



Innovation Capital

Investment Bankers

Restaurant & Retail Newsweekly
February 3rd, 2019

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.

Innovation Capital Contacts

Matt Sodl

Founding Partner, President &
Managing Director
(310) 335-9191
msodl@innovation-capital.com

Tadashi Wakabayashi

Managing Director - Japan Gaming
Consultant
+81-80-5424-6804
twakabayashi@innovation-capital.com

Alex Wang

Vice President
(310) 335-9909
awang@innovation-capital.com

Mike Martin

Financial Analyst
(310) 335-9339
mmartin@innovation-capital.com

Brian O'Hagan

Strategic Advisory Partner
Restaurant Sector

Kevin Scheible

Partner &
Managing Director
(310) 335-9907
kscheible@innovation-capital.com

Ben Martinez

Director - Native American
(214) 336-3819
bmartinez@innovation-capital.com

Kevin Edler

Financial Analyst
(310) 335-9292
kedler@innovation-capital.com

Shannon Sharp

Office Manager
(310) 335-9333
ssharp@innovation-capital.com

Andrew Margolick

Strategic Advisory Partner
Restaurant & Retail

For securities-related inquiries, please contact an Innovation Capital banker.

Newsweekly Archive

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Restaurant & Retail Industry Public Company & High Yield Data:

[**Public Company Trading Comparables**](#)

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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:

Starboard buys \$200 million stake in Papa John's, shares jump 9 percent

February 4, 2019

UNITED STATES- (Svea Herbst-Bayliss and Uday Sampath Kumar, Reuters) - Hedge fund Starboard Value LP has taken a \$200 million stake in Papa John's International Inc after the No. 3 U.S. pizza chain rejected a similar offer from the company's founder, John Schnatter, according to the company and a regulatory filing. Papa John's shares, which have tumbled nearly 40 percent in the last 52 weeks, jumped 9 percent to \$42 on Monday.

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

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Walmart Likely To Report Strong E-Commerce Growth

February 3, 2019

UNITED STATES- (Zvi Bar, Seeking Alpha) - Walmart (WMT) will likely report strong year over year revenue growth when it reports on February 19. The company has been spending money to become a competitive global e-commerce retailer through acquisitions, and correcting previously addressed inefficiencies in their domestic e-commerce systems. Moreover, Walmart's core domestic business continues to perform well. The result is more effectively competing against Amazon.com (AMZN) and other online retailers.

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

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Shift Change: Yum Brands names new COO; Bojangles' hires former McDonald's execs

February 1, 2019

UNITED STATES - (Julie Littman, Restaurant Dive) - Yum Brands: Chief financial officer David Gibbs, who has been with the company for nearly three decades, was promoted to president and chief operating officer overseeing the global KFC division and U.S. and international businesses for Pizza Hut and Taco Bell. He will retain his current CFO role, title and responsibilities over supply

chain, corporate strategy and information technology while the chain searches for a successor. Bojangles' Famous Chicken 'N Biscuits: Jose Armario was named CEO coinciding with the finalization of the company's acquisition by a private equity firm. Brian Unger also became the company's chief operating officer. Both Armario and Unger previously served in executive positions at McDonald's.

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

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GameStop's future in question after failing to secure buyout

February 1, 2019

UNITED STATES- (David Nath, Fox News) - A long-standing brick-and-mortar game shop could be the latest victim of the digital age - and it could leave gamers out in the cold. We've seen the pattern before: the demise of a beloved retail chain due to the rise of online shopping, and the decline of in-store retail sales. Now it's happening to the country's biggest retail gaming chain, GameStop. It's no secret that GameStop has been in financial trouble for some time. Now, the company's future is in question after announcing that it is no longer trying to sell itself to another company. A spokesman released a statement saying that "GameStop's board has now terminated efforts to pursue a sale of the company due to the lack of available financing."

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

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A strong denim industry is good news for a Levi's IPO - if China or volatile markets don't spoil it

January 31, 2019

UNITED STATES- (Amelia Lucas, CNBC) - Analysts are feeling optimistic about the denim industry. That's good news for Levi Strauss & Co. if the company goes through with an IPO in 2019. In November, CNBC reported that Levi Strauss was planning to go public in the first quarter of 2019, aiming for a valuation upward of \$5 billion. Levi's Japanese subsidiary is already publicly traded on the Tokyo Stock Exchange. The company declined to comment for this story. Denim sales have been outpacing the overall apparel industry. Research from The NPD Group has apparel growing 1 percent, while the denim industry is growing 5 percent.

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

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Amazon Sales, Profit Top Estimates, Driven by Retail, AWS

January 31, 2019

UNITED STATES- (Spencer Soper, Bloomberg) - Amazon.com Inc.'s sales and earnings in the busy holiday quarter beat analysts' estimates, showing the world's biggest web retailer can maintain rapid growth while improving profitability and fending off online competition from rivals like Walmart Inc. Advertising was a key moneymaker, highlighting Amazon's ability to charge brands and merchants for visibility to its 100 million-plus loyal Prime subscribers, who pay fees in exchange for delivery discounts, movie and music streaming and other perks. Overall revenue rose 20 percent, and the company's "other" revenue category, which is mostly advertising, grew 95 percent to \$3.39 billion in the quarter.

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

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Alibaba Leads Rebound in Chinese E-Commerce Stocks

January 31, 2019

CHINA- (Joanne Chiu, The Wall Street Journal) - Shares of Alibaba and smaller rivals have surged in January, as investors grew more optimistic about online spending in China. Alibaba, the Chinese e-commerce titan, jumped 6.3% to \$166.82 in New York on Wednesday. The rally came after it reported a slower but still robust 41% rise in revenue for the quarter ended December, compared with a year earlier. While quarterly revenue grew at its weakest pace since 2016 and modestly missed estimates, gross merchandise volume (GMV) - a key metric - grew at a solid 29 per cent and the company's budding cloud business continued to show promise. Tech investors have fretted over the impact of a slowing Chinese economy and a crippling Sino-US trade war, which have been blamed for weak results at a slew of companies including Apple Inc and chipmakers.

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

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McDonald's Downplays Franchisee Unrest, But Expects Costs To Hit Profits

January 30, 2019

UNITED STATES- (Bill Peters, Investor's Business Daily) - McDonald's (MCD) CEO on Wednesday said he was "not at all" concerned that growing franchisee unrest would derail the burger chain's growth plans. But the company said labor costs, commodity costs and depreciation related to a big remodeling drive would strain profits this year. McDonald's stock was flat in early-afternoon trading. CEO Steve Easterbrook made the remarks on the chain's fourth-quarter earnings call, as the company deals with discount deals from fast-food rivals and the decision by some of its franchisees last year to band together into an advocacy group.

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

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Water's Edge on Shem Creek sells for \$7 million

January 29, 2019

CHARLESTON- (Zach Giroux and Cecilia Brown, Moultrie News) - A locally revered waterfront restaurant on Shem Creek is now under new ownership following a purchase earlier this month. Charleston developer Gramling Brothers Real Estate & Development bought out Water's Edge for \$7million, the same affiliates who recently purchased Coleman Boulevard's Peach Orchard Plaza last fall, according to reports by Post and Courier. The acquisition marks Gramling Brothers fifth commercial property along Coleman Boulevard.

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

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Restaurant Leader Acquires 13 Northern California Applebee's Neighborhood Grill + Bar Restaurants

January 28, 2019

DALLAS- (RestaurantNews.com) - Apple Cal, LLC, an entity of Dallas-based SSCP Management, Inc. and a licensed Applebee's franchisee, has announced the acquisition of 13 Applebee's Neighborhood Grill + Bar restaurants in Northern California, bringing their total number of franchised Applebee's locations to 76. The deal was struck with San Jose, Calif.-based Apple Gilroy, Inc. and Apple By The Bay, Inc. "This is a fantastic opportunity and one that we have been anticipating for quite some time," said Chris Dharod, president of SSCP Management, Inc. "We are incredibly proud to welcome the team members from these 13 restaurants to the SSCP family and we look forward to building on their success."

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

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www.innovation-capital.com
Member: FINRA/SIPC

Innovation Capital, 222 N. Sepulveda Blvd., Suite 1300, El Segundo, CA 90245

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