



February 5, 2011

N.C. Group Buys Hooters of America

A group of private investors led by Chanticleer Holdings Inc. of Charlotte has purchased controlling interest in Hooters of America, the Atlanta-based restaurant chain known for its chicken wings and scantily clad wait staff. Hooters of America has 20 locations in North Carolina, including one each in Burlington, Greensboro, High Point and Winston-Salem. The Chanticleer-led consortium acquired the company from the estate of Robert Brooks, who died in 2006. Financial terms were not disclosed. The investor group also is buying Texas Wings Inc., the largest Hooters franchisee. Hooters of America has 120 restaurants. Texas Wings has 41. The total 161 company-owned locations across 16 states include nearly half of all the domestic Hooters restaurants and more than 33 percent of the locations worldwide. Chanticleer and its limited partners will be equity holders. Chanticleer Chief Executive Mike Pruitt will sit on the Hooters of America board. Chanticleer previously was a minority investor in the Hooters chain.

Source: The Business Journal

Fast-Food Owner Facing Challenges in China, US

Yum Brands braces for higher costs in China, says its ads beat back Taco Bell beef lawsuit. Though it is craving a repeat of its 2010 performance, the owner of the Pizza Hut, Taco Bell and KFC chains is facing distasteful developments: inflation in China and a lawsuit challenging a staple ingredient at Taco Bell. Yum Brands Inc. executives said on a conference call with investors last week that they're bracing for commodity and wage inflation in the company's fast-growing China operation, its most profitable. Yum recently raised prices there to help offset the higher costs. Louisville-based Yum said it's confident of weathering the higher expenses in China, where it has more than 3,900 restaurants that have made KFC a leading fast-food brand internationally. "I feel comfortable operating in that environment, even though it will keep us on our toes," Chief Financial Officer Rick Carucci said on the call. Yum said its operating profit rose 26 percent last year in China, adjusted for currency fluctuations, and the company is on its way toward \$1 billion in annual operating profit there. "We continue to believe we're in the early innings ... of growth in China," Yum Chairman and CEO David C. Novak said during the conference call. The company said it's also bracing for commodity inflation around the world in 2011. For 2011, analysts on average are expecting Yum to earn \$2.83 per share on revenue of \$11.77, according to FactSet. Yum executives outlined their strategy for the coming year a day after the company said its fourth-quarter net income rose 27 percent with strong growth overseas and a rebound in the U.S. Yum said its earnings per share rose 17 percent for the year, excluding one-time items, its best performance ever. In the U.S., where the chain has struggled as recession-weary consumers have stayed home to eat more often, Taco Bell appears prime for expansion, Novak said. Its restaurant count here could grow to about 8,000 from the current 5,000, Novak said.

Source: The Associated Press/ABC News

Cheeburger Cheeburger Opens Seventh Airport Location

Cheeburger Cheeburger, a Florida-based restaurant chain, will open a new location at the Newark Liberty International Airport, Terminal A, on 5 February as part of the corporate EXPRESS concept. The Newark restaurant will be the seventh airport location that Cheeburger Cheeburger operates, also providing services to two universities and two travel plazas within the US. Cheeburger Cheeburger, which has presence in 20 states, currently operates restaurants in airports including Richmond International, Cleveland Hopkins International, JFK International, Tucson International, Orlando/Sanford and the Detroit Metropolitan Wayne County Airport. The organization partnered with Westfield Development and Areas USA in 2010 for the Newark Airport location. The menu items include a burger in three sizes, a grilled chicken breast sandwich, fresh-cut fries, a grilled chicken salad and 10 premium ice cream shake flavors. Breakfast options will also be available through the EXPRESS menu. The company, which opened 12 full-service restaurants across the US in 2010, will have 11 more opening soon, including the first Cheeburger Cheeburger franchise in Quebec, Canada.

Source: Food Business Review

Sub-Shop Quiznos Eyes India's Outsourcing Crowd

Hot on the heels of the recent Starbucks alliance with the Tata Group that could eventually see the coffee retailer open outlets in India, Colorado-based subway sandwich chain Quiznos says it expects to open its first outlet here in the summer. The chain, which has tied up with Hyderabad-based businessman Arjun Valluri as its franchise-holder for India's southern region, expects to be in that city by May this year, according to Mr. Valluri. "Our strategy is going to be 20 [outlets] in the next three years," said Mr. Valluri, who runs several food-and-beverage businesses, including a line of sports bars. Initially they'll be targeting the returned NRI, or non-resident Indian (Mr. Valluri is one himself), and the IT office lunch crowd in the city, which has become a major tech center after Bangalore. Mr. Valluri said they will also be looking at opening outlets on the campuses of IT firms. "Our strategy will be to go after larger corporates like Infosys that have food courts," said Mr. Valluri. India already has Subway, but Quiznos hopes its sandwiches—which are heated through rather than having only the bread toasted—could give the Denver firm an edge with customers who are partial to hot meals. This is the second time that India's been expecting Quiznos—trade reports in 2009 said that a firm called JIP Fashion & Restaurant was going to be opening Quiznos outlets in India, but so far there aren't any. JIP couldn't be reached for comment. Like McDonald's with their McAloo Tikka, Quiznos will be Indianizing their menu too. "We are very keen on adaptation," said Lee Vala, head of international development for Quiznos. "Business does not get done the same way in the U.S. as in India." Mr. Vala said Quiznos chefs had already been to India and Mr. Valluri was presently in Denver taste-testing possible India menu offerings, including at least eight vegetarian subs. There won't be any pork or beef and there will be strict segregations between their vegetarian and non-vegetarian options, he said.

Source: The Wall Street Journal

Buffalo Wild Wings Appoints James M. Schmidt as Chief Operating Officer

Casual restaurant chain Buffalo Wild Wings Inc. announced that James M. Schmidt has been appointed to the newly-created position of chief operating officer, effective immediately. Schmidt will be responsible for managing day-to-day operations at the Minneapolis-based company, which has 739 locations in 44 states. He will report to Sally Smith, the company's president and CEO. Smith said Thursday that Schmidt's appointment will allow her to focus more time on strategic direction and growth opportunities. Schmidt has been at Buffalo Wild Wings since 2002. He most recently served as executive vice president and general counsel. He also served on the company's board from 1994 to 2003. The company said in October that it plans to open 100 new restaurants in 2011.

Source: Bloomberg/The Associated Press

Hardee's Restaurants Looted, Closed in Egypt

A Hardee's franchise in Cairo, Egypt, has closed its 32 locations there after some restaurants were damaged and looted in the political protests. One of the closed restaurants is in Tahrir Square or "Freedom Square." "We have no

insight as to whether they were targeted because of their western affiliation," said Jenna Petroff, a spokeswoman for St. Louis-based Hardee's. "There has been damage and looting in a number of locations, but at this point, the damage is believed to be associated with general looting." The fast food chain and its Carpinteria-based parent, CKE Restaurants, have two employees based in Cairo who are at home guarding their families, she said. The Cairo franchisee is The Americana Group, which operates 207 Hardee's restaurants in the region. "Our hopes and prayers are with them, our extended Americana Group family and for our loyal fans and customers for their continued safety," Petroff said. CKE CEO Andrew Puzder, meanwhile, is reportedly considering moving CKE from Carpinteria to Texas for the "business-friendly" atmosphere and the state's no-income-tax policy.

Source: St. Louis Business Journal



Owner of Shuttered Pizza Hut Franchises Files Suit Against the Pizza Chain

Larry Lundy, a well-known New Orleans businessman and Pizza Hut magnate who owned dozens of the franchises in southeast Louisiana that abruptly closed last month, filed a counterclaim against the pizza chain, claiming it hampered his company's profitability as it attempted to squeeze him out of the market. Lundy Enterprises, the company's franchisee for New Orleans and Baton Rouge, owned 44 Pizza Hut locations at the time of the most recent court proceedings, including two in New Orleans, according to a lawsuit filed Jan. 3 in the United States District Court for the Northern District of Texas in Dallas. Painting a picture of a contentious relationship, Lundy, who owned Lundy Enterprises with his wife, Marilyn, says in his counterclaim that Pizza Hut imposed unfair credit terms on him, refused to allow his chain of restaurants to introduce new products that were available in other markets, and schemed to reclaim his territories for the corporation. A known entrepreneur and philanthropist, Lundy bought the local Pizza Hut franchise in 1992 with 31 outlets for \$15 million. Throughout the filing, Lundy boasted of his work in the community, claiming credit for investing "millions of his own dollars in order to build the tremendous goodwill of the people," court records showed. Dallas-based Pizza Hut is suing Lundy for damages in excess of \$75,000, and it is asking the court to require Lundy to stop using the Pizza Hut name and branding. The pizza chain says Lundy Enterprises had fallen behind on royalties, advertising and other fees, and last summer, the two parties tried to resolve the ongoing dispute through arbitration. A settlement was reached that would have transferred Lundy's assets to Pizza Hut, but the value of the assets was not worth enough to pay off all liens, claims and other expenses, court records showed. Lundy alleges that Pizza Hut's move to overtake his market was well-calculated: Within two days of terminating Lundy's franchisee agreements, the corporation publicly announced plans to spend \$10 million over the next 18 months developing and building new stores in the market to replace the locations that closed. Pizza Hut, in a Jan. 5 statement, said Lundy Enterprises was "unable to meet serious financial obligations to federal, state and local taxing authorities, as well as other corporate obligations left unpaid. As a result, these franchised Pizza Hut restaurants in the two markets have closed and not opened." Despite the pending legal proceedings, Pizza Hut has said Lundy will assist the company with its transition on a contractual basis for the next five years.

Source: The Times-Picayune

McDonald's Names Brand Chief

McDonald's Corp. has appointed Kevin Newell to be its new global chief brand officer. Mr. Newell, currently U.S. senior vice president and restaurant support officer for McDonald's USA West division, assumed his new role on

Feb. 1. Mr. Newell will fill the position left vacant by Steve Easterbrook, now president of McDonald's Europe. Mr. Newell will be in charge of overseeing marketing, menu innovation and consumer insights at the world's largest fast-food chain.

Source: The Wall Street Journal

Darden Considers Opening Restaurants in Airports, College Campuses

Red Lobster in the airport? Olive Garden on a college campus? It could happen, someday. Darden executives said at their annual investor-analyst conference today that they might consider franchising in airports and on campuses, calling them "non-traditional opportunities." They didn't give a time frame or any other details, however. Darden also gave a few more details on its new combination restaurants, the first of which will open in Palm Coast next month. The combination Olive Garden and Red Lobster have separate entrances and dining rooms. They share a kitchen and management team. Two more of the hybrid restaurants will open in the next fiscal year, which starts in June. "This is still just a pilot test," president and chief operating officer Drew Madsen said. "We still have a great deal to learn." Darden also said it will open 85-90 restaurants next fiscal year, up from 70-75 this year.

Chili's Opens the First of 25 Planned Restaurants in Russia

U.S. chain Chili's opened its first Russian restaurant on Novy Arbat on last week in what it called an effort to tap an underserved casual dining niche. But while the Texas-based chain may expand the spectrum of flavor in the capital, its Moscow-style prices promise to leave room for more entrants in a niche currently covered by Moscow's five Starlite Diners and T.G.I. Friday's, which now operates 14 restaurants in Moscow and another 20 in other parts of Russia and Eastern Europe. The Chili's brand, which is represented by 1,500 restaurants in 34 countries, is known for serving up hearty Southwestern-style food at affordable prices and offering a particularly good black bean burger. The Trio Group will operate its restaurant in Russia under franchise. Trio hopes to open 25 Chili's restaurants in the country by 2017, with the next one being planned for Tverskaya Ulitsa in July. But Alexei Velilyev, general director of Trio, declined to comment on which cities would be targeted outside Moscow, saying only that other locations are "under consideration." Velilyev also declined to discuss how much has been invested in the new venture or the cost of the franchise rights. Russia has witnessed a boom of Western-branded restaurant chains since McDonald's opened its flagship outlet on Pushkin Square in 1990. And franchises are still arriving. In January 2010, Burger King finally opened its first restaurants in Moscow. U.S.-born T.G.I. Friday's, often cited as Chili's closest rival in terms of concept and price, arrived in 1997. But executives from Chili's parent company, Brinker, insist they don't feel that they have missed the boat. "We identified a gap in the market for mid-range casual dining, and especially a lack of strong, spicy flavors from the U.S. Southwest," said Carin Statz, president of global business development at Brinker. If anything, understanding the experience of other U.S. franchises in Russia has been valuable to Chili's, Statz said. "We know it's not for the faint of heart." The established restaurants seem unruffled by the new arrival. "Of course, there's still room for newcomers, why not?" a Starlite spokesman said. "Chili's is a very estimable brand that we really respect," said Valery Lee, head of communications at Rosinter, which holds the franchise for T.G.I. Friday's. "The arrival of Western brands to the Russian restaurant market that we may witness today will positively impact the quality standards as well as service quality." The lack of concern about another market entrant is reflected in the segment's pricing strategy. Chili's has priced itself into the same niche as its competitors. While you could have a sit-down meal for two without alcohol for \$20 (about 600 rubles) in the United States, Yury Begalov, owner of Trio, said he expects a single non-imbibing customer to spend close to 1,000 rubles (\$33) — the same as T.G.I. Friday's. But the enthusiastic reaction of some of the capital's American residents is not dampened. "There's a Chili's opening in Moscow? OMG!!!" one bank employee e-mailed. Don Reagan, who is the Brinker group's regional vice president of operations for Canada, the Middle East and Europe, revealed that the much-coveted veggie option would not initially be on the menu of their Russian operation.

Source: The Moscow Times



Four Industry Vets Form Investment and Consulting Firm

Four veteran restaurant industry executives have combined resources, experience, and expertise to form K3R Capital Partners LLC, a restaurant investment and management consulting firm targeting chain restaurants. K3R Capital Partners aims to make controlling-interest equity investments in restaurant chains at pivotal points in their business lifecycle, including turnarounds, divestitures/spin-offs, financial restructurings, and bankruptcy. K3R's specific targets include under-performing restaurant chains with annual revenues in excess of \$50 million, strong regional concepts that lack breakout capital to expand nationally, and mature restaurant concepts requiring operational, financial, or market repositioning. In addition to investments and acquisitions, the firm offers a range of management consulting services to help chains improve their profitability and value—from strategic planning, management, operations, and financial management to brand revitalization and marketing. "Essentially, we seek to invest—either capital or expertise—in concepts that we believe have unmet potential," says K3R Capital Partners CEO Kevin Relyea, a 30-year restaurant industry veteran. Over the past three decades, K3R's principals have worked in executive, operating, finance, and marketing capacities at more than 30 leading restaurant chains (quick serve, casual, and fast casual; public and private), managing more than 1,000 restaurants and achieving an impressive track record of performance improvements.

Source: QSR

Togo's Promotes Susan Koch to VP, Finance

Togo's Sandwiches has named Susan Koch its vice president of finance. Koch has been with Togo's since August 1997 in various capacities and her preceding title was director of finance, a position she has held since March 2006. "Susan has been a terrific financial steward and executive leader to Togo's for 14 years," said Tony Gioia, CEO of Togo's Eateries. "She has as an incredible amount of hands-on experience and historical knowledge throughout her many accomplished years with the company and has always been a steady and dependable leader at Togo's." Prior to Togo's she worked with PepsiCo's Pizza Hut Division as finance manager, ServiceMaster Management Services as controller and regional director of finance and Arthur Andersen as an audit manager. Koch is a certified public accountant and certified financial planner, and has a bachelor's of business administration in accounting, with a minor in computer programming from the University of North Texas.

Source: FastCasual.com

Hard Rock International Welcomes Brian Klein Head of Marketing for Hotels & Casinos

Hard Rock International announced that Brian Klein has been named Head of Marketing for Hard Rock Hotels & Casinos. In this role, he will oversee Hard Rock Hotels & Casinos brand and individual properties, and report to John Galloway, Vice President and Chief Marketing Officer, Hard Rock International. "We couldn't pick a better fit to help us grow the Hard Rock Hotels & Casinos brand." Klein brings more than 10 years of experience in all phases of marketing and brand management, promotions, special events, advertising, public relations and operations in the hospitality, electronics and packaged goods industries. Most recently, he served as the Regional Director of Marketing for Hyatt Hotels Corporation where he was responsible for all Hyatt Resort field marketing, including

development of regional and local marketing strategies as well as the management of tactics and programs designed to drive brand revenue. Prior to joining Hyatt, Klein worked at several global advertising agencies where he played a key role in developing advertising strategies and communication on behalf of his clients. Klein is the latest executive hire to Hard Rock International's Hotels & Casinos segment, which includes 15 hotels/casinos worldwide, featuring domestic properties in four states and six international properties. Additionally, in January 2011 Hard Rock Hotels & Casinos expanded its international offerings with the brand's first all-inclusive resort, Hard Rock Hotel & Casino Punta Cana. "Brian's experience in hospitality marketing will play an important role in Hard Rock Hotels & Casinos growth," said John Galloway, Vice President, Chief Marketing Officer, Hard Rock International. "We couldn't pick a better fit to help us grow the Hard Rock Hotels & Casinos brand."

Source: Hard Rock International

Qdoba Mexican Grill® Promotes Five Executives. Executives Will Continue to Help Guide Qdoba's Brand Strategy, Franchise Growth and Restaurant Operations

Denver-based Qdoba Mexican Grill proudly announced that it has promoted five executives to build upon the company's positive sales and new unit growth through innovative marketing, franchise development and menu innovation. Promotions include: Karen Guido, Chief Marketing Officer; David Craven, Division Vice President – Marketing; Neil Harfert, Division Vice President – Restaurant Operations; Jim Piper, Division Vice President – Restaurant Operations; and John Dikos, Director of Franchise Development. Despite the recession, Qdoba's fresh, innovative menu and operations initiatives have helped it become one of the leaders of the fast-casual restaurant segment with unit growth of 15 percent over the past two years. In addition, Technomic listed Qdoba as the second largest fast-casual Mexican chain in the U.S. based on unit count. "Over the last decade, Qdoba has become one of the most successful fast-casual Mexican restaurant companies," said Qdoba CEO Gary Beisler. "In that time we've established a national presence with more than 500 restaurants operating in 43 states. Still, we believe there is a tremendous growth opportunity for our brand, with the long-term potential for 1,800 to 2,000 locations operating in the U.S. Our success is directly related to the hard work of our experienced and talented executive team. I'm very proud of their achievements."

Source: Qdoba Mexican Grill

Yum! Brands Franchisee Chooses Kitchen Brains Technology for KFC Restaurants

Yum! Brands franchisee Luihn Food Systems has selected Kitchen Brains restaurant management system to automate and streamline food production in Luihn Foods' KFC restaurants. Kitchen Brains is a global company involved in development and deployment of integrated, end-to-end, wireless M2M networking systems and SAAS applications for the commercial kitchen/food service industry. The food company noted that it chose to integrate Kitchen Brains' technology - Quality Production Management (QPM) application as it is a systemic tool that wirelessly networks cooking appliances, automates food production and provides real time remote monitoring and administration capabilities. The QPM system is also said to deliver quantifiable results in the areas of food quality, food availability, cost control and asset management. Kitchen Brains chairman Ben Koether claims that QPM enables kitchen staff to ensure 100% product availability and deliver 100% product freshness, while providing more time to focus on hospitality and the guest experience. Luihn Food Systems president Jody Luihn said based on the company's excellent results with SCK's [Kitchen Brains'] restaurant management system, it decided that it makes business sense to roll the system throughout the network. "Our pay-back for this new investment is expected to be a little over 12 months. The ROI is driven by results achieved in the test stores where significant improvements in labor productivity, food availability and quality resulted in increased sales and lower costs," Luihn added.

Source: Food Business Review

Wendy's charts course for 2011. Wendy's wants to be more like McDonald's

The leaders of Atlanta-based Wendy's/Arby's Group Inc. laid out plans for the hamburger chain— including the next steps of its breakfast rollout, U.S. and international expansion and continued menu improvement — but the key take-away came courtesy Chairman Nelson Peltz. “McDonald’s got it right,” Peltz told stock analysts and investors at the company’s annual investor meeting. He said the rival company’s stock was priced in the low teens when it began shedding non-core brands such as Boston Market and Columbus-based Donatos Pizza and focused on improving the McDonald’s menu, store appearance and design. “Since they’ve done that, the stock has gone up over five-fold,” he said. Wendy’s could emulate that. The company announced plans to sell the Arby’s chain a few weeks ago and has been steadily improving the Wendy’s menu and stores since its 2008 acquisition. Peltz said the more than 6,500-unit chain has the ability to grow in a mature industry where there isn’t much growth left for the big players. “There’s white space,” he said. Wendy’s has failed twice with breakfast already — once in the 1980s and once under the pre-acquisition leadership. Brand President David Karam said the current plan is a winner. The newest menu is being tested in a handful of Central Ohio stores plus Pittsburgh, Kansas City, Phoenix, Louisville, Ky., and Shreveport, La. The plan is to have breakfast in 1,000 locations by the end of the year, with more aggressive expansion in 2012. “We know we’ll get the trial,” CEO Roland Smith said. “The question is, can we get the repeat? Can we deliver a consistent product?” Breakfast eventually will be in about 75 percent to 80 percent of the chain, he said. The company projects it to add \$140,000 to \$150,000 in incremental sales to average unit sales of \$1.4 million. Karam said breakfast accounts for 23 percent of sales for fast food burger chains and is getting increasingly important. Breakfast traffic is up 13 percent since 2002, while dinner traffic fell 8 percent in the same period. Smith said there are two ways to view Wendy’s international potential. The negative take is that the competition, with thousands of units, is way ahead of Wendy’s 340 restaurants in 24 countries. The positive is that the competition has proven that foreign markets will accept U.S. burger chains and the investment and rollout for Wendy’s won’t be as costly and time-consuming as it was for the competition. “We’re one of the last brands available for growth,” said Darrell van Ligten, international president. “There’s tremendous upside potential.” Company leaders see the possibility for 8,000 restaurants outside of the United States. Between locations open and the restaurants committed to, the chain already is at 1,000. It announced a new international franchisee, a 50-unit deal in Argentina with Desarrollos Gastronómicos SA. Wendy’s first entered the international market in 1979, van Ligten said, but its history is of making isolated pockets with little synergy. Between 1998 and 2008, the chain entered only five new markets and left 25. The new leadership has added two new markets and restructured operations in four others. Smith said they expect to announce deals for the Japan, Brazil and China markets — together projected to account for almost 40 percent of the 8,000 unit goal — this year.

Source: Atlanta Business Chronicle



Dunkin' Donuts Inks Two More Expansion Deals

Dunkin' Donuts is on a roll. After turning in a productive 2010 filled with many expansion deals, the coffee/donut chain is showing no signs of slowing in 2011. The chain announced the signing of a multi-unit store development agreement with existing franchisee Sam Patel for two new restaurants in the Chicago market. The first is already up and running at the University of Illinois at Chicago, while the second will open later this year on the Windy City's South Side. Both restaurants will be co-branded with Baskin-Robbins. Patel has been a Dunkin' Donuts franchisee since 2009, when he opened a unit in Dolton, Ill. "I have deep roots in the local community and am excited to expand Dunkin' Donuts' presence and play an important role in the daily lives of people who live, work and visit here," said Patel. "As an existing franchisee, I have a strong passion and loyalty for the brand and look forward to the opening of my third restaurant in the months to come." In addition to this development agreement, Dunkin' Donuts is seeking new and existing franchisees to develop restaurants throughout Chicago, specifically in Cook,

Kane and DuPage counties. The company's development throughout Chicago and the surrounding areas is part of a steady and strategic growth strategy, which includes expanding in existing markets while entering new cities across the country to help drive the leading coffee and bakery chain's growth. Florida expansion: Working toward that strategy is another new development agreement recently signed, this time with four franchisees in Florida. The deal calls for 16 new restaurants in the Tampa, Orlando and Tallahassee markets throughout the next several years. As specifically outlined in the deal, four units are to be developed in the north central Pinellas region of Tampa by the Adler Group. Led by Jim Adler, Ava Lawrence and Daniel Burns, the first restaurant is slated to open this year, and the remaining three are expected to be completed by 2013. Sara and Fred Lin plan to open three restaurants in central-east Orlando throughout the next several years. The first is scheduled to open in 2012 and the remaining locations are scheduled to open by 2014. Also, Larry Lemos plans to open one restaurant in southeast Orlando in 2012. Eight restaurants will be developed in Tallahassee by existing franchisees Sunil Rajan and Mark Weber. Their first Tallahassee location opened in December and the remaining seven restaurants are scheduled to open by 2014. "The Sunshine State is a priority growth market for Dunkin' Donuts in 2011 and we're excited to expand our footprint in three key markets," said Grant Benson, CFE, vice president of franchising and market planning, Dunkin' Brands Inc. "Our secret to success is our passionate franchisees who provide a high-level of customer service to our guests every day, and we're confident our franchisees will cultivate lasting relationships and become an integral part of their respective Florida communities."

Source: QSRweb.com

Benihana Remains True to Japanese Roots

Benihana Inc. continues to reinforce its close ties to its Japanese heritage with assistance from Executive Culinary Advisor Hiroyuki Sakai. Master Chef Sakai, who is best known for his tenure as the "Iron Chef French" on the Japanese cooking show Iron Chef, brings over 40 years of culinary expertise to his advisory position for Benihana. Chef Sakai, who resides in Tokyo, recently visited the United States to attend an annual Benihana kitchen workshop where he trained with Benihana, Haru and RA chefs including Executive Chef Toshiya Nemoto. During the kitchen workshop, Sakai advised the chefs on the current restaurant industry in Japan and introduced new trends of Japanese foods, as well as cooking techniques, which can be incorporated into new Benihana menu creations. "Working closely with Chef Sakai, in addition to our long-term team of regional chefs, has allowed us to successfully develop new menu initiatives and refine cooking procedures that bring the latest in Japanese culinary trends to Benihana customers in the United States," stated Chef Nemoto. "Chef Sakai is committed to enhancing the Benihana experience, and his leadership and expertise are valuable assets to our brand." Most recently, Chef Sakai and Chef Nemoto returned to their roots and attended the 13th annual Worlds of Flavor Conference at the Culinary Institute of America's Greystone campus in Napa Valley, California on behalf of Benihana. The conference, which is dedicated to the flavors and food culture of Japan, allowed the Benihana chefs to be in the company of other famous Japanese culinary masters and food experts, including Iron Chef America star Masaharu Morimoto.

Source: Benihana Inc.

Wendy's Heads for Expansion to Argentina

Wendy's/Arby's International, a subsidiary of Wendy's/Arby's Group, has signed an agreement with Desarrollos Gastronomicos (DEGASA) to develop 50 Wendy's restaurants in Argentina during the coming 10 years. The first restaurant is slated to open in Buenos Aires. DEGASA is a private investment company, with investors that control D&G, a company that operates and franchises Havana Cafe, a quick-service coffee chain with more than 180 outlets in Argentina. Further to this development, Wendy's/Arby's Group subsidiaries have entered into long-term development agreements with franchisees for the Middle East and North Africa, Singapore, Turkey, Russia and the Eastern Caribbean. The company is now exploring potential opportunities in Japan, China, Brazil and other key international markets. Wendy's/Arby's Group, a quick-service restaurant company in the US, and includes Wendy's International, the franchisor of the Wendy's restaurant system, and Arby's Restaurant Group, the franchisor of the Arby's restaurant system.

Source: Food Business Review



Highest Restaurant Opens at Dubai's Burj Khalifa

Emirate raises the bar with 442-metre-high lounge and grill called At.mosphere. The luxury lifestyle hits a new high in Dubai with the opening this week of At.mosphere, a chi-chi fine-dining venue that is the world's highest restaurant in a building. At.mosphere, situated 442 metres above ground on the 122nd floor of the Burj Khalifa, the world's tallest building, opens to dinner guests today, but anyone looking for a table this week will be put on a wait list, insiders said. "It redefines the restaurant concept in Dubai," said Marc Dardenne, CEO of Emaar Hospitality, which operates the restaurant. While there is no minimum spend, punters must call and book ahead to be granted access to the tower, which is perhaps Dubai's highest security zone. Dardenne described the food as modern eclectic European cuisine with an emphasis on grilled items. On the menu are starters such as chestnut and pheasant soup, priced at Dh120, and free-range Australian salt bush lamb at Dh260 or grilled Maine lobster at Dh590. For dessert, the gianduja chocolate mousse costs Dh75, while a cheese platter for low-carb dieters notches up Dh120. An espresso costs Dh30. But with service including lunch, high tea, dinner and bar service to a music by an inhouse DJ, Dardenne said the restaurant offered something for everyone. Previously, the world's highest restaurant was 360, at a height of 350 metres in Toronto's CN Tower. The restaurant at the highest elevation is the Chacaltaya Ski Resort, outside Bolivia's capital, La Paz, with 5421m.

Source: Dubai Media Incorporated

Sorensen Wins Restaurateur Hall of Fame Award

Firehouse Subs co-founder Robin Sorensen received the 2011 Restaurateur Hall of Fame Award from the Florida Restaurant & Lodging Association, according to a news release from the trade group. "Robin's influence, creativity, passion for serving others and entrepreneurial spirit are felt throughout the restaurants," the association said in the release. Firehouse Subs, based in Jacksonville, operates more than 400 restaurants throughout the United States.

Source: Jacksonville Business Journal

Cheesecake Factory to Open in the Middle East

Cheesecake Factory shares jumped last week after the casual dining chain said it plans to open restaurants in the Middle East. The agreement also includes the opportunity to expand to other emerging markets such as North Africa, Central and Eastern Europe, Russia and Turkey. "Our agreement with Alshaya provides us with another avenue for growth and will enhance our ability to continue delivering shareholder value," said CEO David Overton. The news led analysts at Miller Tabak to upgrade Cheesecake shares to buy from hold, setting a \$35 price target.

Source: The Street

U.S. Restaurant Count Down; Chains Stable

The number of U.S. restaurants declined by 1 percent in 2010, according to market research company The NPD Group. This translates to a loss of 5,551 total restaurants from 2009. The numbers were pulled from NPD's Fall 2010

ReCount, a census of commercial restaurant locations throughout the country compiled in the spring and fall of each year. According to the research, independent restaurants were hit the hardest last year, dropping by 2 percent, while chain restaurants remained stagnant year-over-year. The latest ReCount, which includes restaurants reported to be open as of Sept. 30, 2010, shows the number of quick-service restaurants dropping by 1 percent, or 2,122 units. Full-service restaurants, including casual, mid-scale and fine dining segments, also experienced a 1 percent drop, or 3,429 units. Fast casual concepts remain relatively recession-proof. In the fledgling segment, which includes chains only and not independents, unit counts were up 2 percent. There were 13,054 units in this segment in the fall of 2009, and 13,323 in the fall of 2010. "These past two years have been particularly tough for independents, which don't have the resources to compete with the chains," said Greg Starzynski, director, product development-foodservice at NPD. "Over the past few years we've lost several thousand independent restaurants." According to The NPD Group's CREST, which continuously tracks consumer usage of commercial and non-commercial foodservice outlets, restaurant traffic has been down since January 2009. However, declines appear to be softening. For the year ending November 2010, domestic restaurant traffic was down by 1 percent from the prior year, which is an improvement from the 3 percent decline in November 2009 from 2008.

Source: PizzaMarketPlace.com

Bob Evans Farms Names CFO

Bob Evans Farms Inc. announced the hiring of Paul DeSantis as its chief financial officer, treasurer and corporate secretary. DeSantis replaces Tod Spornhauer who left the Columbus-based company at the end of the year. He'll take over the role in March. DeSantis most recently was CFO and treasurer of A. Schulman Inc., an Akron-based plastic resin company, a position he held since 2006. He also spent nine years at Marysville-based Scotts Miracle-Gro Co., the final three of which were as corporate treasurer, and four years at Kellogg Co., the Battle Creek, Mich.-based cereal and food company.

Source: Columbus Business First

McDonald's Launches 24-Hour Delivery Service in Dalian

The American fast food giant McDonald's has launched its 24-hour delivery service in Liaoning's Dalian, where Chinese consumers can enjoy their fast food by dialing the unified order hotline 4008-517-517. The delivery service is an extension of McDonald's traditional restaurant operation, aiming to provide consumers with convenient dining experience. McDonald's promises to deliver the food to the designated destination within 30 minutes, with exceptions for extreme weather conditions and uncontrollable factors, and no minimum spending limit will be set. According to statements to local media by Meng Qinggang, operating director for the northeast market of McDonald's China, a market survey shows that with the further urbanization of China, the pace of life in cities is faster and time becomes more precious for people. Therefore, the launch of the delivery service just meets the demands of customers, who want to save time, improve working efficiency, and enjoy a delicious meal without going outside. This new delivery service of McDonald's has become a new growth point for its long-term development in the Chinese market. So far, McDonald's has launched the 24-hour delivery service in 12 Chinese cities, including Beijing, Shanghai, Tianjin, Guangzhou, Shenzhen, Shenyang, and Dalian.

Source: ChinaRetailNews.com

Denny's Corporation Appoints Chief Financial Officer Mark Wolfinger to Board of Directors

Denny's Corporation announced the appointment of Chief Financial Officer, F. Mark Wolfinger to the Board of Directors. The Company also appointed newly hired President and Chief Executive Officer, John C. Miller to the Board of Directors. Mr. Wolfinger currently served as Executive Vice President, Chief Administrative Officer and Chief Financial Officer. Mr. Wolfinger is responsible for the overall financial direction of the company in addition to overseeing the Development, Information Technology, Purchasing and Legal functions. Mr. Wolfinger joined Denny's in September 2005 and has been instrumental in helping to strengthen the brand and solidify the company's capital structure. Brenda Lauderback, chair of Denny's Corporate Governance and Nominating Committee, stated, "Mark has proven through his contributions and increasing responsibilities over the past six years to be a significant asset to Denny's and we look forward to adding his expertise, judgment and insight to the Board. Among his many meaningful contributions, Mark has led our successful Franchise Growth Initiative (FGI) which has transformed

Denny's business model to a more heavily franchised system, he has strengthened the Company's capital structure, and most recently he spearheaded our strong development effort that resulted in the opening of more new domestic restaurants in 2010 than in any year in the brand's 57 year history." Source: Denny's Corporation

Yum Promotes Russell to Controller

David Russell has been promoted to vice president, corporate controller of restaurant giant Yum! Brands Inc. Russell, 41, will replace Ted Knopf, effective Feb. 18, according to a filing with the U.S. Securities and Exchange Commission. Knopf will move into a new position, senior vice president, finance. As corporate controller, Russell will serve as the company's principal accounting officer, according to the filing. It said he has worked for the company for the past 11 years in finance and accounting roles but does not have an employment agreement with the company. Since November, Russell has served as vice president, financial planning and controller-designate.

Source: Business First

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

Thank you for reading The Global Foodservice E-newsletter from American Recruiters!



Craig Wilson
312-780-7510
cwilson@ariteam.com

Michael Page
312-780-7505
mpage@ariteam.com

Ted Agins
312-780-7508
tagins@ariteam.com

Mario Schacher
847-909-1237
mschacher@ariteam.com

DJ Amborski
312-780-7509
djamborski@ariteam.com

John Daschler
312-780-7506
jdaschler@ariteam.com