

Competitive Update

5/17/2010



Expansion/ Company Growth | 5/10/2010

Chipotle opened its first European restaurant in London located at 114-116 Charing Cross Road. The company, which operates nearly 1,000 restaurants in the United States, is also looking for additional sites in London and exploring other European markets including Paris and select cities in Germany. Chipotle in London features a decidedly focused menu of burritos, tacos, burrito bowls (a burrito without the tortilla), and salads. With a service format that allows customers to decide exactly what goes into their individual order, there are more than 60,000 possible combinations.



Promotions: Drink | 5/11/2011

Dunkin' Donuts faced a storm of criticism on Facebook and Twitter, when dozens -- if not hundreds -- of angry people expressed everything from annoyance to outrage that they had been unable to get a free iced coffee. Because of the Canton, Mass.-based company's 60th anniversary this year, a spokesperson tells Marketing Daily, it decided to do regional promotions rather than its annual "Free Iced Coffee Day." But apparently, someone created a false Facebook page about it being a national event; on Monday Facebook pulled it down. The real free coffee was offered only in six states. On Twitter, @javajosh took to pointing out where the promotion was being offered and responding to some individual tweets. Dunkin's Facebook page contained several responses to individual fans as well as a status update that pointed to other ways to get a free coffee.



Financial/ Earnings Release | 5/10/2010

McDonald's said April sales rose 4.9%, beating some analysts' estimates, helped by growth in Europe and Australia. Sales at U.S. restaurants open at least 13 months advanced 3.8%. rose 3.8% in April as McDonald's remains a relevant and affordable choice for consumers. Top contributors to April's results were beverages, including new McCafe offerings like Frappes, core products like Chicken McNuggets, and an all-day, everyday value message that starts with the Dollar Menu at breakfast. They climbed 5.3% in Europe and 3.9% in Asia, the Middle East and Africa. Value menus and foods catering to local tastes helped boost sales in Asia, the Middle East and Africa, the company said. Sales in the U.K., France and elsewhere in Europe have increased as the chain renovated restaurants.



Promotions: Games/ Movies/ Plastic | 5/13/2010

McDonald's announced it has teamed up with DreamWorks Animation for the final chapter of the adventures of the green ogre and his friends in "Shrek Forever After." Shrek, Donkey and Puss In Boots encourage kids to "Shrek Out" their Happy Meals around the world with menu options like fruits, vegetables, low-fat dairy and fruit juices. The Shrek fun continues in a worldwide promotion for all ages, launching in the U.S. on May 14 and followed by an international roll-out throughout the summer. This new Shrek-themed promotion, focusing on the great taste and appeal of fruits and vegetables, reflects McDonald's ongoing commitment to kids and families and making these foods fun for kids to eat. McDonald's is broadening the approach by delivering the "great taste" on Shrek packaging, point-of-purchase marketing materials at kids' eye-level, TV commercials, online and in social media. In the United States, kids can "Shrek Out" their Happy Meals with Apple Dippers and low-fat white or chocolate milk.



Promotions: Drink | 5/12/2010

In a counterattack against its lower-priced fast-food rivals, Starbucks plans to roll out a 2nd coffee brand. By autumn, Seattle's Best Coffee will be sold in about 30,000 fast-food outlets, supermarkets and coffee houses. Currently, Seattle's Best coffee and coffee beans are sold in the chain's own shops inside nearly 500 Borders bookstores, as well as in about 2,500 supermarkets. Eventually, Starbucks said, the brand will also be sold in convenience stores, drive-through kiosks, coffee carts, vending machines and mobile trucks. The company has already reached deals to sell Seattle's Best at Burger King and Subway restaurants and at AMC Entertainment Inc. movie theaters. In a presentation last week to the Starbucks board, executives unveiled a new logo for Seattle's Best, along with a new motto: "Great Coffee Everywhere."



Financial/ Earnings Release | 5/13/2010

Wendy's North America systemwide same-store sales increased 0.8%. Wendy's North America company-operated same-store sales increased 0.2% and Wendy's North America franchise same-store sales increased 1.0%. For Q1 2010, Wendy's total revenue was \$584.7M, an increase of \$6.5M compared to revenue of \$578.2M in Q1 2009, including favorable foreign exchange translation. Arby's North America systemwide same-store sales decreased 11.5%. Arby's North America company-operated same-store sales declined 11.6% and North America franchise same-store sales declined 11.4%. For Q1 2010, Arby's total revenue was \$252.7M, compared to \$285.7M in Q1 2009, a decrease of \$33.0M, due to a decline in same-store sales.