

# AFC ENTERPRISES INC

## FORM 8-K

(Current report filing)

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Address	5555 GLENRIDGE CONNECTOR, NE, SUITE 300 ATLANTA, GA 30342
Telephone	4044594450
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SIC Code	5812 - Eating Places
Industry	Restaurants
Sector	Services
Fiscal Year	12/30



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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the**  
**Securities Exchange Act of 1934**

Date of report (Date of earliest event reported) November 29, 2007

**AFC Enterprises, Inc.**

(Exact Name of Registrant as Specified in Charter)

**Minnesota**

(State or Other Jurisdiction of Incorporation)

**000-32369**

(Commission File Number)

**58-2016606**

(IRS Employer Identification No.)

**5555 Glenridge Connector, NE, Suite 300,**  
**Atlanta, Georgia**

(Address of Principal Executive Offices)

**30342**

(Zip Code)

**(404) 459-4450**

(Registrant's Telephone Number, Including Area Code)

**Not applicable**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions ( *see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On December 3, 2007, AFC Enterprises, Inc. (the “Company”) announced the retirement of Frank J. Belatti, Chairman of the Company’s Board of Directors, effective November 29, 2007.

The Company also announced the appointment of John M. Cranor, a member of the Company’s Board of Directors since November of 2006, to succeed Mr. Belatti as Chairman of the Company’s Board of Directors. A copy of the Company’s press release regarding Mr. Cranor’s appointment as Chairman of the Company’s Board of Directors is attached hereto as Exhibit 99.1 and incorporated herein by reference.

**Item 8.01. Other Events.**

On December 4, 2007, the Company announced that its Board of Directors had approved an increase in its share repurchase program. A copy of the Company’s press release regarding the increase in its share repurchase program is attached hereto as Exhibit 99.2 and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

99.1 Press Release dated December 3, 2007 regarding appointment of John M. Cranor as Chairman of the Board of Directors

99.2 Press Release dated December 4, 2007 regarding an increase in share repurchase program

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AFC Enterprises, Inc.

Date: December 4, 2007

By: /s/ Harold M. Cohen  
Harold M. Cohen  
Senior Vice President, General  
Counsel and Corporate Secretary



**AFC Enterprises Announces Retirement of Frank J. Belatti as Chairman of the Board Of Directors**

**John M. Cranor Appointed as New Chairman**

ATLANTA, Dec. 3 — AFC Enterprises, Inc. (NASDAQ: AFCE), the franchisor and operator of Popeyes(R) Chicken & Biscuits, today announced the retirement of Frank J. Belatti as Chairman of the Board of Directors and the appointment of John M. Cranor as new Chairman.

Mr. Belatti, who is retiring as Chairman, founded AFC Enterprises in 1992 and served as the CEO of AFC from 1992-2005. Mr. Belatti was instrumental in the growth of AFC's portfolio of brands, its initial public offering in March 2001, and the subsequent strategic divestitures of the Company's Church's Chicken, Cinnabon and Seattle Coffee Company brands, leading to its current stand alone ownership of Popeyes Chicken & Biscuits. Mr. Belatti will now assume a full time role as Managing Partner, Equicorp Partners, LLC, an Atlanta based investment firm. Mr. Belatti also serves as an adjunct professor at the Mendoza College of Business at the University of Notre Dame where he teaches Microventuring, as part of the Gigot Center Social Entrepreneurship Initiative.

John M. Cranor, a member of the AFC Board since November of 2006, has been appointed to succeed Mr. Belatti as Chairman of the AFC Board of Directors. Previously, Mr. Cranor served as Chairman, President and Chief Executive Officer of Long John Silver's Restaurants, Inc., a position he held from 1996- 1999. Prior to that, Mr. Cranor was President and Chief Executive Officer of KFC Corporation from 1989-1994. Mr. Cranor has more than 30-years of management experience in the food service and retail industries including senior executive positions with Pepsi-Cola North America, Taco Bell Corporation, Wilson Sporting Goods, and Frito-Lay Company. Since 2003, Mr. Cranor has also served as the President and Chief Executive Officer of the New College Foundation, affiliated with New College of Florida in Sarasota. Mr. Cranor holds a Bachelor's of Arts degree from New College of Florida and a Master's of Business Administration from Harvard University.

"After 15 years building a successful enterprise, I will miss AFC, especially all the wonderful and talented people throughout the organization. I am proud to have John as our new Chairman. John is a highly regarded leader with substantial experience in the food industry. His expertise in our quick service sector will be of great benefit to the Popeyes brand. We have great confidence in his ability to work with our new CEO, Cheryl Bachelder, to lead the Company to future growth," stated Frank Belatti.

**Corporate Profile**

AFC Enterprises, Inc. is the franchisor and operator of Popeyes(R) Chicken & Biscuits, the world's second-largest quick-service chicken concept based on number of units. As of October 7, 2007, Popeyes had 1,881 restaurants in the United States, Puerto Rico, Guam and 24 foreign countries. AFC has a primary objective to be the world's Franchisor of Choice(R) by offering investment opportunities in its Popeyes Chicken & Biscuits brand and providing exceptional franchisee support systems and services. AFC Enterprises can be found at [www.afce.com](http://www.afce.com).

**AFC Contact Information**

**Investor inquiries:**

Cheryl Fletcher, Director, Finance & Investor Relations  
(404) 459-4487 or [investor.relations@afce.com](mailto:investor.relations@afce.com)

**Media inquiries:**

Alicia Thompson, Vice President, Popeyes Communications & Public Relations  
(404) 459-4572 or [popeyescommunications@popeyes.com](mailto:popeyescommunications@popeyes.com)





## NEWS RELEASE

### AFC ENTERPRISES ANNOUNCES INCREASE IN SHARE REPURCHASE PROGRAM

Atlanta, Georgia, December 4, 2007 — AFC Enterprises, Inc. (NASDAQ:AFCE), the franchisor and operator of Popeyes<sup>®</sup> Chicken & Biscuits, today announced that its Board of Directors has approved increasing its share repurchase program by an additional \$50 million, effective immediately.

The program, which is open-ended, allows the Company to repurchase its shares on the open market from time to time in accordance with the requirements of the Securities and Exchange Commission.

During fiscal year 2007 through November 2, 2007, the Company has repurchased more than 2.1 million shares of common stock for approximately \$35.2 million. This expanded multi-year program is subject to the limitations of the Company's outstanding credit facility. Under those limitations, the Company has the ability to repurchase approximately \$17.3 million of additional shares during the remainder of fiscal year 2007. As of November 2, 2007, approximately 27.7 million shares of the Company's common stock were outstanding.

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**Forward-Looking Statement:** Certain statements in this release contain "forward-looking statements" within the meaning of the federal securities laws. Statements regarding future events and developments and our future performance, as well as management's current expectations, beliefs, plans, estimates or projections relating to the future, are forward-looking statements within the meaning of these laws. These forward-looking statements are subject to a number of risks and uncertainties. Examples of such statements in this press release include discussions regarding the Company's ability to repurchase shares of its common stock under its share repurchase program and the number of shares that may actually be repurchased (if any). Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: competition from other restaurant concepts and food retailers, the loss of franchisees and other business partners, labor shortages or increased labor costs, increased costs of our principal food products, changes in consumer preferences and demographic trends, as well as concerns about health or food quality, instances of avian flu or other food-borne illnesses, the need to continue to improve our internal controls, adverse effects on operations from Hurricane Katrina, the Company's ability to recover related losses from its insurers and the economic impact on consumer spending in markets affected by Hurricane Katrina, the loss of senior management and the inability to attract and retain additional qualified management personnel, limitations on our business under our 2005 Credit Facility, failure of our franchisees, a decline in the number of franchised units, a decline in our ability to franchise new units, slowed expansion into new markets, unexpected and adverse fluctuations in quarterly results, increased government regulation, adverse effects of regulatory actions arising in connection with the restatement of our previously issued financial statements, effects of increased gasoline prices, general economic conditions, supply and delivery shortages or interruptions, currency, economic and political factors that affect our international operations, inadequate protection of our intellectual property and liabilities for environmental contamination and the other risk factors detailed in our 2006 Annual Report on Form 10-K and other documents we file with the Securities and Exchange Commission. Therefore, you should not place undue reliance on any forward-looking statements.