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NOVEMBER HEADLINES:

Industry:

- **Danny Meyer, owner of Union Square Restaurant Group in NYC, eliminates tips.**
 - Plans to raise prices and wages
- **New EMV Credit Cards have service issues**
 - New readers take an average of 20 seconds to read data (old magnetic strip took 3 seconds).
- **White House considering regulation to require 16 weeks paid family leave**
 - Shift Schedule Reform to require notices to employees of changes
 - November 1 – 2016 Health Insurance enrollment begins
- **C-Stores making inroads in Breakfast market share**
 - Convenient, on-the-go eaters
- **Fast Food workers staged strike in 280 cities 11-8-15**
- **Most popular restaurant Gift Cards:**
 - Starbucks
 - McDonald's
 - Jack in the Box
- **Consumers are expected to spend 21% of Christmas budget on gift cards**
- **E. coli breakout:**
 - In 9 states: OH, NY, CA, MN, OR, WA, PA, MD, IL
 - Other chains affected: 7-Eleven, Walmart, Safeway, Albertsons, Target, Sam's Club, Costco

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COMPANIES MENTIONED IN THIS REPORT:

CORE COVERAGE

COMPANY	TICKER	PAGE
	QSR	
McDonald's	MCD	9
Sonic	SONC	10
Burger King	BKW	11
Wendy's	WEN	12
Jack in the Box	JACK	13
Popeye's	PLKI	14
KFC	YUM	15
Taco Bell	YUM	16
Pizza Hut	YUM	17
Domino's	DPZ	18

FAST CASUAL

Chipotle	CMG	19
Krispy Kreme	KKD	20
Panera Bread	PNRA	21
Starbucks	SBUX	22

CASUAL

Applebee's	DIN	23
IHOP	DIN	24
Buffalo Wild	BWLD	25
Chili's	EAT	26
Chuy's	CHUY	27
Red Robin	RRGB	28
Ruby Tuesday	RT	29

December Outlook:

- **Brands that will perform well:** McDonald's, Sonic, Domino's, Wendy's, Jack in the Box, Popeye's, Taco Bell, Applebee's, Buffalo Wild Wings, Chuy's.
- **Brands that will perform poorly:** Chipotle, Pizza Hut, Burger King, Chili's.

Same Store Sales (SSS):

<u>With Chipotle</u>		<u>Without Chipotle</u>		<u>Traffic</u>
Industry	= 2.3%	Industry	= 2.9%	Industry = <1.0%>
QSR	= 3.5%	QSR	= 3.5%	
Fast Casual	= 0.5%	Fast Casual	= 3.7%	
Casual	= 1.6%	Casual	= 1.6%	

Source for "Mean" on Charts on pages 9-29 – Company Filings.