



A&W Restaurants Hits Post-YUM! Era Milestone

Approaching anniversary of ownership change finds great American brand back in growth mode

LEXINGTON, Ky. (December 12, 2016) – A&W Restaurants, Inc. will soon celebrate its five-year anniversary under franchisee ownership. Since being acquired from YUM! Brands, A&W has experienced non-stop, year-over-year same-store sales and profit gains, as well as the opening of more than 40 new U.S. units, including 15 in gas and convenience stores.

A&W, America's oldest restaurant chain, was owned by YUM! for nine years. In late 2011, with sales suffering and the system losing units, a core group of franchisees established A Great American Brand, LLC to buy A&W. Kevin Bazner, A&W's president prior to the YUM! acquisition, returned as CEO.

"A&W's future was very much in question," Bazner recalled. "If not for the franchise partners' investment, hard work and passion, A&W would not be where it is today."

As the nearly 100-year-old chain looks to 2017, it is more than surviving; it is thriving – even as many other restaurant brands report sluggish sales. Since 2012:

- System-wide sales and profits have grown every quarter, with same-store-sales up nearly 24 percent
- 41 new U.S. restaurants have been opened, with 20 new ones planned for 2017
- Introduction of 23 new products and the development of versatile prototype and kitchen designs that can be adapted to a variety of settings, including gas and convenience stores.

There are currently more than 625 U.S. A&Ws. Approximately 375 are co-branded with KFC or Long John Silver's. The remaining are stand-alone A&W units, including 87 gas and convenience store locations. A Great American Brand also operates 310 A&W restaurants in eight countries. A&W Canada locations are separately owned and operated.

"We acquired a troubled brand with a franchise community that was very apathetic, having been neglected for many years," Bazner said. "Our initial goal was to grow profitable sales, one restaurant at a time, and we've accomplished that." With the brand stabilized, A&W is turning to adding new locations, with a new franchise sales initiative launching in early 2017. It will include a focus on gas and convenience stores.

"A&W has tremendous brand recognition. Everywhere I go people share stories and memories," he added. "That affection – combined with our performance the last five years – is driving great interest among both current and prospective franchisees."

In 1919, Roy Allen set up a roadside drink stand in Lodi, California, to introduce a new beverage at a parade honoring returning World War I veterans. An instant success, Allen and partner Frank Wright named the beverage A&W® Root Beer and started franchising roadside stands. A&W Root Beer is still made fresh in the restaurants from real cane sugar, water and a proprietary blend of herbs, bark, spices, and berries that are served in a frosty mug along side burgers, fries, chicken tenders and other All American Food® favorites. There are 1,100 locations worldwide. Connect with A&W online at <http://www.awrestaurants.com/franchising>