

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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NEW FEATURE...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: **think** (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:

Wind Creek Hospitality to Acquire Sands Casino Resort Bethlehem for \$1.3 Billion

March 9, 2018

ALABAMA- (Wind Creek Hospitality) - PCI Gaming Authority d/b/a Wind Creek Hospitality, an instrumentality of the Poarch Band of Creek Indians (the "Tribe"), announced today that it has entered into a definitive agreement under which Wind Creek Hospitality will acquire the Sands Casino Resort in Bethlehem, Pennsylvania, for a total enterprise value of \$1.3 billion. The closing of the transaction is subject to regulatory review and other customary closing conditions. The Sands Casino Resort Bethlehem, which will be integrated into the Wind Creek Hospitality portfolio, represents a best-in-class, Las Vegas-style resort, located in the heart of the Lehigh Valley of Pennsylvania, approximately 80 miles from New York City. Amenities include a 282-room AAA four diamond hotel, a 183,000 square foot casino floor featuring 3,000 slots and electronic table games, 200 table games, numerous food and beverage outlets, a 150,000 square foot retail mall, and a multi-purpose event center.

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

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See Innovation Capital Deal Announcement at the bottom of this Restaurant Newsweekly.

Working Lunch: McDonald's logo flip serves up fresh meat to critics

March 9, 2018

UNITED STATES- (Nation's Restaurant News) - McDonald's flipped its golden arches for International Women's Day on March 8 and opened the door to attacks over its employment practices. On Capitol Hill, the labor secretary faced scrutiny over tipped wages and a voluntary wage theft program. The Align crew analyzes the impact on both issues. Plus, this week's legislative

scorecard includes news about major brands making big announcements over minimum hourly pay and paid leave.

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

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Bravo Brio Restaurant Group to be acquired by Spice Private Equity, an affiliate of GP Investments

March 8, 2018

COLUMBUS- (Globe Newswire) - Bravo Brio Restaurant Group, Inc. (NASDAQ:BBRG) ("BBRG" or the "Company"), owner and operator of the BRAVO! Cucina Italiana and BRIO Tuscan Grille restaurant concepts, GP Investments, Ltd. ("GP"), a leading private equity and alternative investment firm, and its controlled company Spice Private Equity Ltd. ("Spice"), a Swiss investment company focused on private equity investments, today announced a merger agreement under which an affiliate of Spice will acquire the Company for a total enterprise value of approximately \$100 million. The transaction proceeds will be funded by Spice, along with certain third party financing sources.

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

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Macy's Prepares For Its Biggest Sale Yet

March 8, 2018

UNITED STATES- (Joe Kukura) - From the ground, shoppers may not realize that the downtown San Francisco Macy's West flagship store in Union Square is not just one building, but almost the whole block between Geary, Stockton, O'Farrell, and Powell streets (and that doesn't even include their standalone Men's Store). News broke last week that Macy's is selling off another huge centerpiece of that block: The former I. Magnin building, the big, white-marble rectangle at Stockton and Geary streets whose ground floor is currently occupied by Louis Vuitton. This is not a desperation fire sale; Macy's is a pretty shrewd real-estate owner with plenty of primo downtown properties nationwide, and it's keenly aware when the real estate market has higher value than the retail market.

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

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About 300 Cabela's headquarters employees taking buyouts

March 8, 2018

NEBRASKA- (Springfield News-Leader) - About 300 employees at Cabela's former headquarters in western Nebraska are taking buyouts this week, and afterward, the remaining operation in Sidney will be a fraction of the size it was before rival Bass Pro Shops bought the company. Another 390 former Cabela's employees also applied for buyouts, but no immediate action will be taken on those. Bass Pro spokesman Jack Wlezien said that after the cuts about 500 employees will remain in Sidney. Cabela's once employed more than 2,000 people at its sprawling Sidney headquarters. Bass Pro plans to offer the 550,000-square-feet of office space for \$1 a year to other companies that

want to move to the town of roughly 7,000 people. The buildings were advertised Thursday in the Wall Street Journal.

[Click here to read the full article in Springfield News-Leader](#)

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Home Depot to donate \$50M to train construction workers, address severe shortage

March 8, 2018

UNITED STATES- (Paul Davidson, USA TODAY) - Home Depot announced Thursday that it will donate \$50 million to train 20,000 people as construction workers over the next decade, helping efforts to ease a dire shortage that's curtailing home building and driving up house prices. The Home Builders Institute, the industry's education arm, will use the money from the Home Depot Foundation to train veterans and U.S. Army soldiers who will soon be returning to civilian life, high school students and disadvantaged youth. "It's important that we support the trades," Home Depot CEO Craig Menear said in an interview. "Not only do we sell product to professionals like plumbers and electricians," but the company also partners with service providers that install kitchen flooring, hot water heaters and other equipment in consumers' homes.

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

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Peyton Manning sold franchised units before Papa John's NFL split

March 7, 2018

UNITED STATES- (Ron Ruggless, Nation's Restaurant News) - Retired Denver Broncos quarterback Peyton Manning shed his stake in 31 Papa John's locations a day before the brand dropped its official National Football League sponsorship, the company confirmed Wednesday. Manning, who retired as Broncos' quarterback in 2016 after winning Super Bowl 50, had initially invested in the Denver restaurants in October 2012 and sold off his stake on Feb. 26, just before Papa John's made its NFL pull-out announcement on Feb. 27. "After six successful and rewarding years, Peyton Manning and Papa John's International have sold their stake in 31 Papa John's locations, which were part of a joint-venture in the Denver Colo., market," the Louisville, Ky.-based pizza chain said in a statement Wednesday.

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

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Amazon is taking aim at Walmart by offering a 54 percent discount on Prime memberships for Medicaid recipients

March 7, 2018

UNITED STATES- (Jason Del Rey) - Amazon is making another move in its courtship of lower-income shoppers, announcing a discount on its Amazon Prime monthly membership fee for recipients of Medicaid. The discount works out to 54 percent. Under the offer, customers on

Medicaid can get Amazon Prime for \$5.99 a month, or \$7 less than the new regular monthly fee of \$12.99. In June, Amazon first introduced this discounted price for shoppers who receive government assistance in the form of an Electronic Benefits Transfer card. The goal of these discounts, according to Amazon executive Aaron Perrine, is to give more people access to "aspects of the digital economy - some conveniences and benefits - that I think a lot of us take for granted."

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

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El Pollo Loco partners with DoorDash to expand delivery to 280 restaurants

March 6, 2018

UNITED STATES- (Nancy Luna, Nation's Restaurant News) - El Pollo Loco is expanding its partnership with DoorDash, adding doorstep delivery of its fire-grilled chicken to more than half of its 470 restaurants. The expansion comes less than a year after the Costa Mesa, Calif.-based company launched a pilot program at 98 restaurants in its core Southern California market, as well as Las Vegas and Nevada. On Tuesday, 180 more restaurants began offering delivery in six other U.S. markets including participating locations in Dallas, Houston, Phoenix, Ariz., San Diego, the Bay Area (San Francisco and San Jose) and Sacramento.

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

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3 Easy Ways Chipotle's New CEO Can Boost Customer Traffic

March 5, 2018

UNITED STATES- (Jeremy Bowman, The Motley Fool) - For the first time ever, Chipotle Mexican Grill (NYSE:CMG) will get a new CEO. Brian Niccol, Taco Bell's former chief, is stepping in to guide the struggling burrito chain, which has yet to fully recover from the 2015 E. coli outbreak. Niccol has big shoes to fill. Founder and outgoing CEO Steve Ells essentially pioneered the fast-casual industry, spawning a legion of imitators that wanted a piece of the one-time market darling's success. However, the Chipotle of today is much different from the one in the pre-crisis days, as customers have been reluctant to come back despite efforts such as its queso launch and a one-time loyalty program. Investors are already counting on Niccol to revive the struggling brand; in fact, the stock has jumped since he was named as the new chief.

[Click here to read the full article in The Motley Fool](#)

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Zagat Changes Ownership Again From Google To The Infatuation

March 5, 2018

UNITED STATES- (Leslie Wu, Forbes) - There's another round of changes in the Zagat zeitgeist - the brand is set to change hands again from the Google umbrella to the relatively new self-billed

"restaurant discovery platform" The Infatuation. The amount of the sale was not disclosed when the news of the agreement was announced on March 5, 2018. According to a release from The Infatuation, it will operate as a distinct brand from Zagat, which will "expand user surveys and develop a new tech-driven platform that will create a stronger, more meaningful alternative to other crowdsourced restaurant reviews." There are also plans to broaden the scope of Zagat ratings, crucial in a landscape littered with review sites.

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

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Walmart Is Introducing Prepared Meals and Its Own Blue Apron-Like Kits Amid Grocery War With Amazon

March 5, 2018

UNITED STATES- (Fortune) - Walmart Inc. will start offering prepared meals at its stores for the first time, a move that could help the nation's biggest grocer sell more food while siphoning customers from restaurant chains. Ten different meals are now available in 250 stores, and the program will expand to 2,000 locations by year's end, Walmart executives said in an interview. The company also is introducing four \$15 meal-kit options in stores, expanding a business that had previously only been offered online through outside vendors. "More than 80% of Americans don't know what they will have for dinner tonight," said Tyler Lehr, a Walmart senior vice president. Scrambling to find a meal "puts pressure on a family," he said.

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

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Pending

Sands
CASINO · RESORT
BETHLEHEM

\$1,300,000,000

is being acquired by



Exclusive Buy-Side Advisor

Innovation Capital advised PCI Gaming Authority on its pending acquisition of Sands Casino Resort Bethlehem for an enterprise value of \$1.3 billion

- Largest acquisition of a single casino property outside of Las Vegas and Atlantic City
- Best-in-class, Las Vegas-style integrated resort, located in the heart of Lehigh Valley, Pennsylvania, approximately 80 miles from New York City
- Amenities include a 183,000 SF casino floor featuring 3,000 slots / ETG machines, 175 table games and 27 poker tables, 282-room hotel, 8 F&B venues, 150,000 SF retail mall featuring 29 stores and a 50,000 SF multi-purpose event center with meeting space
- Property will be rebranded and integrated into the Wind Creek Hospitality portfolio
- Innovation also assisted PCI in securing committed debt financing for the transaction
- Closing is subject to regulatory approvals and customary closing conditions

Long standing relationship with PCI; third acquisition advised on over past 2 years

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Exterior View



Casino Floor

Since inception, Innovation Capital has advised on over 100 transactions aggregating \$6+ billion
For more information, please visit: www.innovation-capital.com

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