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Shelf life

Restaurant licensing deals grow more complex as revenues increase

BY LISA JENNINGS

As Starbucks and Kraft Foods Inc.'s bitter — and likely expensive — divorce as licensing partners plays out in the court room, industry watchers see the drama as a sign that the stakes are getting ever higher for restaurant companies looking to license their brands.

Starbucks isn't the only restaurant chain to change partners in recent months. H.J. Heinz Co. plans to part ways with Boston Market for the dis-

tribution of frozen dinners available in grocery stores next year, and the Golden, Colo.-based restaurant chain has found a lesser-known — but perhaps more devoted — partner.

Meanwhile, the successful partnership of Dunkin' Brands Inc. with licensee J.M. Smucker Co., producer of Dunkin' Donuts-brand bagged coffee in supermarkets, is solid, officials say, despite concerns voiced by Dunkin' Donuts franchisees.

And smoothie-chain operator
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Renovation nation

Restaurant revamps speed up as operators compete for customers

BY STEVE COOMES

In the not-so-distant past, restaurateurs remodeled operations about every 10 to 15 years. But in today's hyper-competitive business climate, updates happen not only in a fraction of that time, but they're often perpetual.

Yet while rapidly changing consumer expectations are prompting restaurateurs across the industry to step up the pace of often costly revamps, many operators insist the sped-up cycles also have direct and proven rewards.

Restaurateurs, including

such industry leaders as McDonald's and Burger King, point to tangible sales increases resulting from the implementation of more dynamic renovation schedules.

Gary Occhiogrosso, chief development officer for Trufoods, a New York-based multi-concept developer of Wall Street Deli, Pudgie's Famous Chicken and Ritter's Frozen Custard, said that customers have come to expect more rapid change from their restaurant operators.

"There weren't many restaurants when I was growing up, so we accepted whatever there

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LISA JENNINGS