

## Roark Capital Nabs Majority Stake In Carl's Jr. Owner

By **Daniel Wilson**

*Law360, Washington (November 20, 2013, 2:11 PM ET)* -- Private equity firm Roark Capital Group has agreed to purchase a majority stake in the parent company of burger chains Hardee's and Carl's Jr. from a unit of Apollo Global Management LLC for an undisclosed amount, the companies announced Tuesday.

Under the terms of the deal, an affiliate of Atlanta-based Roark will take over the majority stake in CKE Restaurants Inc. currently owned and controlled by Apollo, with CKE's senior management retaining a minority stake in the company. The companies did not release financial details of the deal, but said it would close by the end of 2013, assuming both regulatory approval is granted and that other customary closing conditions are met.

CKE CEO Andrew Puzder said in a statement Tuesday that the company's senior management team was very excited about the prospect of having Roark's long-term support in helping to build the company's "world-class" restaurant organization.

"Their proven track record of success and deep expertise in the restaurant and franchise sectors will be very beneficial as we continue to grow and expand CKE's market-leading brands around the world," Puzder said.

He also praised Apollo for its support and guidance in its ownership of the company, saying the firm had been great partners and helped contribute to CKE's success over the period. The Carpinteria, Calif.-based company had been taken private by an affiliate of New York-based Apollo, Columbia Lake Acquisition Holdings Inc., in a \$1 billion deal which closed in July 2010.

CKE also won praise from both its incoming and outgoing owners, with Peter Copses, a senior partner at Apollo and CKE's chairman, saying the firm's management, franchisees and employees had helped to build substantial value under Apollo's oversight, and Neal Aronson, Roark's managing partner, describing CKE's management team as an "A+" unit in his own statement Tuesday.

"Roark is thrilled to ... be associated with these differentiated brands and their engaged and successful franchisees and employees," Aronson said.

CKE, which also owns the Green Burrito and Red Burrito brands, operates or franchises 3,400 restaurants across the U.S. and in 29 other countries, generating about \$3.9 billion in revenues, according to the company.

It will join Roark's existing portfolio of 13 other restaurant brands located across the U.S. and in 68 countries, which include Arby's, Cinnabon, Carvel Ice Cream, Auntie Anne's Pretzels and Moe's Southwest Grill, among others.

Roark is represented in the deal by Ray Baltz, Bill Roche, Robert Leclerc, Austin Dailey, Matthew McCoy, Michelle Stewart, Gina von Sternberg, Kai-Ting Yang, Wayne Pressgrove, Robert Beard, Kenneth Raskin, Ryan Gorman, Emily Meyer, Jeffrey Spigel and Brian Meiners of King & Spalding LLP, in addition to in-house counsel.

CKE is represented by Robert Robison, R. Alec Dawson, Eric Tajcher, James Fang, Jessica Berkey, Kenneth Kail, Harry Robins, David Brenneman and Gary Rothstein of Morgan Lewis & Bockius LLP.

Its senior management are represented by Stephen Fackler, Gregory Davidson, Benjamin Rippeon, Alisa Babitz and Arsineh Ananian of Gibson Dunn.

Counsel information for Apollo wasn't immediately available.

--Editing by Katherine Rautenberg.

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