



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:

Starbucks to Offer Coffee Delivery Across U.S.

December 14, 2018

UNITED STATES- (Julie Jargon, The Wall Street Journal) - Starbucks Corp. (SBUX) plans to expand coffee delivery across the U.S. with UberEats as part of a broader strategy to try to reach more customers. The coffee chain, which has been facing slowing traffic to its domestic coffee shops, on Thursday outlined its growth plans for investors gathered in New York. Starbucks began testing delivery in Miami with UberEats in September and will begin offering it in nearly a quarter of its more than 8,000 U.S. company-operated stores early next year. Delivery is becoming a source of added sales for many restaurant chains that have seen their dining room traffic erode. Many chains say delivery has attracted customers who don't come in to eat.

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

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Costco's shares sink more than 6% after more grocery competition leads to earnings miss

December 14, 2018

UNITED STATES- (Amelia Lucas, CNBC) - Shares of Costco Wholesale skidded 6.8 percent Friday after the company reported weaker-than-expected earnings amid increased competition. The fresh-grocery business is getting increasingly more competitive, putting more pressure on Costco's profit margins as it tries to keep up with rivals like Amazon's Whole Foods and Walmart's Sam's Club. Costco's stock is up 21.7 percent from the year, holding its own against those retail giants, whose market values dwarf the wholesaler's \$99.3 billion. "There's been a little bit more retail competitive pressure out there, not only from supermarkets but Sam's as well," CFO Richard Galanti said during the quarterly conference call Thursday.

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

Philippines' Jollibee becomes 100% owner of US's Smashburger

December 14, 2018

MANILA - (Cliff Venzon, Nikkei Asian Review) - Jollibee Foods is paying \$10 million to buy out the remaining 15% stake in Smashburger, as the Philippine fast-food leader doubles down on expansion in the U.S., a key pillar of its global ambitions. The deal makes Smashburger a wholly owned subsidiary and brings about the exit of Rick Schaden and his partners from the Denver, Colorado-based company that he co-founded in 2007. Smashburger has 351 stores, mostly in the U.S., and accounts for 7% of Jollibee's systemwide sales, which stood at \$3.4 billion last year. It competes in the so-called "better burger" segment, which counts New York-listed Shake Shack and Virginia-based Five Guys as among the key major players.

[Click here to read the full article in Nikkei Asian Review](#)

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Chipotle Completes Executive Leadership Team With Hiring Of Chief Legal Officer And Chief Development Officer

December 13, 2018

NEWPORT BEACH, Calif.- (PRNewswire) - Chipotle Mexican Grill (NYSE: CMG) today announced that its executive leadership team is now complete with the hiring of Roger Theodoreis as the company's chief legal officer and Tabassum Zalotrawala as chief development officer. Both Theodoreis and Zalotrawala will report to Brian Niccol, the company's chief executive officer. Chipotle has welcomed new executive leaders in 2018, beginning with Brian Niccol's appointment to CEO and member of the Board in March of this year. Each member of the team brings a unique set of experience that will allow Chipotle to deliver on its strategy of winning today and cultivating a better future.

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

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Lowe's shares rise as retailer announces \$10 billion stock buyback, 2019 forecast

December 12, 2018

UNITED STATES- (Lauren Thomas, CNBC) - Lowe's shares jumped Wednesday after the company announced a \$10 billion stock buyback program and issued its financial targets for fiscal 2019. The home improvement retailer reiterated its prior earnings forecast for fiscal 2018, and said earnings per share would rise to a range of \$6.00 and \$6.10 for fiscal 2019. Analysts had been calling for earnings per share of \$5.90, according to FactSet data. Lowe's shares were down roughly 1.5 percent before they were halted for news. Once the stock started trading again, it was up near 3 percent, and in midday trading was up 4 percent. Lowe's shares have fallen modestly so far this year and the company's market cap is at \$74.7 billion.

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

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Waitr Holdings (WTRH) to Acquire Bite Squad for About \$321.3 Million

December 12, 2018

MINNEAPOLIS- (Street Insider.com) - Waitr Holdings Inc. (Nasdaq: WTRH) ("Waitr"), a fast growing restaurant platform for online ordering and on-demand food delivery, today announced that it has signed definitive agreements to acquire Bite Squad, an online restaurant food delivery service, for an aggregate amount of approximately \$321.3 million, subject to adjustments, based on the closing price of Waitr's common stock on December 11, 2018. The purchase price consists of a combination of cash and shares of Waitr common stock.

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

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L Catterton to buy Jose Cuervo-backed hot sauce brand Cholula

December 11, 2018

NEW YORK- (Reuters) - Buyout firm L Catterton said on Tuesday it has agreed to acquire Cholula, a privately held hot sauce producer whose investors include Mexican tequila producer Jose Cuervo (CUERVO.MX), in a bet that zesty condiments will continue to become more popular with U.S. consumers. U.S. sales of hot sauces are at an all-time high, led by millennials and a growing Latino population. Named after the Mexican city in Puebla and distinguished by the wooden knob-cap on its bottles, Cholula has become a fixture at many fast casual and Mexican restaurants in the United States. "Cholula represents a compelling opportunity to invest in a premium brand with an established reputation for quality and authenticity in the growing hot sauce category,"

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

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Saudi Arabia's \$106bn retail industry forecast to grow 12.3% by 2023

December 11, 2018

RIYADH- (Saudi Gazette) - Retail sales across four Gulf countries are projected to increase by more than \$24 billion over the next five years, with an estimated growth rate of 12.3% in Saudi Arabia, according to new research from Euromonitor International. Euromonitor's report revealed that Kuwait, Oman, Saudi Arabia and the UAE are all set to capitalize on the rise of consumerism thanks to favorable demographics, a rise in population and a strong growth trajectory in tourism and per capita income. The research indicates that the retail industry in Saudi Arabia is currently worth \$106 billion and is forecast to steadily rise to \$119 billion by 2023. Store-based retailing will continue to dominate, accounting for \$103 billion of the overall market in Saudi Arabia, however, non-store retailing, which includes online shopping, direct selling, mobile internet, social media and home shopping, will grow by 93% from 2018 to 2023.

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

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French company acquires Atlanta airport food and beverage concessionaire

December 12, 2018

ATLANTA- (Jessica Saunders, Biz Journals) - A French company has acquired Atlanta-based airport food and beverage concessionaire Hojeij Branded Foods. Lagardère Travel Retail bought Hojeij Branded Foods (HBF) from investment funds managed by Morgan Stanley Capital Partners for \$330 million. The deal is aligned with Lagardère Travel Retail's ambition to strengthen its position as a premier airport foodservice operator in North America, the company said. With the integration of HBF's and its subsidiary Vino Volo's operations, the acquisition will create the third-largest operator in the North American travel retail and foodservice industry, with total annual sales exceeding \$1.1 billion, Lagardere said. Morgan Stanley Capital Partners (MSCP) acquired a majority stake in HBF from its founders in July 2015 in a transaction that valued the company at \$155 million.

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

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Papa John's revamps loyalty program in bid to win back diners

December 10, 2018

UNITED STATES- (Sarah Whitten, CNBC) - It's been a challenging year for Papa John's. Public scandals surrounding its founder and a massive decline in same-store sales have pressured the company into making major changes to its marketing strategy and rethink how to lure customers back to its restaurants. Papa John's latest attempt to rekindle sales is a revamp of its rewards program. On Monday the company said its loyalty members will now earn 1 point for every dollar spent at the chain, instead of 1 point for every \$5 spent. These points can be earned through online, mobile, phone or in-store orders. For every 75 points customers collect, they will earning \$10 worth of "Papa Dough," which they can put toward future orders.

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

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