

# CSG INDUSTRY NEWS

Restaurant & Retail Real Estate Report

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## RESTAURANT

### Industry Insight

**Applebees** lost its legal battle to take back the 160+ stores currently owned by bankrupt franchisee **RMH Franchise Holdings**.

**Bojangles'** may be looking for a buyer.

**Carrols Restaurant Group** added 40+ **Burger King** locations, bringing its total to 848.

**Charleys Philly Steaks** opened its 600<sup>th</sup> worldwide location; of those, approximately 510 are located in the US.

**Dickey's Barbecue Pit** brought in Jared Madry to serve as its VP of Construction.

**Dunkin' Donuts** will be known as simply "Dunkin'" beginning in January when it will start to phase out the use of "Donuts" in its store name and branding as part of a plan to reposition the chain as a quick serve coffee company.

**Elite Restaurant Group (Slater's 50/50 and Daphne's)** acquired 17-unit **Patxis Pizza**. In another deal, the company acquired **Noon Mediterranean** out of bankruptcy. With Noon, Elite will rebrand the 12 stores with the Daphne's banners and develop a Noon/Daphne hybrid menu for the stores.

**Inspire Brands** will buy **Sonic Inc.** for \$2.3 billion.

**Mr. Gatti's Inc.** continued to rebrand. It sold 13 corporate locations in Austin, TX.

**RAVE Restaurant Group** closed 5 **Pie Five** locations and also announced a new streamlined prototype for the concept.

**RAVE Restaurant Group** reported FYE 6/28/18 results: Total consolidated revenue decreased 42.0% to \$15.1 million, due primarily to falling sales and store closures at **Pie Five**.

**Romano's Macaroni Grill** will acquire the **Sullivan's Steakhouse** chain from **Del Frisco's Restaurant Group** for \$14 million.

**Starbucks** is planning layoffs and leadership changes in the face of struggles in recent quarters. The changes are likely to occur through mid-November.

**Subway** now offers delivery at 9,000 locations after the company partnered with *four* 3<sup>rd</sup> party service providers, Uber Eats, Grubhub, DoorDash and Postmates.

**Taylor Gourmet**, a 17-unit Washington DC chain, closed all of its locations.

**Urban Plates** has secured a \$35 million loan from Goldman Sachs and will use the cash to expand from 15 units (CA) to 50 over the next 3 years.

#### **On Location**

**Del Frisco's** will open its first **Double Eagle Steakhouse** in California next month (San Diego) with a second planned (LA).

**JINYA Ramen Bar** opened its first Nebraska location in Omaha.

**MOOYAH Burgers** opened its first Rhode Island and first casino location in the Tiverton Casino Hotel.

**SAJJ Mediterranean** has three new units in development – Irvine, San Jose and San Ramon, CA.

**Wendy's** is looking at Quebec for expansion opportunities. The company opened its 13<sup>th</sup> location recently and plans to build to 50 by 2023.

## **RETAIL**

#### **Industry Insight**

**Amazon.com Inc.** has opened a new store, called Amazon 4-star. The location only sells items that are rated 4 stars or above, are top sellers, or are new and trending on Amazon's website. The store is located in New York City's SoHo neighborhood.

**AT&T Inc.** announced plans to add 1,000 new stores. In addition to standard retail locations, AT&T plans to open pop-up stores in apartment buildings, condos and other locations. The company plans to launch a total of 100 pop-ups this year.

**Bon-Ton Stores** and its subsidiary department store chains have re-emerged online. The company is also in the process of opening new stores in Illinois, Wisconsin, and Colorado. Stores will reopen under the Bon-Ton, Carson's, Herberger's and the Boston Store banners. Younkers and Elder-Beerman will start out as online-only brands.

**Claire's Stores Inc.** is moving forward with its reorganization strategy, and is planning an early exit from bankruptcy.

**Dollar Tree Stores Inc.** plans to close Family Dollar's store support centers in Matthews, North Carolina and Chesapeake, Virginia. These operations will be relocated to Dollar Tree's newly-completed office tower in Chesapeake. The consolidation will be complete by fall 2019.

**Party City Holdco Inc.** entered into an agreement to acquire a master franchise group representing 21 franchise stores in Minnesota, North Dakota and Texas.

**Sears Holding Corporation** filed for Chapter 11 bankruptcy protection and announced it will close 142 stores near the end of the year.

**Shoe Box Inc.** has announced plans to unveil its first Midwest location. The 3,500 sq. ft. unit will open at the Albertville Premium Outlets in Albertville, MN.

**Walmart Stores Inc.** announced a new collaboration with PayPal that enables customers to load cash or withdraw funds from their PayPal mobile app while shopping in its stores. The service has a \$3 fee per transaction.

## On Location

**Amazon.com Inc.** has introduced its first Amazon Go concept outside of its hometown. The newest 2,000 sq. ft. Amazon Go unit has debuted in Chicago. Additional stores in San Francisco and New York remain in the works. Amazon plans to open 10 locations by the end of 2018, about 50 locations in major metro areas in 2019 and then up to 3,000 new Amazon Go stores by 2021.

**Nordstrom Inc.** has opened two more Los Angeles area locations for its Nordstrom Local format.

## GROCERY, DRUG, HEALTH & BEAUTY

### Industry Insight

**Coen Markets Inc.** has signed a definitive agreement to purchase the outstanding stock and operating assets of Pittsburgh-based **CoGo's Co.**, which operates 38 convenience stores in western and central Pennsylvania, West Virginia and Maryland.

**CVS Health** announced that it has entered into an agreement that allows it to proceed with its proposed acquisition of Aetna.

**Empire Company Limited** is acquiring 26-store fresh grocer chain **Farm Boy Inc.** Plans call for Farm Boy to be set up as a separate company within Empire.

**Giant Eagle** is buying **Ricker Oil Co. Inc.** The deal includes 56 stores.

**Orangetheory Fitness** has announced plans to open 260 new stores this year.

**Perfumania Holdings** has opened a new prototype. Located in Denver, CO, the 900 sq. ft. space is designed to engage and educate shoppers, and serve as an interactive fragrance hub.

**Publix Super Markets Inc.** plans to expand its headquarters and bolster its workforce. The Southeastern grocer said it aims to enlarge its corporate office in Lakeland, FL, and add 700 jobs by the end of 2027.

**Supervalu Inc.** has entered into a definitive agreement to sell 19 of its 36 Shop 'n Save grocery stores, which are mainly located in the St. Louis area, to **Schnuck Markets Inc.**

**Walgreens Boots Alliance Inc.** and **Birchbox** announced a partnership. The companies said they will build the Birchbox retail experience in Walgreens stores. Walgreens also announced that it would be acquiring a minority interest in Birchbox. The initial pilot will include 11 Walgreens locations across major cities within the country, rolling out from December to early 2019.

**Walgreens Boots Alliance Inc.** and Kroger Co. are testing a new store format at 13 Walgreens stores in Northern Kentucky. Customers will be able to order Kroger grocery items online and pick up the orders at the participating Walgreens locations. In addition, grocery items from Kroger's private-label line will also be available in-store at participating Walgreens locations.

**Walgreens Boots Alliance Inc.** and LabCorp are expanding their partnership in a big way. The two companies said Wednesday they would be opening at least 600 LabCorp patient service centers inside Walgreens U.S. locations in the next four years.

## **On Location**

**7-Eleven Inc.** is opening its first location at a professional sports venue. The convenience store will open at Texas Motor Speedway in Fort Worth, TX.

**Giant Food Stores LLC** announced it will debut a new, smaller store concept called “Giant Heirloom Market”. The first location will open later this year in Philadelphia, PA.

**McLane Company Inc.** has announced it will open its newest grocery distribution center, in Fort Worth, TX. The 625,000 sq. ft. facility is expected to open next year.

**Publix Super Markets Inc.** opened its first GreenWise Market store format in Tallahassee, FL. The store is part of five planned GreenWise Market locations for the retailer.

**Sprouts Farmers Market** has opened its first store in Pennsylvania.

**Whole Foods Market Inc.** announced it will open its first two 365 stores in Georgia later this year, located in Decatur and Buckhead. The stores will include partnerships as part of the “Friends of Whole Foods Market” program and feature an onsite restaurant and a coffee shop.



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Daily Updates	✓	✓	✓
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**9,200**

Chain Retail & Restaurant Tenants

**53,300**

Executives and Decision Makers

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With Complete Contact Info

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