsarita's Acquired by Former McAlister's CEO

Former McAlister's Deli president and CEO Phil Friedman has acquired the Salsarita's Fresh Cantina restaurant chain. The chain has 80 stores across 19 states and is now owned by Salsarita's Holdings ... Cantina restaurant chain. The chain has 80 stores across 19 states and is now owned by Salsarita's Holdings LLC, a company formed and controlled by Friedman, who serves as CEO. Larry Reinstein will join Salsarita's Holdings as president and chief operating officer. Reinstein was previously the president and CEO of Boston-based Fresh City. "I am extremely delighted and fortunate that the Salsarita's chain became available. To me, it is the right opportunity at the right time," Friedman said. "Salsarita's is in a great category and all of those elements from McAlister's Deli are here: taste, variety and choice. Those are all strengths and I really like that a lot." Friedman first looked to purchase the Salsarita's chain in January, however, was outbid by another group. That deal fell through and Friedman was asked to return to the negotiating table in April. The deal closed June 16. When the announcement was made of Salsarita's acquisition, Friedman was visiting the chain's Michigan locations. After his visit to Michigan, Friedman will meet with franchisees in the markets of New York and the Carolinas. "A big part of my perspective is to meet all the franchisees as soon as possible, to visit all of the restaurants and to really understand the lay of the land and the elements that in place. So many acquisitions fail because the acquirer is quick to change or quick to decide," Friedman said. "I want to work with the team and work with the franchisees to really understand how the chain got here, what its strengths are and how to get to the next level. I would say it's really crafting the growth strategy around the core." -- Source: FastCasual.com



The Original Italian Pie spreading across Southeast

The New Orleans'-based franchise has announced plans to open 25 more locations throughout the Southeast over the next 10 years. Big Game Brands, who recently purchased the pizza chain, is partnering with Linver Leffel, a franchise owner and area developer, to open the restaurants. Leffel, with more than 30 years of restaurant management and development experience, plans to open units in North Florida, Southern Alabama and Southern Georgia. In addition to the area developer deal, The Original Italian Pie recently opened its first corporate location in Charlotte, N.C., and plans to open a franchised location in the Garden District of New Orleans in July. With single-unit operators and area developers already taking an interest in the brand, Big Game Brands sees growth potential in the Southeast. "We believe this increase has to do with the concept's quality menu items and focus on exceptional customer service," said Daryl Dollinger, president of the Original Italian Pie. "With increased opportunities for capital, we believe more small business owners will choose franchised concepts such as The Original Italian Pie due to their established success rate." -- Source: PizzaMarketPlace.com

IHOP Forays into Middle-East

Global restaurant company DineEquity's wholly-owned subsidiary IHOP Franchise Company has signed a multi-restaurant franchise agreement with an affiliated group of Kuwait-based MH Alshaya. As per the new deal, IHOP is set to open 40 new restaurants in Kuwait, Saudi Arabia, Jordan, Lebanon, Qatar, the United Arab Emirates, Oman, Bahrain and Egypt. The company said that it is the first major expansion of the IHOP chain outside of North America. DineEquity's Chairman & CEO Julia Stewart said the firm is keen to work with Alshaya to cater to consumers across the Middle East. DineEquity is the parent company of IHOP and Applebee's Neighborhood Grill and Bar Restaurants, which operates about 3,500 restaurants combined. IHOP opened its milestone 1,500th restaurant last year, and currently has a franchise development pipeline of over 300 restaurants, the company claimed. MH Alshaya is an international franchise operator for more than 55 global retail brands, including Starbucks, H&M, Mothercare, Debenhams, American Eagle, Pottery Barn, Pottery Barn Kids, PF Chang's, Office Depot and Boots. -- Source: Food Business Review

Restaurant Owner Gives Half his Business to Employees

For Francis Marincola, giving part of his business to four of his long-term employees is the path to success. The 72-year-old only needs to spend about 10 hours a week at his Delray Beach Italian restaurant, Caffe Luna Rosa. "I would rather have an excellent functioning restaurant and take half the profit, than a restaurant that if I wanted it to be excellent functioning, I would have to be there all the time," he said. Marincola turned over 50 percent of the popular restaurant in Delray Beach to these employees in return for their continued passion and dedication to his business. He has been sharing profits to boost their performance for many years, but this year he decided to take it a step further. "It was never meant that I was going to give half of the restaurant in writing away," Marincola said. "But I realized that if they got sick or wanted to retire or move away, they got nothing, and I thought that that was wrong after all those years they worked so hard to build the restaurant up." The oceanfront Caffe Luna Rosa, in business since 1993, evolved from a take-out and gelateria to a casual dining restaurant with approximately 40 employees. Its offers breakfast, brunch and lunch with a menu consisting of salads, pastas, pizzas, wraps and more. Marincola also said his business model has not only maximized profit, but minimized mistakes at the restaurant. "The business advantage is obvious," Marincola said. "A normal person who doesn't own the business sometimes cares and sometimes doesn't." Ernesto DeBlasi, executive chef for 10 years and one of the four new partners, agreed:

"You tend to care a little bit more, you tend to pay more attention to detail, you are more attentive to profit and loss and the quality of the food." DeBlasi and his three employee-co-owners are entitled to 50 percent of all profits — in addition to their salaries. They also participate in every decision made at the restaurant. Ownership means financial stability to Bonnie Beer, office manager and bookkeeper for 12 years at Caffe Luna Rosa. "This means security for my family," said Beer, mother of two young children. "It gives me security knowing that my kids' college will be paid for when they get older." Mercedes LaRue, a small business expert, said awarding ownership to employees is a good way to keep valuable workers, who are essential to a successful business. LaRue is the director of the institute for family businesses at the Eugenio Pino and Family Global Entrepreneurship Center at Florida International University.

Beer, DeBlasi and the other two owners, the day manager and the morning head chef, are proof of that. All have been at the restaurant for more than a decade. Beer and DeBlasi said ownership and compensation are keys to their longevity at the restaurant. "It's a good business strategy," DeBlasi said. -- Source: OrlandoSentinel.com

Applebee's Serves Up an Ownership Change. N.C. Franchisee Buys 13 S.C. Applebee's Units

Charleston-based Whit-Mart Inc. has sold its 13 South Carolina casual-dining restaurants to a large North Carolina-based franchisee. The deal closed last week. Terms were not disclosed. Gary Whitman of Whit-Mart said he decided to focus his attention on growing his company's 12-unit Applebee's Neighborhood Grill and Bar franchise in and around Louisville, Ky., a 28-county territory that spills over into southern Indiana. "There are some development opportunities here in South Carolina, but it's nowhere near what's available in the Louisville area," Whitman said last week. He will continue to run Whit-Mart from the Charleston area, where he still owns Water's Edge, an upscale restaurant on Shem Creek in Mount Pleasant. The Applebee's sale came nearly 13 years to the day after Whitman, a onetime Burger King operator who grew up in Ladson, acquired the local franchise on June 29, 1998. Whitman said his South Carolina restaurants attracted several would-be buyers, but Raleigh-based New Apple Inc. served up the best offer. The new owner is an affiliate of Michael Olander's Apple Gold Group, which was formed in 1984 with five Applebee's. The Whit-Mart buyout gives it more than 80 locations in the Carolinas, Oklahoma and Arkansas. B.J. Stolz, general counsel for Apple Gold, said the company jumped at the opportunity to expand into Charleston and other South Carolina markets. Most of the other newly acquired restaurants are in the Grand Strand area and Florence. "We were interested in the geographic continuity," he said. He said the former Whit-Mart locations "have good volume." "And I like going to the beach, so I'm not too unhappy," Stolz added. Apple Gold said it rang up more than \$135 million in sales last year, making it one of the largest franchised restaurant operators in the country. Source: The Post Courier, S.C.

Dairy Queen® Opens First Locations in Saudi Arabia

Dairy Queen® has given new meaning to the term global brand. Owned by Berkshire Hathaway, the DQ® system has opened its first three locations in Riyadh, Saudi Arabia, one of which is the largest and only two-story DQ Grill & Chill® restaurant in the world. These openings mark the DQ system's presence in 16 countries outside the U.S. and Canada. All three of the new DQ Grill & Chill restaurants are owned and operated by franchisee Al Safwa Food Group, a retail holding group previously involved in the Saudi Arabia casual dining segment. Al Safwa Food Group is slated to open five DQ Grill & Chill locations this year and a total of 32 locations throughout Saudi Arabia by 2015. The Dairy Queen system also has locations in the Middle Eastern countries of Bahrain, Oman and Qatar. "For more than 50 years, we have been expanding the Dairy Queen brand into the international marketplace where there continues to be significant opportunities for us," said Brad Houser, executive vice president of International Dairy Queen, Inc. "What makes these openings particularly noteworthy is that one of these locations will be the largest DQ Grill & Chill we've ever opened. We have found that consumers are willing to try new restaurant brands, especially those that offer high-quality food and treat options, so there was great anticipation for the opening of our first Dairy Queen locations in Saudi Arabia." The Riyadh DQ Grill & Chill restaurants will feature all of the soft-serve products and expansive food offerings that have made the DQ system an icon in the industry. Guests will enjoy DQ signature Blizzard® Treats, soft-serve cones, sundaes, DQ Cakes and MooLatté® frozen blended coffee beverages as well as the DQ system's popular Chicken Strip Basket and delicious GrillBurgers®. The Tahlia Street location also will introduce DQ Cakes and feature a breakfast menu. The Dairy Queen system has opened 236 international stores since January 2010, including numerous locations in China, Mexico, the Philippines and Thailand, bringing its total to 841 locations outside the U.S. and Canada. Source: American Dairy Queen Corporation



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Perkins Wins Approval of \$16 Million Bankruptcy Financing

Perkins & Marie Callender's Inc., the owner or franchiser of about 600 restaurants, won court approval of \$16 million in interim financing to help fund operations while in bankruptcy. U.S. Bankruptcy Judge Kevin Gross approved the loan at a hearing today in Wilmington, Delaware, saying "there was an effort to find better terms, and these are the best." The company, based in Memphis, Tennessee, will seek final approval of an additional \$5 million from Wells Fargo Capital Finance LLC, the agent for the lenders, for total \$21 million facility, at a hearing scheduled for July 11. The financing is "absolutely essential to kick-start" the company, Mitchel H. Perkiel, a lawyer for the company, told Gross at the hearing. The loan is "adequate and sufficient for the company to operate effectively" and to complete the restructuring in a timely manner. The company listed assets of \$290 million and debt of \$441 million in yesterday's Chapter 11 filing. "The languishing economy, including declines in consumer confidence and sluggish consumer spending and increased commodity costs" hurt its Perkins Restaurant and Marie Callender's chains, Jay Trungale, Perkins's chief executive officer said in November. Restructuring Proposal The Company negotiated a restructuring proposal with noteholders before seeking bankruptcy protection, according to a statement yesterday. All of the holders of 14 percent senior secured notes agreed to support the proposal as well as more than 80 percent of the holders of the 10 percent unsecured senior notes. -- Source: Bloomberg

Sizzler® USA Management Acquires U.S. Operations

Sizzler, the iconic steakhouse that is largely credited with starting today's popular fast casual segment and introducing the salad bar internationally, is coming home to the city where it was born. Sizzler USA Chief Executive Kerry Kramp announced that a management-led group has completed the acquisition of Sizzler's U.S. interests from Australia's Pacific Equity Partners (PEP), which had owned both Sizzler's United States and international operations since 2005. Sizzler USA currently owns or franchises 178 restaurants in the U.S. and Puerto Rico. Terms of the sale – which excludes the international operations – were not disclosed. Kramp, who joined Sizzler as chief executive in June 2008, has spearheaded a turnaround effort that has resulted in three years of same-store sales increases. The chain, which was founded in Culver City in 1958, has revamped its menu, now making almost all of its food in-house from fresh ingredients. Sizzler also is in the midst of a system-wide remodeling program. "On the business side, we have turned around sales and eliminated our debt and underperforming units," Kramp said. "In the restaurants, with the support of our franchise partners, we have dramatically improved the entire dining experience, serving fresh food with compelling flavors at reasonable prices with great hospitality." The ownership group includes Kramp, who will continue as CEO and president, Kevin Perkins as non-executive chairman, Jim Collins, who originally purchased Sizzler from founder Del Johnson in 1967, and a management team that Kramp describes as "some of the most talented, passionate and engaged leaders in the industry." "I am fortunate to have Kerry Kramp, his team and Jim Collins as partners. The combination of Kerry's proven industry talent and Jim's wisdom makes for a powerful force to continue Sizzler's recent prosperity and to take it into a new era of growth," Perkins observed. Kramp added, "We are charting a new course that honors Sizzler's past, while positioning it for the next 50 years." PEP acquired Sizzler USA, along with Sizzler's international operations and other interests, from Worldwide Restaurant Concepts, which traded on the New York Stock Exchange. -- Source: Sizzler® USA

Twin Peaks Preps for Expansion

Addison-based Twin Peaks Restaurants will open six to 10 new locations in 2011, with a goal to open two restaurants each month in the next year. Randy DeWitt, founder of the franchise chain, which offers “scenic views,” said the company is working to expand from its current 15 locations. The next location will open at U.S. 59 and Kirby Drive in Houston in August, DeWitt said. “It’s easier to manage and distribute to nearby markets,” DeWitt said, “so our philosophy is to grow in concentric circles around D-FW.” Twin Peaks has seven locations in the D-FW area, as well as locations in Nebraska, New Mexico and Oklahoma. The company is looking for spaces between 5,000 square feet and 8,000 square feet, and it usually converts a “casual dining box,” DeWitt said. DeWitt, who is CEO of Front Burner Restaurants LP, which owns Twin Peaks, said the company is also bringing on new management to help with the growth. “It seems like we’re picking up even more momentum, and the reason is we’ve brought on some really good individuals,” DeWitt said. “Every restaurant brand is unique, but there are certainly really unique aspects of Twin Peaks,” DeWitt said. “Having a background, especially at the corporate level at Hooters, we felt like was really going to help their understanding of the issues we have to deal with as we grow our brand.” Twin Peaks raised awareness about one of their issues when they filed a federal lawsuit against Arkansas-based Grand Tetons LLC in November 2010 for trademark infringement, because it also used the phrase “scenic views” in its tagline. DeWitt said the lawsuit was settled this spring and Grand Tetons, which owns Northern Exposure restaurants, paid Twin Peak’s legal fees. Front Burner Restaurants also owns Ojos Locos Sports Cantina, Whickey Cake Kichen & Bar, the Ranch at Las Colinas and Red Dog Right. The latest venture by the company, Velvet Taco, will offer tacos with locally sourced ingredients and a menu changing weekly, DeWitt said. “Were looking at sites right now for expansion and everyone is anxious to see the first one open and see how it does,” DeWitt said. “Then I think we will pull the trigger on sites after that.” -- Source: Dallas Business Journal

Bruce M. “Smokey” Swenson Appointed to CEC Entertainment, Inc. Board of Directors

The Board of Directors of CEC Entertainment, Inc. has appointed Bruce M. “Smokey” Swenson as a director. Mr. Swenson currently serves as a Managing Director for the investment banking firm Stephens Inc. He was elected by the CEC Board at a special meeting earlier this month. Prior to joining Stephens Inc. in 1999, Mr. Swenson served as Senior Managing Director for the investment banking firm Everen Securities, Inc. from 1998 to 1999. From 1992 to 1998, Mr. Swenson worked for Principal Financial Securities, Inc., an investment banking firm, where he was a Senior Vice President and head of the Corporate Finance Department from 1996 to 1998. Mr. Swenson was a Senior Vice President at Southwest Securities, Inc., an investment banking firm, from 1990 to 1992. From 1980 to 1990, Mr. Swenson was a Senior Vice President and Director at Rotan Mosle Inc., an investment banking firm. Mr. Swenson was an accountant from 1976 to 1980 at Peat Marwick, a public accounting firm and a predecessor firm of KPMG, where he worked in the audit and private business advisory departments. Mr. Swenson is an independent director under the New York Stock Exchange listing standards and the Company’s Corporate Governance Guidelines and has been appointed by the Board to serve as Chairman of the Audit Committee and as a member of the Nominating/Corporate Governance Committee. Mr. Swenson is an “audit committee financial expert” as defined by SEC standards. Mr. Swenson’s election brings CEC’s Board to nine members, seven of whom are independent. CEC Executive Chairman Richard M. Frank said, “We are delighted Smokey Swenson has joined the CEC Board as an independent director and look forward to working closely with him as we continue to expand the Chuck E. Cheese brand domestically and around the world. The CEC Board and our investors will benefit from his finance and industry experience.” -- Source: CEC Entertainment, Inc.

Cracker Barrel Old Country Store, Inc. Elects Coleman Peterson to Board of Directors

Cracker Barrel Old Country Store, Inc. has elected Coleman Peterson to its Board of Directors, effective immediately. Peterson’s election brings the number of Cracker Barrel board members to 10, nine of whom are independent directors. Coleman Peterson is president/CEO of Hollis Enterprises, LLC, the human resources consulting firm he founded in 2004 following his retirement from Wal-Mart Stores, Inc. Known as America’s top people person, Peterson served as executive vice president of people for Wal-Mart Stores, Inc., where he had the distinction of being the chief human resource officer of the world’s largest private workforce. Peterson adds his extensive retail experience to the Cracker Barrel board, whose members represent a wide breadth of experience in both the retail and restaurant industries. He serves on the corporate boards as well as the nominating and corporate governance committees of both J.B. Hunt Transport of Lowell, Arkansas, and Build-A-Bear Workshop of St. Louis,

Missouri. Peterson was appointed to the Board of Trustees of Northwest Arkansas Community College by former Arkansas Governor Mike Huckabee and recently completed a three year term as chairman of that board. He was inducted as a Fellow of the National Academy of Human Resources, the highest recognition within the human resource industry. He holds both bachelor's and master's degrees from Loyola University. Awards of note include being a recipient of the Society for Human Resource Management's highest recognition, The Award for Professional Excellence, the Lifetime Achievement Award for Human Resources Excellence from Linkage Incorporated, and the Martin Luther King Lifetime Achievement award from the Northwest Arkansas MLK Planning Committee. "We are both fortunate and pleased to welcome a businessman of Coleman Peterson's caliber to Cracker Barrel's board of directors," said Michael A. Woodhouse, chairman and chief executive officer. "He offers an exceptional depth of knowledge in the retail industry and will complement the strengths of his fellow board members who have successfully guided Cracker Barrel through some of the toughest economic times in our country's history." -- Source: Cracker Barrel Old Country Store



Garden Fresh Restaurant Corp. Appoints Eric Rosenzweig as Chief Information Officer

Garden Fresh Restaurant Corp., known for its 120 Souplantation and Sweet restaurants, announced the appointment of Eric Rosenzweig as Chief Information Officer. In this position, Mr. Rosenzweig will lead the company's information technology department, including managing critical technology systems that support the company's restaurants, its central kitchens and distribution centers, and the enterprise systems and applications for all corporate processes. An industry veteran, Mr. Rosenzweig brings more than 25 years of experience managing technology at leading corporations. Most recently, he was Vice President of Information Technology at PETCO Animal Supplies, Inc., a national retailer of pet food and supplies. Over his 16 years at PETCO, Mr. Rosenzweig worked extensively in every facet of the I.T. function which included improving the reliability and effectiveness of core I.T. systems that supported the company's growth from 200 stores to a national retailer of over 1,100 locations with \$2.8 billion in sales. "We are very pleased to have Eric join our team and are eager to leverage his expertise as we continue to evolve our restaurant systems to utilize new technology offerings. Eric's deep experience in running a national I.T. department will allow for improved collaboration between all departments to ensure that we are meeting the needs of our growing and changing business," said Michael Mack, CEO of Garden Fresh. Mr. Rosenzweig's appointment will strengthen Garden Fresh's technology infrastructure at a critical time, as the company looks to expand beyond its current markets, and explores new restaurant concepts like its recently launched Souplantation Express restaurant, which has a smaller footprint and offers more options for guests on the go. "I'm excited about being part of Garden Fresh, a growing company with an admirable mission to provide fresh, healthy food to consumers across the country," said Mr. Rosenzweig. "I look forward to using technology to drive the business forward and to being a part of a growing department within the organization."

Source: Garden Fresh Restaurant Corp.

Fazoli's Hires James Franks as Vice President of Franchising

With a new menu, new prototype and a new service style driving a sales turnaround, Fazoli's CEO and President Carl Howard announces the addition of James Franks as vice president of Franchising. Franks is a 22-year veteran of franchising with a strong reputation for launching and re-launching brands and their franchise development programs. Most recently, he served as Red Mango's vice president of Franchising. "James Franks has a strong track record of helping to expand established brands," Howard said. "With his hiring, all the pieces for Fazoli's growth

are now in place.” Prior to Red Mango, Franks served as the national director of Franchise Sales at Dunkin Brands. “I’d been following the positive changes Carl and his team were making to the Fazoli’s brand,” he said. “Fazoli’s is one of the best franchising opportunities that I’ve seen in a very long time. Consumers love its uniqueness, the model works and there are virtually endless opportunities in both traditional and non-traditional markets.” Franks’ initial priorities are to create a strategic franchising program that appeals to current franchisees, as well as, to operators of other brands. He intends to announce soon a list of focus markets for growth and to launch a new franchising web site. He will be working closely with Fazoli’s owners, Sun Capital Partners, which has developed a program to jointly market its restaurant brands to operators of non-traditional locations. -- Source: Fazoli’s

Biglari Invests in Cracker Barrel. San Antonio Investor Pays \$100 Million for 9.7% of Company

San Antonio investor Sardar Biglari apparently has an insatiable appetite for restaurant stocks. Biglari's holding company disclosed it paid about \$100 million for more than 2 million shares — or 9.7 percent — of Cracker Barrel Old Country Store Inc., according to a filing with the Securities and Exchange Commission. Biglari reported the share purchases in a 13D filing, a sign that he doesn't intend to be a passive investor. He is chairman of San Antonio-based Biglari Holdings Inc., which is parent company of restaurant chains Steak n Shake and Western Sizzlin. In the past year, Biglari entities have bought shares in burger chain Red Robin, which he quickly sold, and drive-in restaurant chain Sonic Corp. Biglari revealed he plans to communicate with Cracker Barrel's management and directors regarding its “business, governance and future plans.” A Cracker Barrel spokeswoman had no immediate comment. Known for its rustic country-store design, Tennessee-based Cracker Barrel had 601 restaurants and gift shops in 42 states as of April 29, according to a regulatory filing. It has three locations in San Antonio, its website shows. Biglari typically doesn't discuss his business dealings, reserving his comments for Biglari Holdings' annual reports and shareholders' meetings. Biglari, at times, has invested in underperforming restaurant chains and pushed for changes. That happened at Steak n Shake, Western Sizzlin and Friendly Ice Cream Corp. Sam Yake, a BGB Securities Inc. analyst who follows Biglari Holdings, was surprised by Biglari's latest target. “I always thought Cracker Barrel was a pretty well-run company,” Yake said. “I'm not sure what he's going to do, or whether the other shareholders would support him.” Yake added, “I'm not sure he can take over the whole company, though.” Cracker Barrel has nearly twice the market cap of Biglari Holdings. Cracker Barrel's shares hit a 52-week low of \$44.21 Friday. The stock's 52-week high was \$57.77 on Nov. 22. Biglari's investment interests aren't strictly limited to restaurants. Earlier this year, Biglari Holdings took a 12.8 percent stake in CCA Industries Inc., a small New Jersey-based manufacturer and marketer of health and beauty products. Last month, Biglari and Biglari Holdings Vice Chairman Philip Cooley were nominated as directors for CCA after Biglari demanded access to its books to determine if the company's directors breached their fiduciary duties in approving the compensation arrangements of its two founders. -- Source: San Antonio Express-News

BUBBA Burger Opens First BUBBA Burger Grill

BUBBA burger, the No. 1 selling retail, frozen branded burger in America, has opened its first BUBBA burger Grill restaurant in Jacksonville, Fla. The announcement was made by Billy Morris, president and CEO. Three additional BUBBA burger Grill locations are under construction in Jacksonville and will open this summer. “We have spent years developing the BUBBA burger Grill and we are pleased to now serve great BUBBAs, fries and other menu items to our existing fans and introduce our great-tasting BUBBAs to new guests,” Morris said. The Original BUBBA burger Grill is a fast casual restaurant chain featuring all varieties of the premium BUBBA burger – including the Original, Sweet Onion, Jalapeno, Big BUBBA, Reduced Fat, Mini BUBBA Bites, and the new All Natural Turkey BUBBA burger. Guests of Original BUBBA burger Grill create their own unique BUBBA by selecting from a wide variety of options including their choice of BUBBA burger variety, buns, toppings and cheeses. Additional menu options include a mini BUBBA dawg platter and BUBBA sides such as fresh cut fries, fried pickles, fried green beans, sweet potato fries, BUBBA chips and BUBBA bacon dippers. “The BUBBA burger Grill restaurants have been created to serve individuals and families who already love BUBBA burger as well as introduce the brand and our great tasting BUBBAs to new fans,” Morris said. “The opening of our first location is a key milestone in the growth of the BUBBA burger brand and an exciting start as we expand BUBBA burger Grill to new markets.” Following the chain’s initial four units in Jacksonville, Original BUBBA burger Grill plans to grow across the country with traditional restaurant locations as well as food courts, airport locations, college campuses and sporting venues. -- Source: FastCasual.com

Pizza Hut Owners Make Hall of Fame

They may not have hit any homeruns or stolen any bases, but Pizza Hut Founders Dan and Frank Carney still made the Kansas Hall of Fame. Beth Fager, spokeswoman for the Great Overland Station, said the Kansas Hall of Fame was established to celebrate the state's 150th anniversary and to recognize the contributions made by Kansans. Eight legends of Kansas history and industry were announced Tuesday as the inaugural class of the Kansas Hall of Fame at the Great Overland Station Museum. Other nominees included: President Dwight D. Eisenhower, Vice President Charles Curtis, U.S. Senator and Presidential Nominee Bob Dole, General and Chairman of the Joint Chiefs of Staff Richard Myers, Aviatrix Amelia Earhart and Marshall Matt Dillon of "Gunsmoke" as portrayed by James Arness. "We're in an exclusive group to be No. 1 in the Kansas Hall of Fame," Dan Carney said in an interview with the Topeka Capital Journal. "Then you talk about Eisenhower, Earhart and fictional characters -- I can't wait to see who will be in the second class." The Carney brothers opened the first Pizza Hut with John Bender in 1958 in Wichita. Source: PizzaMarketPlace.com

Leisure Hotel Rates Realize Record Growth

Leisure hotel rates realized record growth in May, climbing almost +5% according to monthly data released today from Pegasus Solutions in The Pegasus View. The corporate market, having suffered a brief booking dip in April, returned to bookings increases of +15% over 2010 in May, accompanied by rate increases of +6.5%. Forward-looking data in April indicated a strong summer travel season for the leisure market, which was realized with reservations growth of +8.3% over prior year in May. Together, the rate and bookings increases drove a rise in global hotel revenue of +15.0% over prior year, surpassing the year-to-date growth pace of +12.5%. "Rising leisure rates indicate rising demand, but consumers are keeping budgets in check by shortening trips and seeking out packages for the best value," said Mike Kistner, chief executive officer of Pegasus Solutions. "Hotels can attract their fair share or more of this demand by offering value through distinctive packages - enticingly priced offerings involving additional nights, premium hotel services and/or local attractions - rather than invoking profit-eroding standard rate discounts." Global corporate travel bookings jumped from April's temporary growth slump to an increase of +15% in May. Average daily rate (ADR) growth for the channel kept to the year-to-date pace of +6.5% over 2010, and is expected to trend strongly through the third quarter. Pegasus' forward-looking data, based on business on the books, shows corporate bookings ramping back to near +20% growth in the third quarter, with length of stay (LOS) and booking lead times also increasing. The forecast for the leisure market is equally promising. Data shows steady leisure travel bookings growing at an average pace of +10% over 2010, accompanied by steady and potentially climbing rate growth through summer. Rates for the segment have been increasing for a solid year now, though at less than half of those for business travel. -- Source: Pegasus Solutions

Fast Food Chains Lobby for the Use of Food Stamps in Restaurants

Yum! Brands, the parent company of several national fast food chains, including KFC, Pizza Hut and Taco Bell, is lobbying the Kentucky state government to allow the use of food stamps in its restaurants. If the change in the law passes, Kentucky will join a very short list of only three other states – Michigan, Arizona and California – that permit food stamps to be used this way.

As reported by the local newspaper, the Courier Journal, Louisville-based Yum! intends to accept so-called EBT cards for payment, which proponents say will provide a much needed service for food stamps recipients who otherwise have difficulties to find a ready-cooked meal. Supporters of the petition, including advocacy groups for the homeless, argue that any restaurant business willing to accept food stamps should be allowed to participate in the program. Natalie Harris, a spokesperson for the Coalition for the Homeless, is strongly in favor of the idea. "For those [...] who don't live near a large grocery store and can't afford a restaurant, sometimes their only option is the nearest gas station. [...] This would allow people to get a reduced price meal at a small deli or a restaurant, and that does include fast-food restaurants." Of course, this is not only a concern for homeless people. Elderly and disabled people, who are unable to cook at home for whatever reasons, can't get a prepared meal if they depend on government help to pay for it. Currently, Kentucky provides support to the needy mainly through its Food Assistance Program, which does not (yet) cover fast food items. Opponents of the proposed law change want to keep it that way. They argue that the government should not help push more sales of junk food on poor people at the expense of their health. In the long run, it would adversely affect the well-being of entire communities and drive up health care costs for the state.

In 2010, Kentucky was ranked number seven in the U.S. in terms of obesity rates, with over 30 percent of obese adults. Childhood obesity and Type 2 diabetes are also on the rise here. Critics say these numbers will only go up if low-income families are enticed to spend their food stamps at hamburger joints. Louisville, where Yum! is headquartered, has been in the news lately for other reasons as well. Ironically, one might say, the town wants to be known for its fight against obesity. In 2003, city hall received a grant from the Robert Wood Johnson Foundation to help with the construction of bicycle lanes and to develop a number of small “pocket parks” as part of its affordable housing projects. To motivate people to drive less and move their bodies more instead, wider and safer sidewalks are being built. These may be humble beginnings, but they point in the right direction. Still, if these few well-meaning efforts remain sporadic and isolated, they will not make much of a dent. Access to decent food sources and opportunities to maintain a health-promoting lifestyle should not be so hard to come by, even in less than affluent communities. If government can afford to subsidize big industries – and let’s face it, allowing fast food places to accept food stamps is ultimately a subsidy program for the corporations who own them – it can also show some support for small produce farms. Our taxes would be well spent by keeping healthy nutrition affordable for everyone and by investing in our local agriculture at the same time. Food stamps should be made welcome at all farmers markets and urban farms. We also need more grocery outlets in the so-called “food deserts,” the underserved communities in many inner cities. These are not revolutionary ideas and they are not hard to implement. What is missing, mostly, is enough political will. -- Source: seattlepi.com

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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