

Innovation Capital

Investment Bankers

Restaurant & Retail Newsweekly
November 4th, 2018



This publication is a compilation of weekly restaurant and retail-related news provided by Innovation Capital, a leading boutique investment bank dedicated to representing mid-market clients in the gaming, leisure, restaurant and retail industries.

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Newsweekly Archive

You can now access Innovation Capital's Newsletter archive on the firm's website [here](#). This feature is password protected--this month's password is: **Gamble** (case sensitive).

Restaurant & Retail Industry Public Company & High Yield Data:

[Public Company Trading Comparables](#)
[High Yield Bond Trading Levels](#)

Restaurant & Retail Executives and Investors Group



Looking to connect with other Restaurant & Retail executives to share ideas and best practices? Seeking ways to increase your brand visibility or grow your business? This is the place to bridge those contacts! An exclusive group for executives in the Restaurant & Retail industries and institutional investor groups to network and discuss trends & ideas.

To join, click [here](#) or the image above.

Featured Article:

CraftWorks Restaurants & Breweries Acquires Logan's Roadhouse To Form "CraftWorks Holdings", A Leading Multi-Brand Restaurant Platform With 393 Restaurants Across 40 States

November 1, 2018

Broomfield, CO- (RestaurantNews.com) - CraftWorks Restaurants & Breweries announced today that it has acquired Logan's Roadhouse and has created CraftWorks Holdings (CWH), a leading multi-brand restaurant holding company platform to be led by Logan's current CEO, Hazem Ouf. The combination of CraftWorks Restaurants & Breweries and Logan's Roadhouse creates a leader in full-service dining, with a national footprint of over 390 restaurants and breweries in 40 states and the District of Columbia. CraftWorks Holdings is dedicated to providing affordable and unique takes on American fare, offering its customers a differentiated dining experience and compelling value proposition.

[Click here to read the full press release](#)

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Amazon goes shopping for Future Retail, to buy 9.5% stake

November 4, 2018

MUMBAI - (Sagar Malviya, Chaitali Chakravarty, ET Bureau) - Amazon is set to acquire a minority stake in Future RetailNSE 0.74 % next week, potentially giving the ecommerce platform access to nearly a third of the country's organised food and grocery market through the Big Bazaar and Nilgiris supermarket chains and other outlets. The deal by Amazon's investment arm is pegged at about Rs 2,500 crore. Future Retail has more than 1,100 physical stores across India. "Amazon, through the foreign portfolio investor (FPI) route, will buy about 9.5% stake in Future Retail and has already

signed a term sheet. The deal will be announced after board approval on November 14," said one of two people aware of the matter.

[Click here to read the full article in The Economic Times](#)

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Starbucks same-store sales boosted by U.S., China rebound; shares soar

November 1, 2018

UNITED STATES- (Aishwarya Venugopal, Reuters) - Starbucks Corp on Thursday reported a better-than-expected rise in quarterly sales at established stores as it benefited from higher prices in the United States and a rebound in China, sending its shares up nearly 9 percent. The world's largest coffee chain is battling intense competition in the United States, its largest market, from both high-end coffee shops and fast-food chains. In response, the company has been closing underperforming stores, while licensing its retail business to Nestlé for about \$7 billion as part of its plan to streamline its operations.

[Click here to read the full article in WHBL](#)

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Bebe Stores Unveils Role In Brookstone Acquisition

October 31, 2018

UNITED STATES - (Retail TouchPoints) - Although Brookstone initially announced that it had been purchased by Bluestar Alliance and Apex Digital in October after filing for Chapter 11 bankruptcy protection in August, another unlikely party has unveiled its role in the deal. Women's apparel retailer bebe stores partnered with Bluestar and Apex to acquire the Brookstone brand and related assets. On the surface, bebe and Brookstone don't seem like companies that complement each other's businesses. While bebe is known for selling dresses, jumpsuits and tops, Brookstone is a specialty retailer that sells unique gadgets and gift items such as personal massagers, pillows, headphones and speakers.

[Click here to read the full article in Retail TouchPoints](#)

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Kohl's CEO explains how the retailer has avoided the department store meltdown

October 31, 2018

UNITED STATES- (Mary Hanbury, Business Insider) - While department-store chains across the United States have been plagued by the retail apocalypse, Kohl's has been considered somewhat of an industry anomaly, reporting strong sales growth and avoiding store closures. It's now one of the more successful stocks in the retail sector, outperforming rival chains such as Macy's and JCPenney. According to its CEO, there's a simple reason for its success: it has distanced itself from its rivals. "We don't think of ourselves as a department store," CEO Michelle Gass said in a recent interview with The Wall Street Journal.

[Click here to read the full article in Business Insider](#)

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Frankie & Benny's owner Restaurant Group buys Wagamama

October 30, 2018

UNITED KINGDOM - (Reuters) - Britain's Restaurant Group Plc said on Tuesday it had acquired the Wagamama noodle chain for 357 million pounds (\$457.03 million) in cash, expanding its chain of pubs and airport and shopping mall eateries. The deal marks a shift for Restaurant Group, most of whose restaurants and gastropubs focus on American, TexMex and traditional British cuisine and is expected to generate cost synergies of about 22 million pounds. Restaurant Group will launch a 315 million pound rights issue to fund the deal, which it expects to be earnings enhancing in the first full year and accretive thereafter.

[Click here to read the full article in Reuters](#)

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Behind The Deal: Hibbett Makes Strong Retail Play With City Gear Acquisition

October 30, 2018

UNITED STATES - (Eric Smith, SGB Media) - Aside from a few small purchases here and there-mostly mom-and-pop operations with just a few doors-Birmingham, AL-based athletic specialty retailer Hibbett Sports Inc. hasn't traditionally focused on growing through acquisition. But a few month ago, when Memphis, TN-based "city specialty" retailer City Gear approached Hibbett about buying the company, Hibbett CEO Jeff Rosenthal quickly realized the opportunity was too good to pass up.

[Click here to read the full article in SGB Media](#)

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Competing Thai-Style Chicken Chains Join Forces to Expand

October 29, 2018

SAN FRANCISCO- (Caleb Pershan, Eater) - Two growing Bay Area restaurant chains focused on the same Thai-style chicken and rice dish, khao mun gai, are merging their teams and operations. Chick'n Rice, founded in 2017 by the creators of delivery service Caviar, will join Rooster & Rice, whose first of three SF locations opened in 2015. "The industry was getting pretty fragmented," says Min Park, who brokered the deal on behalf of Chick'n Rice. "I admired what [co-founders] Bryan Lew and Tommy Charoen were doing at Rooster & Rice... We're competitors, but if we could join forces, we thought... we could combine their excellent food with our tech knowledge and financial skills."

[Click here to read the full article in Eater](#)

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Z Capital Affiliate Completes Acquisition of Certain Assets of Real Mex Restaurants, Forming Xperience XRG Restaurant Group

October 29, 2018

NEW YORK - (PRNewswire) - FM Restaurants HoldCo, LLC ("FM Restaurants"), an affiliate of Z Capital Group, LLC ("Z Capital"), a leading alternative asset manager of opportunistic, value-oriented private equity and credit funds, today announced that it has completed the acquisition

of certain assets of Real Mex Restaurants through a court-supervised auction and will change its brand identity to Xperience XRG Restaurant Group ("Xperience XRG" or "the Company").

[Click here to read the full press release](#)

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Wingstop Earnings Fly Past Views; Texas Roadhouse Falls Short

October 29, 2018

UNITED STATES - (Michael Larkin, Investor's Business Daily) - Wingstop (WING) reported better-than-expected earnings and sales late Monday with Texas Roadhouse (TXRH) missing on per-share profit. Wingstop stock was little changed late while fellow top restaurant stock Texas Roadhouse sold off. Restaurant stocks had been faring well, with McDonald's (MCD) stock breaking out last week after topping estimates. Wall Street expected earnings per share to spike 12% to 19 cents, according to Zacks Investment Research.

[Click here to read the full article in Investor's Business Daily](#)

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