

WENDY'S/ARBY'S GROUP, INC.
Form 10-Q
May 07, 2009
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 29, 2009

OR

() TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 1-2207

WENDY'S/ARBY'S GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

38-0471180
(I.R.S. Employer Identification No.)

1155 Perimeter Center West, Atlanta, GA
(Address of principal executive offices)

30338
(Zip Code)

(678) 514-4100
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No []

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [] Accelerated filer [X] Non-accelerated filer [] Smaller reporting company []

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [] No [X]

There were 469,629,729 shares of the registrant's Class A Common Stock outstanding as of April 30, 2009.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

WENDY'S/ARBY'S GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands)

	March 29, 2009 (Unaudited)	December 28, 2008(A)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 122,434	\$ 90,090
Restricted cash equivalents	15,050	20,792
Accounts and notes receivable	93,904	97,258
Inventories	24,282	24,646
Prepaid expenses and other current assets	46,669	28,990
Deferred income tax benefit	40,073	37,923
Advertising fund restricted assets	82,521	81,139
Total current assets	424,933	380,838
Restricted cash equivalents	28,888	34,032
Notes receivable	34,307	34,608
Investments	116,731	133,052
Properties	1,734,407	1,770,372
Goodwill	859,007	853,775
Other intangible assets	1,409,017	1,411,473
Deferred costs and other assets	35,388	27,470
Total assets	\$ 4,642,678	\$ 4,645,620
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 30,732	\$ 30,426
Accounts payable	108,861	139,340
Accrued expenses and other current liabilities	258,650	247,334
Advertising fund restricted liabilities	82,521	81,139
Liabilities related to discontinued operations	4,225	4,250
Total current liabilities	484,989	502,489
Long-term debt	1,078,494	1,081,151
Deferred income	43,865	16,859
Deferred income taxes	478,401	475,243
Other liabilities	181,997	186,433
Commitments and contingencies		
Stockholders' equity:		
Common stock	47,042	47,042
Additional paid-in capital	2,757,223	2,753,141
Retained deficit	(375,498)	(357,541)

Common stock held in treasury	(15,594)	(15,944)
Accumulated other comprehensive loss	(38,241)	(43,253)
	2,374,932	2,383,445
Total liabilities and stockholders' equity	\$ 4,642,678	\$ 4,645,620

(A) Derived from the audited consolidated financial statements as of December 28, 2008

See accompanying notes to unaudited condensed consolidated financial statements.

WENDY'S/ARBY'S GROUP, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (In Thousands Except Per Share Amounts)

	Three Months Ended	
	March 29, 2009	March 30, 2008
	(Unaudited)	
Revenues:		
Sales	\$ 773,243	\$ 281,579
Franchise revenues	90,741	21,275
	863,984	302,854
Costs and expenses:		