AFC ENTERPRISES INC

FORM 8-K (Current report filing)

Filed 03/02/07 for the Period Ending 03/02/07

Address 5555 GLENRIDGE CONNECTOR, NE, SUITE 300

ATLANTA, GA 30342

Telephone 4044594450

CIK 0001041379

Symbol AFCE

SIC Code 5812 - Eating Places

Industry Restaurants

Sector Services

Fiscal Year 12/30

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 earnest event reported)					
	AFC Enterpri	ises Inc				
	_					
	(Exact Name of Registrant as Spec	cified in Its Charter)				
	Minnesota					
	(State or Other Jurisdiction of	Incorporation)				
	000-32369	58-2016606				
	(Commission File Number)	(IRS Employer Identification No.)				
		•				
555	5 Glenridge Connector, NE, Suite 300, Atlanta, Georgia	30342				
	(Address of Principal Executive Offices)	(Zip Code)				
	(404) 459-4450	1				
	(Registrant's Telephone Number, I					
		,				
	Not applicable	2				
	(Former Name or Former Address, if Cl	nanged Since Last Report)				
	ck the appropriate box below if the Form 8-K filing is intended to simul following provisions (<i>see</i> General Instruction A.2. below):	taneously satisfy the filing obligation of the registrant under any				
	Written communications pursuant to Rule 425 under the Securities Ac	t (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))					
	- -					

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 2, 2007, AFC Enterprises, Inc. (the "Company") announced the resignation of Kenneth L. Keymer, Chief Executive Officer and President effective March 30, 2007.

The Company also announced the appointment of Frederick B. Beilstein, former Chief Financial Officer of the Company from 2004 — 2005, as the interim Chief Executive Officer effective upon Mr. Keymer's departure. Prior to his employment with the Company, Mr. Beilstein, age 59, was the Principal and founder of Beilstein & Company, a financial and operational consulting practice with concentration in advising companies on strategic issues such as refinancing and recapitalization opportunities from January 2002 to December 2003. From January 1997 to December 2001, Mr. Beilstein was Executive Vice President, Treasurer and Chief Financial Officer for Americold Logistics, LLC, a supply chain solutions company located in Atlanta, Georgia. Most recently, Mr. Beilstein was a Managing Partner of Equicorp Partners, LLC, an Atlanta-based investment and advisory services firm. Mr. Beilstein has provided certain consulting services to the Company and the Popeyes brand since his departure from the Company.

The Company also announced the promotion of James W. Lyons, the Company's Chief Development Officer, to the newly created position of Chief Operating Officer.

Mr. Lyons, age 52, has served as our Chief Development Officer since July 2004. From June 2002 to April 2004, he was Vice President of Development for Domino's Pizza in Ann Arbor, Michigan. Mr. Lyons was Executive Vice President of Franchising and Development for Denny's Restaurants in Spartanburg, South Carolina from July 1997 to December 2001.

The Company is currently negotiating employment terms and agreements with Mr. Beilstein and Mr. Lyons.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release dated March 2, 2007.

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: March 2, 2007 By: /s/ Harold M. Cohen

Harold M. Cohen

Senior Vice President, General Counsel and

Corporate Secretary



NEWS RELEASE

AFC ENTERPRISES, INC. ANNOUNCES THE RESIGNATION OF CHIEF EXECUTIVE OFFICER

The Company also Announces Appointment of Interim CEO and Creation of COO Position

Atlanta, Georgia, March 2, 2007 — AFC Enterprises, Inc. (NASDAQ:AFCE), the franchisor and operator of Popeyes [®] Chicken & Biscuits, announced the resignation of Kenneth L. Keymer, AFC, Chief Executive Officer and President effective March 30, 2007.

Mr. Keymer joined Popeyes in June 2004 as President and was promoted to AFC's Chief Executive Officer in September 2005. Since that time, Mr. Keymer has been instrumental in re-energizing the Popeyes brand. Some of his many accomplishments while with AFC and Popeyes include assembling an experienced management team, accelerating new restaurant opening growth, strengthening franchisee relations, improving operations throughout the entire Popeyes system, and driving marketing initiatives with food-focused advertising.

The AFC Board of Directors has engaged a leading executive search firm to work with the Company to find a new chief executive with proven industry leadership.

The Company also announced the appointment of Frederick B. Beilstein, former Chief Financial Officer of AFC Enterprises from 2004-2005, as the interim Chief Executive Officer effective upon Mr. Keymer's departure. Mr. Beilstein has been a Managing Partner of Equicorp Partners, LLC, an Atlanta-based investment and advisory services firm since 2005. Mr. Beilstein has remained an active consultant to AFC and the Popeyes brand since his departure. His day-to-day responsibilities will include working with the existing management team to oversee the execution of the Company's operations.

AFC also announced the promotion of James W. Lyons, the Company's Chief Development Officer, to the newly created position of Chief Operating Officer. Mr. Lyons joined the Popeyes management team in July 2004 and he has played a key role in improving the Company's development pipeline and accelerating new restaurant openings. Mr. Lyons has more than 20 years experience in the restaurant industry. Prior to joining Popeyes, Mr. Lyons held senior executive positions with Burger King Corporation, Domino's Pizza, and Denny's Corporation. Mr. Lyons holds a bachelor's of arts from the State University of New York and a master's of business from Adelphi University.

AFC Chief Executive Officer Kenneth Keymer stated, "Working on the Popeyes brand with our talented and dedicated employees and franchisees has been one of the most rewarding experiences in my life. Deciding to resign was a very difficult decision, but I am at the point where I wanted to devote more time to personal interests and family considerations in Colorado. Today, the Popeyes' Brand is well positioned, an experienced management team in place and our franchisees are excited about the prospect for growth. I believe Popeyes has unlimited potential to delight all of our guests, investors and franchisees."

AFC Chairman Frank Belatti stated, "Ken has done an outstanding job and we thank him for his many significant contributions to the business over the past few years. We all wish him much success in the future. Today the Popeyes brand is in an excellent position and I am confident that the combined efforts of Fred as our interim CEO, Jim as our new COO, and the rest of the experienced management team, will continue to drive the brand forward and deliver the operational performance the Company has previously projected for 2007."



NEWS RELEASE

Corporate Profile

AFC Enterprises, Inc. is the franchisor and operator of Popeyes [®] Chicken & Biscuits, the world's second-largest quick-service chicken concept based on number of units. As of December 31, 2006, Popeyes had 1,878 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 [®] by offering investment opportunities in its Popeyes Chicken & Biscuits brand and providing exceptional franchisee support systems and services. AFC Enterprises can be found on the World Wide Web at www.afce.com.

AFC Contact Information

Investor inquiries:

Cheryl Fletcher, Director, Finance & Investor Relations

(404) 459-4487 or investor.relations@afce.com

Media inquiries:

Alicia Thompson, Vice President, Popeyes Communications & Public Relations

(404) 459-4572 or popeyescommunications@popeyes.com

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. 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 2005 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.