



Innovation Capital

Investment Bankers

Restaurant & Retail Newsweekly

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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

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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:

**Black Friday pulled in a record \$6.22 billion in online sales:
Adobe Analytics**

November 24, 2018

UNITED STATES- (Lauren Thomas, CNBC) - More shoppers turned to the internet for deals to kick off the holiday shopping season, new data showed Saturday, buying everything from apparel to flat-screen TVs and spending record amounts in the process. Black Friday pulled in \$6.22 billion in online sales, up 23.6 percent from a year ago and setting a new high, according to Adobe Analytics, which tracks transactions for 80 of the top 100 internet retailers in the U.S. like Walmart and Amazon. Those figures arrived as many retailers have pushed big digital deals, days in advance of the holiday weekend.

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

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**Restaurant Group Demands Protection from Food Truck
Competition in Chicago**

November 23, 2018

CHICAGO - (Joe Barnas, Illinois Policy) - While encouraging the Illinois Supreme Court to uphold Chicago's food truck regulations - regulations that squeeze out popular mobile food vendors - the Illinois Restaurant Association denies that it is seeking protection from competition. The Illinois Restaurant Association, or IRA, recently filed an amicus brief in support of the city of Chicago in the case of LMP Services, Inc. v. City of Chicago, arguing that protecting the industry from food truck competition is a "legitimate governmental purpose." An amicus brief is a legal filing by someone not party to a case, but with an interest in the outcome, offering information and expertise in hopes of influencing the court's decision.

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

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IKEA Group plans to cut 7,500 administrative jobs

November 21, 2018

STOCKHOLM - (Reuters) - IKEA Group, the owner of most IKEA furniture stores worldwide, plans to cut 7,500 jobs over the next couple of years, mainly administrative staff in central support functions, it said on Wednesday. At the same time, the group, which owns 367 IKEA stores, estimates it will create 11,500 new jobs in the period as it expands with new store formats and online, grows its service offering and invests in digital capabilities, it said in a statement.

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

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GameStop to Sell Its AT&T Wireless Stores for \$700 Million

November 21, 2018

TEXAS- (Christopher Palmeri, Bloomberg) - GameStop Corp., the video-game retailer, agreed to sell its AT&T wireless stores to Prime Communications LP for \$700 million, exiting a business that the company once viewed as a key source of future growth. The sale of Spring Mobile, with 1,289 stores, is expected to close by the end of January, Grapevine, Texas-based GameStop said Wednesday. Proceeds from the sale may be used to reduce debt, repurchase shares or be reinvested in the company's core video-game business. The retailer continues to evaluate strategic options to boost its share price.

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

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Digital, Delivery Driving Industry-Wide Shifts In Restaurant Real Estate

November 21, 2018

UNITED STATES- (Alicia Kelso, Forbes) - Moore's Law was coined in 1965 by Gordon Moore and is often referenced to describe the driving force of technological and social change, productivity and growth. According to Olo founder and CEO Noah Glass, the restaurant industry is, in a way, experiencing this theory as digital ordering and delivery barrel toward an expected \$200 billion of sales throughout the next four years. "That's a bigger share than drive-thru all together and it's happening in a time period that is 10 times shorter than the history of the drive-thru," Glass said. "That's an incredible transition to have a larger chunk in a tenth of the time."

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

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Gap Considers Closing Hundreds of Stores 'With Urgency'

November 21, 2018

UNITED STATES- (Chris Morris, Forbes) - Black Friday 2018 could be the last one for hundreds of Gap stores at malls around the country. Art Peck, CEO of Gap Inc., says the retailer is considering the shutdown of hundreds of underperforming stores "with urgency". Included among those are some of Gap's "flagship" locations. "There are hundreds of other stores that likely don't fit our vision for the

future of Gap brand specialty store, whether in terms of profitability, customer experience, traffic trends," Peck said in an earnings call Tuesday. "There likely will be a cash cost to exit many of these stores, which we will attempt to minimize. But I plan to exit those that do not fit the future vision quickly. I'm going to move thoughtfully but aggressively."

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

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Walgreens and Humana are reportedly in talks to take stakes in each other

November 20, 2018

UNITED STATES- (Lauren Hirsch and Robert Ferris, CNBC) - Drugstore chain Walgreens Boots Alliance and health insurer Humana are in preliminary talks to take stakes in each other, the Wall Street Journal reported Tuesday, citing unnamed sources. The two are also in discussions about potentially expanding their current partnership that serves seniors, the report added. The report cautioned that such talks are preliminary, and there is no guarantee of a deal. Shares of Walgreens were up less than 1 percent in trading after the market's close, while shares of Humana were unchanged.

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

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CVS now expects Aetna acquisition to close after Thanksgiving

November 20, 2018

UNITED STATES- (Angelica LaVito, CNBC) - CVS Health now anticipates its \$69 billion acquisition of health insurer Aetna to close after Thanksgiving, the company said Tuesday in a regulatory filing. Executives earlier this month said they expected the deal to close before the holiday. The company has received approval from 26 of the 28 state departments of insurance it needs to close the deal, CVS said in the filing with the Securities and Exchange Commission. The filing said CVS has made "significant progress" in the approval process and is in "the final stages" with the remaining two states. On a Nov. 6 call with Wall Street analysts to discuss third-quarter earnings results, CEO Larry Merlo said state approvals of the deal were on track to allow the companies to close before Thanksgiving. Shares of CVS dipped about 3 percent Tuesday.

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Bain, KKR Establish Severance Fund for Toys 'R' Us Workers

November 20, 2018

UNITED STATES- (Lillian Rizzo, The Wall Street Journal) - The private-equity firms that owned Toys "R" Us Inc. before its collapse into bankruptcy have rolled out a severance fund for the thousands of workers left jobless as a result of the retailer's liquidation in the U.S. KKR & Co. and Bain Capital each pitched in \$10 million to create the TRU Financial Assistance Fund in order to allocate and distribute funds to former employees. The severance fund, which was earlier reported by The Wall Street Journal, is an unusual move by the private-equity firms. The fund isn't required under bankruptcy law and has no ties to the chapter 11 process itself.

[Click here to read the full article in The Wall Street Journal](#)

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Foodtastic Receives \$47 Million Investment

November 19, 2018

MONTREAL - (Business Insider) - Foodtastic Inc. ("Foodtastic") is pleased to announce that it has received a \$47 million investment from Restaurant Royalty Partners, a joint venture between funds managed by Oaktree Capital Management, L.P. ("Oaktree") and JHR Capital LLC ("JHR Capital"). Peter Mammias, President and Chief Executive Officer of Foodtastic, said, "Our partnership with Restaurant Royalty Partners marks an exciting next step in our company's growth. This capital will accelerate Foodtastic's strategy of acquiring brands with strong potential for growth." In addition, Foodtastic will continue its organic growth plan, which has seen 13 new restaurants open in 2018, with 18 planned for 2019.

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

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MOD Pizza to Celebrate Opening of 400th Location

November 19, 2018

SEATTLE - (Business Wire) - MOD Super Fast Pizza Holdings, LLC ("MOD Pizza", "MOD" or the "Company") announced the upcoming opening of its 400th location - MOD Spring Prairie, located in Kalispell, Montana - on Friday, November 23, coinciding with MOD's 10th birthday. The Company will celebrate by building on its commitment to tackle childhood hunger in the U.S. through its annual "Spreading MODness" Week. From November 20 - 24, MOD will donate \$1 from every MOD or Mega-size pizza sold at its company-owned locations to help create a meal for a hungry child. In collaboration with Generosity Feeds, MOD's goal is to help distribute one million meals throughout the next year.

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

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