



# **Innovation Capital**

*Investment Bankers*

Restaurant & Retail Newsweekly  
March 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](mailto:msodl@innovation-capital.com)

### **Tadashi Wakabayashi**

Managing Director - Japan Gaming  
Consultant  
+81-80-5424-6804  
[twakabayashi@innovation-capital.com](mailto:twakabayashi@innovation-capital.com)

### **Alex Wang**

Vice President  
(310) 335-9909  
[awang@innovation-capital.com](mailto:awang@innovation-capital.com)

### **Mike Martin**

Financial Analyst  
(310) 335-9339  
[mmartin@innovation-capital.com](mailto:mmartin@innovation-capital.com)

### **Brian O'Hagan**

Strategic Advisory Partner  
Restaurant Sector

### **Kevin Scheible**

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

### **Ben Martinez**

Director - Native American  
(214) 336-3819  
[bmartinez@innovation-capital.com](mailto:bmartinez@innovation-capital.com)

### **Anat Goldstein**

Associate  
(310) 335-9292  
[agoldstein@innovation-capital.com](mailto:agoldstein@innovation-capital.com)

### **Shannon Sharp**

Office Manager  
(310) 335-9333  
[ssharp@innovation-capital.com](mailto:ssharp@innovation-capital.com)

### **Andrew Margolick**

Strategic Advisory Partner  
Restaurant & Retail

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

## **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.

### Featured Article:

## Gap snaps up high-end children's label at Gymboree bankruptcy auction

March 3, 2019

UNITED STATES- (Katie Burke, San Francisco Business Times) - Gap Inc. made plans over the weekend to buy high-end children's label Janie and Jack for \$35 million. The move came just days after San Francisco-based Gap (NYSE: GPS) released plans to spin out its Old Navy label into a separate public company. The Janie and Jack sale came in the wake of parent Gymboree's bankruptcy filing in January, its second Chapter 11 filing in less than two years. The company, also based in San Francisco, also liquidated its namesake and Crazy 8 brands at U.S. Bankruptcy Court in Richmond, Va. on Saturday. The purchases have yet to be approved by the bankruptcy court.

[Click here to read the article in San Francisco Business Times](#)

Copyright © 2019 American City Business Journals

## Instant Pot is merging with the owner of Pyrex

March 3, 2019

UNITED STATES- (Amelia Lucas, CNBC) - The maker of the popular Instant Pot is merging with Corelle Brands. The companies didn't include financial terms in the announcement Monday. The merger is expected to be completed during the second quarter. Ottawa-based Instant Brands is best known for its Instant Pot, which combines a pressure cooker, steamer, warmer, rice cooker and slow cooker all in one. The appliance has a devoted following, with more than 185,000 people following its official Instagram account for recipes tailored to the device. The company has also been expanding its lineup with a blender and appliances for sous vide cooking, a method that involves vacuum sealing food.

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

Copyright © 2019 CNBC LLC

## Grocery store stocks take a beating on report that Amazon will launch its own chain of supermarkets

March 1, 2019

UNITED STATES- (Lauren Feiner, CNBC) - Amazon is planning to open its own grocery stores in the U.S. at a lower price point than Whole Foods, The Wall Street Journal reported Friday. The company is planning to open dozens of the stores, according to the Journal, with the first one opening in Los Angeles as early as the end of this year. Walmart, Kroger, Target, BJ's, Costco, and Sprouts all dipped sharply on the news. Amazon declined to comment on the report.

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

Copyright © 2019 CNBC LLC

## **Paulson & Co. Inc. and TriArtisan Capital Advisors LLC Announce Acquisition of P.F. Chang's China Bistro**

March 1, 2019

NEW YORK - (Triartisan Capital Advisors) - Paulson & Co. Inc. ("Paulson"), TriArtisan Capital Advisors LLC ("TriArtisan") and Centerbridge Partners, L.P. ("Centerbridge") today announced that they have closed a transaction in which Paulson and TriArtisan acquired P.F. Chang's China Bistro, Inc. ("P.F. Chang's" or the "Company") from Centerbridge. Jim Bell, CEO of P.F. Chang's, said, "We want to thank Centerbridge Partners for their strong support of P.F. Chang's. We are fortunate to have a partnership with Paulson and TriArtisan which will allow us to implement a collaborative growth strategy. Paulson and TriArtisan bring financial strength and expertise that will allow us to grow our dine-in and off-premises channels both domestically and internationally."

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

Copyright © 2019 COWEN INC.

## **Despite Some Better Earnings News, JC Penney Remains A Retailer Running Out Of Time**

March 1, 2019

UNITED STATES - (Warren Shoulberg, Forbes) - The JC Penney website lists 374 clocks, and all of them are ticking when it comes to the future of the retailer. After reporting a mixed bag of numbers on Thursday for the holiday quarter-some more encouraging than expected but nevertheless all in the context of "they weren't as rotten as you thought they would be"-Penney executives gave some insight into what the big plan is to save the beleaguered retailer.

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

Copyright © 2019 Forbes Media LLC

## **Malls Take a 48-Hour Beating as Retailers Cull Over 300 Stores**

March 1, 2019

UNITED STATES - (Sydney Maki and Carmen Reinicke, Bloomberg) - You can't blame America's teenagers for no longer congregating at the mall like generations past: There aren't all that many stores left. In the last 48 hours alone, several shopping-center staples unveiled plans to trim their footprints across the U.S. Gap Inc. said it would slash the store count of its struggling namesake brand by 230 locations over the next two years, just hours after J.C. Penney Co. confirmed it would shutter 18 department stores. That news came on the heels of L Brands Inc.'s decision to close 53 Victoria's Secrets in North America this year. And it's not just apparel: Tesla Inc., whose galleries are often inside shopping centers, just said it's moving all its sales online.

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

Copyright © 2019 Bloomberg L.P.

## **Wingstop Founder Antonio Swad Has A New Concept**

March 1, 2019

UNITED STATES- (Jonathan Maze, Nation's Restaurant News) - Antonio Swad is back in the restaurant business. And he's "come back swinging." The founder of Wingstop and Pizza Patron on Friday announced the creation of a new restaurant called Porch Swing. The restaurant is located in the Dallas suburb of Mesquite, Texas, and features a menu of classic Southern dishes such as grilled meatloaf, pork loin, shrimp, chicken fried steak and pie. The menu features "labor-intensive, slow-cooked" items that are "usually reserved for Sundays" because of the time required.

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

Copyright © 2019 Winsight, LLC.

## MTY's Offer for Gigi's Cuts Value to \$2M

March 1, 2019

UNITED STATES- (Beth Ewen, Franchise Times) - The last time Gigi's Cupcakes changed hands, in 2016, the franchise founded by Gina Butler sold for \$6 million to Key Corp. and its affiliate Fund Corp. Now MTY Franchising USA is offering \$2 million cash, and Gigi's is seeking additional qualified bidders before a planned March 25 auction date. MTY will also assume certain liabilities if the sale closes, according to a February 22 filing as part of Gigi's Chapter 11 bankruptcy case. Gigi's assets are \$4.4 million and liabilities are \$11.98 million, according to the filing. MTY Food Group is the Montreal-based company whose biggest acquisition to date was in 2016, when it bought Kahala Brands for \$310 million. It owns casual dining, fast casual and quick-service restaurants operating under more than 70 brand names.

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

Copyright © 2019 Franchise Times

## Shake Shack Completes 'Most Ambitious Year' Yet

February 28, 2019

UNITED STATES- (Danny Klein, QSR) - Fourteen years ago, Randy Garutti and the Shake Shack team closed shop for the day at their Madison Square Park location, the brand's first-and only-store at the time. They just achieved what executives thought unthinkable. It was Shake Shack's first \$5,000 day, a milestone "a bunch of fine-dining leaders" couldn't picture when they put burgers, hot dogs, fries, and shakes on the menu of a fast casual. This past quarter, Shake Shack scored its first \$2 million day. Since its IPO, when the chain exited 2014 with nearly \$120 million in revenue, it has increased the figure by nearly 300 percent. And although many restaurants and companies say this, it holds real weight with Shake Shack: As far as it's progressed, the chain is just getting started spreading one of the more profitable business models in the country across the map.

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

Copyright © 2019 JOURNALISTIC, INC

## The Cheesecake Factory's Casual Asian Restaurant Opened This Week in Westlake Village

February 27, 2019

LOS ANGELES- (Mona Holmes, Los Angeles Eater) - Big full service chain restaurant The Cheesecake Factory introduced its first quick service restaurant this week. Dubbed Social Monk Asian Kitchen, the eatery takes a made-to-order model with dishes from Thailand, Vietnam, Malaysia, Singapore, China, Indonesia, and India. The first location is in Westlake Village.

[Click here to read the full article in Los Angeles Eater](#)

Copyright © 2019 Vox Media, Inc.

## JAB Holdings considers IPO for coffee division

February 25, 2019

UNITED STATES - (Clark Schultz, Seeking Alpha) - JAB Holdings is considering an IPO for its Acorn coffee and beverage division, according to Nation's Restaurant News. "JAB sees launching the IPO in the next two to three years. Acorn houses the Keurig Dr Pepper, Jacobs Douwe Egberts and Peet's brands," reads a company statement. The public launch of Acorn wouldn't impact the publicly-traded status of Keurig Dr Pepper (NYSE:KDP), which runs the Keurig, Dr Pepper, Green Mountain Coffee Roasters, Canada Dry, Snapple, Tully's Coffee and The Original Donut Shop businesses.

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

Copyright © 2019 Seeking Alpha

---

Innovation Capital, LLC  
www.innovation-capital.com  
Member: FINRA/SIPC

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

[SafeUnsubscribe™ {recipient's email}](#).

[Forward email](#) | [Update Profile](#) | [About our service provider](#)

Sent by [distribution@innovation-capital.com](mailto:distribution@innovation-capital.com) in collaboration with

**Constant Contact** 

Try it free today