

## **BANKRUPTCIES & CLOSURES**

### **2.1 Restaurant Company Bankruptcies and Liquidations**

The following restaurant corporations filed for bankruptcy or announced liquidation (i.e., closure of all locations) during the pandemic:

#### **California Pizza Kitchen**

- The casual dining chain announced on July 30, 2020, that it had filed for voluntary Chapter 11 protection. The company said that it would close unprofitable locations, reduce its long-term debt load, and quickly emerge from bankruptcy as a much stronger company. There are currently over 200 CPK locations in eight countries and U.S. territories.

#### **CEC Entertainment Inc.**

- The parent company of Chuck E. Cheese's filed for Chapter 11 bankruptcy in June 2020. The Texas-based chain, with 610 locations in 47 states, had to close almost all of its stores when the pandemic struck.

#### **CFRA Holdings**

- CFRA, a franchisee with 49 IHOP locations in the Southeast, filed for Chapter 11 bankruptcy protection in May 2020. All locations were closed.

#### **Craftworks Holdings**

- Craftworks, operator of nine restaurant chains, including Logan's Roadhouse, Old Chicago Pizza & Taproom, Rock Bottom Restaurant & Brewery, and Big River Grille & Brewing Works, filed for Chapter 11 bankruptcy in March 2020. The company announced in April 2020 that all 230 Logan's Roadhouse locations throughout 23 states would remain closed indefinitely and possibly permanently.

#### **FoodFirst Global Restaurants**

- The parent company for Brio Italian Mediterranean and Bravo Fresh Italian filed for Chapter 11 bankruptcy protection in mid-April 2020. Prior to the pandemic, the management company had already closed 10 stores. Amid the coronavirus outbreak, closures climbed to 71 of its 92 restaurants. FoodFirst is seeking to sell the company.

### **Garbanzo Mediterranean Grill**

- Colorado-based Garbanzo declared Chapter 11 bankruptcy in August 2020. The chain has 25 locations, 21 of which are operated by franchisees. The chain generated \$22.9 million in U.S. system sales in 2019.

### **Garden Fresh Restaurants**

- The parent company of Sweet Tomatoes (called Souplantation in Southern California), a 97-location salad, soup, and bakery buffet chain, filed for Chapter 7 bankruptcy and announced in May 2020 the permanent closure of all locations. Approximately 4,400 employees were affected.

### **Il Mulino**

- The upscale Italian restaurant chain filed for Chapter 11 bankruptcy protection for seven of its 16 locations in August 2020. Most of the locations seeking protection from creditors are located outside the high-end brand's home market of New York City, where it has five stores. Filing included units operated in Las Vegas, Miami Beach, Puerto Rico, Atlantic City (two locations), and the suburban New York towns of Roslyn and East Hampton.

### **Le Pain Quotidien**

- The fast-casual bakery chain announced that it would close all 98 of its U.S. locations after filing for Chapter 11 bankruptcy protection in May 2020. However, at least 35 stores will potentially be reopened at a future date following a partial buyout by Aurify Brands.

### **Luby's**

- In September 2020, Luby's Inc., the parent company of Luby's and Fuddrucker's, announced a plan to liquidate both restaurants. The brands operated 84 and 153 locations, respectively.

### **Luxury Dining Group**

- The owner of upscale dining chain Fig & Olive declared Chapter 11 bankruptcy in July 2020. The eight-location chain, which operates in five states, plans to reorganize and reopen some locations.

### **Matchbox Food Group LLC**

- The 12-unit casual-dining brand filed for Chapter 11 bankruptcy in August 2020. Matchbox, founded in 2003, has restaurants in the Washington, DC, area as well as in Florida, Maryland, Texas, and Virginia.

### **NPC International**

- NPC International Inc., one of the largest franchisees of Pizza Hut and Wendy's, filed for Chapter 11 bankruptcy protection in early July 2020. The company operates more than 1,600 restaurant franchised locations.

### **Specialty's Cafe and Bakery**

- Specialty's Cafe and Bakery, with 50 restaurants in California, Washington, and Illinois, closed all locations in May 2020 after 33 years of business.

### **Sustainable Restaurant Holdings**

- The parent company of Bamboo Sushi and QuickFish, two small restaurant chains with a combined 10 locations across the West Coast, filed for federal bankruptcy protection in April 2020. Bamboo Sushi was the first certified sustainable sushi restaurant in the U.S. and the first restaurant to know their carbon footprint down to the menu item.

### **TooJay's Deli**

- Despite receiving \$6.4 million in Paycheck Protection Program (PPP) funds, Florida-based deli chain TooJay's filed for federal bankruptcy protection in April 2020, citing coronavirus as the cause. Most of the deli chain's 28 locations remained open for takeout and delivery.

## **2.2 Chain Restaurant Location Closures**

Closings have not been uncommon in recent years in the competitive restaurant marketplace. Over 4,000 restaurants closed across the U.S. in 2019. The pandemic accelerated closures.

The following were some of the major restaurant closings announced during the first five months of the pandemic:

- Dunkin' announced it would close up to 1,150 underperforming restaurants in 2020.
- Pizza Hut is exiting the sit-down restaurant business, becoming a strictly carryout and delivery pizza chain, like Domino's and Papa John's. As part of the transition, the number of Pizza Hut locations will fall from around 7,450 to about 7,000.
- Restaurant Brands International, parent company of Burger King, Popeyes Louisiana Kitchen, and Tim Hortons, announced in August 2020 plans to close several hundred underperforming locations. The company operated 10,415 locations across the three brands at year-end 2019.
- Starbucks announced in June 2020 that it would shut down up to 400 of its company-owned stores.

Numerous units of other nationwide chains including Denny's, Fleming's Prime Steakhouse, Morton's the Steakhouse, Outback Steakhouse, P.F. Chang's, Steak 'n Shake, and TGI Fridays have also permanently shuttered.

### **2.3 Independent Restaurant Closures**

The following are among the most recognized independent restaurants that closed permanently during the pandemic (sources: 24/7 Wall St. [[www.247wallst.com](http://www.247wallst.com)] and *Restaurant Business*):

- 12@Madison (Denver, CO)
- 20th Street Café (Denver, CO)
- Alexander's Italian Bistro (Pittsburgh, PA)
- Anne and Bill's (Forest Park, GA)
- Aquagrill (New York, NY)
- Aureole (New York, NY)
- Bar Boulud (Boston, MA)
- Barrio Cafe Gran Reserva (Phoenix, AZ)
- Barry's Pizza (Houston, TX)
- Bernie's Burger Bus (Houston, TX)
- Beyoglu (New York, NY)
- Biba Restaurant (Sacramento, CA)
- Bill's Off Broadway (Seattle, WA)
- Blackbird (Chicago, IL)
- Blue's Egg (Shorewood, WI)
- Cameron Bar & Grill (Raleigh, NC)
- China Inn Restaurant (Louisville, KY)
- Citizen (Richmond, VA)
- City Cafe (Baltimore, MD)
- Clarke's Charcoal Broiler (Mountain View, CA)
- Clyde Common (Portland, OR)
- Coogan's (New York, NY)
- Craigie Burger (Boston, MA)
- Daddy-O (New York, NY)
- Ditka's (Chicago, IL)
- Döner Bistro (Frederick, MD)
- E' Tutto Qua (San Francisco, CA)
- El Zocalo Mexican Grille (Chandler, AZ)
- FARMiCiA (Philadelphia, PA)
- Firebox (Hartford, CT)
- Five Sixty (Dallas, TX)
- Fuji Ya (Minneapolis, MN)
- Gotham Bar and Grill (New York, NY)
- Grove Grill (Memphis, TN)
- Hakkasan (San Francisco, CA)
- Hattapon's Thai Kitchen (Greenfield, MA)
- Highland Park Cafeteria (Dallas, TX)
- Jackson's Prime (Fort Lauderdale, FL)
- Jake's Restaurant & Bar (Flemington, NJ)
- Jestine's Kitchen (Charleston, SC)

- Jewel Bako (New York, NY)
- John's Famous Stew [opened in 1911] (Indianapolis, IN)
- Joseph's Fireside Steakhouse (Waterville, ME)
- Jules Maes Saloon [opened in 1888] (Seattle, WA)
- Katana (Chicago, IL)
- K-Paul's Louisiana Kitchen (New Orleans, LA)
- Little Bucharest Bistro (Chicago, IL)
- Local 360 Cafe and Bar (Seattle, WA)
- Locanda (San Francisco, CA)
- Louis's Restaurant [opened in 1937] (San Francisco, CA)
- Lucky Strike (New York, NY)
- Luella's Gospel Bird (Chicago, IL)
- Markovski's Family Restaurant (Dearborn Heights, MI)
- McCrady's (Charleston, SC)
- Mi Mero Mole (Portland, ME)
- Mikette (Ann Arbor, MI)
- Momofuku Nishi (New York, NY)
- Momofuku CCDC (Washington, DC)
- Morels French Steakhouse & Bistro (Las Vegas, NV)
- Muddy Waters (Minneapolis, MN)
- Nel Centro (Portland, OR)
- Next Door American Eatery (Indianapolis, IN)
- NIX (New York, NY)
- Obra Miami (Miami, FL)
- Original Hot Dog Shop (Pittsburgh, PA)
- Pacific Way Bakery & Cafe (Gearhart, OR)
- Pacific Dining Car (Santa Monica, CA)
- Parkers Blue Ash Tavern (Cincinnati, OH)
- Parsnip Restaurant & Lounge (Cambridge, MA)
- Plum Tree Inn (Los Angeles, CA)
- Pok Pok (Portland, OR)
- R2L (Philadelphia, PA)
- REAL Gastropub (Honolulu, HI)
- Restaurant Dante (Cambridge, MA)
- Ritz Barbecue (Allentown, PA)
- Santa Fe Basque (Reno, NV)
- Satterfield's Upper Deck Restaurant (New Roads, LA)
- Semolina (Metairie, LA)
- Spice Kitchen & Bar (Cleveland, OH)
- Spring Chicken (Coral Gables, FL)
- Station House Cafe (Point Reyes Station, CA)
- Sweet Basil's Cafe (Cannon Beach, OR)
- Swingers (Los Angeles, CA)
- The Brooklyn Seafood, Steak & Oyster House (Seattle, WA)

- The Chef & the Cook (Baldwinsville, NY)
- The Cooperage (Albuquerque, NM)
- The Egg and I Diner (Minneapolis, MN)
- The Federal (Atlanta, GA)
- The Georgia Grille (Atlanta, GA)
- The Green Pheasant (Nashville, TN)
- The Joinery Restaurant (Newmarket, NH)
- The Market at Larimer Square (Denver, CO)
- The Paris Cafe (New York, NY)
- The Source (Washington, DC)
- The Table at Season to Taste (Cambridge, MA)
- Threadgill's (Austin, TX)
- Toast (Chicago, IL)
- Ton Kiang (San Francisco, CA)
- Toro (New York, NY)
- Trattoria Cuoco (Seattle, WA)
- Trostel's Dish (Clive, IA)
- Troy's Family Restaurant (San Diego, CA)
- Uncle Andy's Diner (Portland, ME)
- Viognier Restaurant (San Mateo, CA)
- Vivo Kitchen (Apple Valley, MN)
- Yesterdays Restaurant and Tavern (Columbia, SC)

## RESTAURANT CUSTOMERS

### **5.1 Consumers Miss Dining Out**

An April 2020 survey by The Harris Poll ([www.theharrispoll.com](http://www.theharrispoll.com)) asked adults how much they missed dining out at a restaurant or bar.

Seventy percent (70%) of adults said they missed dining out a lot or somewhat. Responses among men and women were virtually identical.

Among nine leisure and social activities, adults missed only gatherings with family and friends more than dining out. They missed the following activities less than dining out:

- Shopping in stores
- Going to social gathering
- Attending concerts/theatre/sports
- Watching sports on TV
- Going to a movie theater
- Going to a local coffeeshop
- Going to a gym/fitness class

By demographic, adults missed dining out at restaurants and bars during the coronavirus-related shutdown as follows:

<b>Gender</b>	<b>A Lot</b>	<b>Somewhat</b>	<b>Not Very Much</b>	<b>Not At All</b>
• Female:	36%	35%	14%	16%
• Male:	31%	39%	15%	16%
<b>Age</b>				
• 18-to-34:	38%	31%	18%	14%
• 35-to-49:	36%	35%	11%	18%
• 50-to-64:	28%	41%	12%	20%
• 65 and older:	31%	41%	16%	12%
<b>Annual Income</b>				
• Less than \$50,000:	26%	34%	17%	22%
• \$50,000 to \$75,000:	30%	41%	13%	15%
• More than \$75,000:	39%	36%	13%	11%
<b>Family</b>				
• Parent:	34%	35%	15%	16%
• No children:	32%	38%	14%	16%

## Region

• Northeast:	38%	35%	13%	14%
• South:	32%	39%	13%	17%
• Midwest:	32%	34%	16%	18%
• West:	33%	37%	16%	14%
<b>All Adults:</b>	<b>33%</b>	<b>37%</b>	<b>14%</b>	<b>16%</b>

The Harris Poll repeated the survey 17 times from April 2020 through August 2020. On average, 72% of adults said they missed dining out a lot or somewhat; the standard deviation was 2.0%. There was no significant variation in responses as the pandemic progressed; adults missed dining out to about the same extent throughout the five-month period that the survey was conducted.

## 5.2 Resuming Dining Out Activities

The Harris Poll asked adults in each of the nine surveys when they would resume dining out after the government provided information that the spread of COVID-19 had flattened.

In April 2020, 70% of adults said they would resume dining out within three months. In August 2020, 58% of adults said they would do so within three months.

Respondents to the Harris Poll said they would resume dining out activities as follows:

	April 2020	August 2020
• Immediately:	16%	18%
• 1-to-30 days:	30%	22%
• 2-to-3 months:	24%	18%
• 4-to-6:	15%	18%
• 7-to-11:	7%	10%
• One year or longer:	7%	13%
• Never again:	2%	2%

Responses by gender in the August 2020 poll were as follows:

	Female	Male
• Immediately:	19%	17%
• 1-to-30 days:	18%	25%
• 2-to-3 months:	15%	22%
• 4-to-6:	18%	17%
• 7-to-11:	10%	10%
• One year or longer:	17%	8%
• Never again:	2%	2%



### **5.3 Changes In Eating & Drinking**

An April 2020 survey by The Harris Poll asked adults about anticipated changes in their eating and drinking habits after the pandemic is over and things have returned to normal. Responses were as follows:

- Mostly the same: 52%
- Somewhat different: 30%
- Very different: 17%

Responses by demographic were as follows:

<b>Gender</b>	<b>Mostly the Same</b>	<b>Somewhat Different</b>	<b>Very Different</b>
• Female:	52%	30%	18%
• Male:	52%	31%	16%
<b>Age</b>			
• 18-to-34:	40%	37%	23%
• 35-to-49:	44%	35%	21%
• 50-to-64:	66%	23%	11%
• 65 and older:	63%	25%	12%
<b>Annual Income</b>			
• Less than \$50,000:	54%	29%	17%
• \$50,000 to \$75,000:	54%	31%	15%
• More than \$75,000:	51%	32%	17%
<b>Family</b>			
• Parent:	52%	30%	19%
• No children:	53%	31%	15%
<b>Region</b>			
• Northeast:	45%	37%	18%
• South:	53%	29%	18%
• Midwest:	61%	24%	15%
• West:	48%	33%	18%