



Innovation Capital

Investment Bankers

Restaurant & Retail Newsweekly
September 23rd, 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: **dice** (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.

Innovation Inquiry

Each week, we will be conducting an anonymous poll from our database of Restaurant/Retail and Newsweekly readers to highlight topical industry news that matters most to you. This week's Innovation Inquiry is:

Do you see the CBD segment as a good move for mainstream beverage companies?



Featured Article:

Coca-Cola Is Eyeing a Possible Entry Into the Cannabis Market

September 23, 2018

UNITED STATES - (Jen Skerritt and Craig Giammona, Bloomberg) - Aurora Cannabis Inc. led pot stocks higher after Coca-Cola Co. said it's eyeing the cannabis drinks market, becoming the latest beverage company to tap into surging demand for marijuana products as traditional sales slow. Coca-Cola says it's monitoring the nascent industry and is interested in drinks infused with CBD - the non-psychoactive ingredient in marijuana that treats pain but doesn't get you high.

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

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Papa John's May Be Changing Its Name. But You'd Barely Notice

September 21, 2018

UNITED STATES- (McKenna Moore, Fortune) - Papa John's could unveil a new - but not too new - name and logo in the coming months. The pizza chain may soon get rid of its apostrophe, and go by Papa Johns, in an effort to repair its tarnished image after its founder reportedly made a racist remark earlier this year during a conference call. John Schattner, founder and the company's face, resigned as chairman in July 2018.

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

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Darden income climbs 40% in first quarter

September 21, 2018

ORLANDO, Fla.- (Eric Schroeder, Food Business News) - Boosted by strong performance from its Olive Garden and LongHorn Steakhouse operations, Darden Restaurants, Inc. posted income of \$166.2 million in the first quarter ended Aug. 26, equal to \$1.34 per share on the common stock, up 40% from \$119 million, or 95c per share, in the same period a year ago. Net sales increased 6% to \$2,061.4 million from \$1,936.1 million. "We had a great first quarter," Eugene I. Lee, president and chief executive officer, said during a Sept. 20 conference call with analysts.

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

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Amex Restaurant Reservation App Woos Millennials

September 21, 2018

UNITED STATES- (PYMNTS) - To help its Platinum cardholders book tables at restaurants through their phones, including those that have Michelin stars, American Express plans to roll out a reservation service that will be reportedly similar to OpenTable. The offering will arrive in the U.K. this fall before coming to the U.S. and other areas next year, Business Insider reported. Restaurant reservations are not new to American Express: The company has long offered them, along with hotel and special event bookings, via its Platinum Concierge.

[Click here to read the full article in PYMNTS.com](#)

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Pressure Mounts On Rite Aid To Find A Partner

September 21, 2018

UNITED STATES- (Bruce Japsen, Forbes) - With the price of Rite Aid shares sliding toward \$1, pressure is mounting on the drugstore chain to develop a strategy that includes a partner, particularly as rivals gain market share through their own acquisitions. Consolidation is sweeping retail pharmacy, particularly among smaller players and grocery chains with prescription businesses. A new deal needs to emerge for Rite Aid to be competitive, analysts and company investors say.

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

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McDonald's Raises Quarterly Cash Dividend By 15%

September 20, 2018

CHICAGO- (PRNewswire) - Today, McDonald's Board of Directors approved the Company's 42nd consecutive annual dividend increase, raising the quarterly dividend 15% from \$1.01 to \$1.16 per share of common stock, payable on December 17, 2018 to shareholders of record at the close of business on December 3, 2018. This brings the fourth quarter dividend payout to nearly \$900 million. McDonald's has experienced increased capital allocation flexibility due to the evolution of the Company's business model and the effects of the Tax Cuts and Jobs Act of 2017.

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

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Uber could be getting ready to buy Deliveroo, a food-delivery startup valued at over \$2 billion and one of its biggest international rivals

September 20, 2018

UNITED STATES- (Matt Weinberger, Business Insider) - Uber is in early talks to buy Deliveroo, a fast-growing food delivery-startup based in London, according to a new report from Bloomberg. Deliveroo is one of Europe's biggest startup success stories: Founded in 2013 by Americans Will Shu and Greg Orlowski, Deliveroo enlists contract employees as couriers, who deliver food from local restaurants in some 200 cities all over the UK, the European Union, Asia, and Australia.

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

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Holiday Retail Sales Likely to Rise YoY: 5 Picks

September 19, 2018

UNITED STATES - (Ritujay Ghosh, Zacks) - The holiday season is approaching and retailers are set to hire seasonal workers. Per Deloitte's annual forecast for the holiday season, retail sales could top \$1.10 trillion this year. With record low unemployment, higher wages and strong consumer

confidence, an increasing number of Americans are willing to spend more.

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

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Staples Acquires Essendant For \$996M As Retailer Seeks Wholesale Revival

September 19, 2018

UNITED STATES- (Retail Touch Points) - Staples has acquired Essendant, a national wholesale distributor of office supplies, for \$996 million, including net debt. The deal, coming a year after Staples was acquired by investment firm Sycamore Partners for \$6.9 billion, will result in a major new multibillion-dollar player in the business of distributing office supplies and industrial products that range from automotive parts to equipment for oil fields.

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

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Del Frisco's to sell Sullivan's Steakhouse to Romano's Macaroni Grill

September 18, 2018

UNITED STATES- (Bret Thorn, Nation's Restaurant News) - Del Frisco's Restaurant Group Inc., is moving to pay down its debt with the sale of its 14-unit Sullivan's Steakhouse chain to Romano's Macaroni Grill for around \$32 million, the Irving, Texas-based company said Tuesday. The sale, which Del Frisco's has been considering for at least the past two years, is expected to be completed by Sept. 30, the company said. Net proceeds, which have not yet been finalized, would be used to reduce outstanding indebtedness, the company said.

[Click here to read the full article in Nation's Restaurant News](#)

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