

= Cracker Barrel =

Cracker Barrel Old Country Store , Inc. is an American chain of combined restaurant and gift stores with a Southern country theme . The company was founded by Dan Evins in 1969 ; its first store was in Lebanon , Tennessee , which remains the company headquarters . The chain 's stores were at first positioned near Interstate highway exits in the Southeastern and Midwestern US , but it has expanded across the country during the 1990s and 2000s . As of September 18 , 2012 , the chain operates 630 stores in 42 states .

Cracker Barrel 's menu is based on traditional Southern cuisine , with appearance and decor designed to resemble an old @-@ fashioned general store . Each restaurant features a front porch lined with wooden rocking chairs , a stone fireplace , and decorative artifacts from the local area . Cracker Barrel is known for its partnerships with country music performers . It has received attention for its charitable activities , such as its assistance of victims of Hurricane Katrina and injured war veterans .

During the 1990s , the company was the subject of controversy for its official stance against gay and lesbian employees and for discriminatory practices against African American and female employees . A U.S. Department of Justice (USDOJ) investigation found that Cracker Barrel discriminated against minority customers ; patrons complained of racially segregated seating and service quality . In an agreement with the USDOJ , Cracker Barrel has implemented non @-@ discrimination policies and pledged to focus on improving minority representation and civic involvement , particularly in the black community . Company shareholders added sexual orientation to the company 's non @-@ discrimination policy in 2002 .

= = History = =

= = = First location and early company history = = =

Cracker Barrel was founded in 1969 by Dan Evins , a sales representative for Shell Oil , who developed the restaurant and gift store concept initially as a plan to improve gasoline sales . Designed to resemble the traditional country store that he remembered from his childhood , with a name chosen to give it a Southern country theme , Cracker Barrel was intended to attract the interest of highway travelers . The first restaurant was built close to Interstate 40 , in Lebanon , Tennessee . It opened in September 1969 , serving Southern cuisine including biscuits , grits , country ham , and turnip greens .

Evins incorporated Cracker Barrel in February 1970 , and soon opened more locations . In the early 1970s , the firm leased land on gasoline station sites near interstate highways to build restaurants . These early locations all featured gas pumps on @-@ site ; during gasoline shortages in the mid to late 1970s , the firm began to build restaurants without pumps . Into the early 1980s , the company reduced the number of gas stations on @-@ site , eventually phasing them out altogether as the company focused on its restaurant and gift sales revenues . Cracker Barrel became a publicly traded company in 1981 to raise funds for further expansion . It floated more than half a million shares , raising \$ 4 @.@ 6 million . Following the initial public offering , Cracker Barrel grew at a rate of around 20 percent per year ; by 1987 , the company had become a chain of more than 50 units in eight states , with annual net sales of almost \$ 81 million .

= = = New markets and refocus = = =

The company grew consistently through the 1980s and 1990s , attaining a \$ 1 billion market value by 1992 . In 1993 , the chain 's revenue was nearly twice that of any other family restaurant .

In 1994 , the chain tested a carry @-@ out @-@ only store , Cracker Barrel Old Country Store Corner Market , in suburban residential neighborhoods . In addition , it expanded into new markets through the establishment of more traditional Cracker Barrel locations , the majority of them outside

the South , and tested alterations to its menus to adapt to new regions . The chain added regional dishes to its menus , including eggs and salsa in Texas and Reuben sandwiches in New York , but continued to offer its original menu items in all restaurants .

By September 1997 , Cracker Barrel had 314 restaurants , and aimed to increase the number of stores by approximately 50 per year over the following five years . The firm closed its Corner Market operations in 1997 , and refocused on its restaurant and gift @-@ store locations . Its then president , Ron Magruder , stated that the chain was concentrating on strengthening its core theme , offering traditional foods and retail in a country @-@ store setting , with good service and country music . The chain opened its first restaurant and gift store not located near a highway in 1998 , in Dothan , Alabama . In the 2000s , in the wake of incidents including charges of racial discrimination and controversy over its policy of firing gay employees , the firm launched a series of promotional activities including a nationwide book drive and a sweepstakes with trips to the Country Music Association Awards and rocking chairs among the prizes .

= = = Recent operations = = =

The number of combined restaurants and stores owned by Cracker Barrel increased between 1997 and 2000 , to more than 420 locations . In 2000 and 2001 , the company addressed staffing and infrastructure issues related to this rapid growth by implementing a more rigorous recruitment strategy and introducing new technology , including an order @-@ placement system . From the late 1990s to the mid @-@ 2000s , the company focused on opening new locations in residential areas to attract local residents and workers as customers . It updated its marketing in 2006 to encourage new customers , changing the design of its highway billboard advertisements to include images of menu items . Previously the signs had featured only the company 's logo . By 2011 , Cracker Barrel had opened more than 600 restaurants in 42 states . It was announced on January 17 , 2012 , that company founder Dan Evins had died of bladder cancer .

= = Restaurants = =

= = = Food and gift shop = = =

As a Southern @-@ themed chain , Cracker Barrel serves traditional Southern comfort food often described as " down @-@ home " country cooking , and sells gift items including simple toys representative of the 1950s and 1960s , toy vehicles , puzzles and woodcrafts . Also sold are country music CDs , DVDs of early classic television , cookbooks , baking mixes , kitchen novelty decor , and early classic brands of candy and snack foods . Breakfast is served all day , and there are two menus : one for breakfast , the other for lunch and dinner . Since the first restaurant opened , the menu has featured Southern specialties , including biscuits , fried chicken , and catfish ; seasonal and regional menu items were added during the 1980s and 1990s . In 2007 , Cracker Barrel announced plans to remove artificial trans fats from its menu items .

= = = Locations , service , and decor = = =

For much of its early history , Cracker Barrel decided to locate its restaurants along the Interstate Highway System , and the majority of its restaurants remain close to interstate and other highways . Cracker Barrel is known for the loyalty of its customers , particularly travelers who are likely to spend more at restaurants than locals .

The locations are themed around the idea of a traditional Southern U.S. general store . Items used to decorate each store are authentic artifacts , including everyday objects from the early 1900s and after . Each restaurant features a front porch lined with wooden rocking chairs , a wooden peg solitaire game on every table , and a stone fireplace with a deer head displayed above the mantel . In fact , each location has five common items : a shotgun , a cookstove , a deer head , a telephone

and a traffic light . The peg games have been present in Cracker Barrel since the opening of the first store , and continue to be produced by the same family in Lebanon , Tennessee . The decor at each location typically includes artifacts related to the local history of the area , including antique household tools , old wall calendars and advertising posters , and antique photographs ; these are centrally stored in a warehouse in Tennessee , where they are cataloged and stockpiled for future use by individual store locations .

= = = Awards = = =

Destinations magazine has presented the chain with awards for best chain restaurant , and in 2010 and 2011 the Zagat survey named it the " Best Breakfast " . The chain was selected by the Outdoor Advertising Association of America as the 2011 OBIE Hall of Fame Award recipient for its long @-@ standing use of outdoor advertising . It was also named the " Best Family Dining " restaurant by a nationwide " Choice in Chains " consumer poll in Restaurants & Institutions magazine for 19 consecutive years .

= = Corporate overview = =

= = = Investment and business model = = =

Cracker Barrel restaurants are aimed at the family and casual dining market as well as retail sales . The chain also advertises to people traveling on the interstate highways , as the majority of its locations are close to highway exits . The company has promoted its cost controls to investors . The company has stated its goal to keep employee turnover low , to provide better trained staff . Since the 1980s , the firm has offered a formal training program with benefits for progressing through it to all of its employees .

The board of directors of Cracker Barrel has repeatedly been at odds with the largest shareholder , Biglari Holdings Inc . . The owner of Biglari Holdings , Sardar Biglari , controls a 19 @. @ 9 % share of the company , just short of the 20 % needed to trigger a shareholder rights plan , more commonly termed a " poison pill " . The poison pill was adopted after Biglari Holdings sought approval to purchase a 49 @. @ 99 % share of the company and join the board of directors .

Biglari Holdings purchased shares of Cracker Barrel in 2011 , and has been often critical of the transparency to shareholders , overspending on advertising , lack of customer value , capital funds mismanagement , and not maximizing shareholder value . Biglari has requested to be on the board of directors three times , and has been denied each time by a vote of shareholders . Biglari Holdings has also put forward a request for a one time \$ 20 / share dividend to address perceived overly conservative capitalization , which was also rejected by shareholders . Cracker Barrel has responded by claiming Biglari has a " hidden agenda " and a conflict of interest by holding shares in other restaurant chains such as Steak ' n Shake .

= = = Community involvement = = =

Cracker Barrel has supported a wide range of charities through one @-@ off donations , promotional events , and partnerships with charitable organizations . The chain has supported charities and causes in communities where its restaurants are located , including the Gulf Coast after Hurricane Katrina in 2005 and Nashville after severe flooding in 2010 . In the same year Cracker Barrel established Cracker Barrel Cares Inc . , an employee @-@ funded non @-@ profit organization that provides support to Cracker Barrel employees . Cracker Barrel has also formed a partnership with the Wounded Warrior Project , a charity for injured veterans . In attempts to rebuild its image after several race @-@ related controversies , the firm has provided a scholarship through the National Black MBA Association , and job skills programs and sponsorships with 100 Black Men of America and the Restaurant and Lodging Association .

Cracker Barrel sponsored the NASCAR Atlanta 500 race at Atlanta Motor Speedway from 1999 to 2001 and the Grand Ole Opry from 2004 to 2009 . The company was the first presenting sponsor of the Grand Ole Opry . This sponsorship allowed the company to make connections within the Nashville music industry , following which it entered into partnership with a number of country music performers . The chain has established partnerships with artists including Alison Krauss , Charlie Daniels , Josh Turner , Kenny Rogers , Dolly Parton , Alan Jackson , and Alabama , to offer CD releases and merchandise .

= = Controversies = =

= = = LGBT policies = = =

In early 1991 , an intra @-@ company memo called for employees to be dismissed if they did not display " normal heterosexual values " . According to news reports , at least 11 employees were fired under the policy on a store @-@ by @-@ store basis from locations in Georgia and other states . After demonstrations by gay rights groups , the company ended its policy in March 1991 and stated it would not discriminate based on sexual orientation . The company 's founder , Dan Evins , subsequently described the policy as a mistake . From 1992 onward , the New York City Employees Retirement System , then a major shareholder , put forward proposals to add sexual orientation to the company 's non @-@ discrimination policy . An early proposal in 1993 was defeated , with 77 percent against and only 14 percent in support , along with 9 percent abstaining . It was not until 2002 that the proposals were successful ; 58 percent of company shareholders voted in favor of the addition .

Cracker Barrel achieved the lowest score (15 out of 100) of all rated food and beverage companies in the Human Rights Campaign 's 2008 Corporate Equality Index , a measure of LGBT workplace equality . Their score for 2011 had increased to a 55 . The 2011 survey noted that the firm had established a non @-@ discrimination policy and had introduced diversity training that included training related to sexual orientation . However , the company 's score for 2013 dropped to a 35 out of 100 , not having obtained the points related to non @-@ discrimination toward gender identity and health benefits for partners of LGBT employees and transgender @-@ inclusive benefits .

On December 20 , 2013 , Cracker Barrel announced it would no longer sell certain Duck Dynasty products which it was " concerned might offend some of [its] guests " after Phil Robertson , a star of the reality TV show , remarked in a GQ interview

Don 't be deceived . Neither the adulterers , the idolaters , the male prostitutes , the homosexual offenders , the greedy , the drunkards , the slanderers , the swindlers ? they won 't inherit the kingdom of God . Don 't deceive yourself . It 's not right .

--Duck Dynasty 's Phil Robertson

Robertson also made " comments likening homosexuality to terrorism and bestiality " in the interview , and expressed views about race which attracted criticism . On December 22 , less than two days after pulling the products from its shelves , Cracker Barrel reversed its position after protests from customers .

= = = Race- and gender @-@ based discrimination lawsuits = = =

In July 1999 , a discrimination lawsuit was filed against Cracker Barrel by a group of former employees , who claimed that the company had discriminated against them on the grounds of race . In December 2001 , twenty @-@ one of the restaurant 's customers , represented by the same attorneys , filed a separate lawsuit , alleging racial discrimination in its treatment of guests . Regarding both accusations , Cracker Barrel officials disputed the claims and stated that the company was committed to fair treatment of its employees and customers .

In 2004 , an investigation by the U.S. Justice Department found evidence that Cracker Barrel had

been segregating customer seating by race ; seating or serving white customers before seating or serving black customers ; providing inferior service to black customers , and allowing white servers to refuse to serve black customers . The Justice Department determined that the firm had violated Title II of the Civil Rights Act of 1964 . The company was required to sign a five @-@ year agreement to introduce " effective nondiscrimination policies and procedures . " The terms included new equal opportunity training ; the creation of a new system to log , investigate , and resolve complaints of discrimination ; and the publicizing of its non @-@ discrimination policies . They were required to hire an outside auditor to ensure compliance with the terms of the settlement .

In 2006 , Cracker Barrel paid a \$ 2 million settlement to end a lawsuit alleging race and sexual harassment at three Illinois restaurants . Cracker Barrel stores subsequently began displaying a sign in the front foyer explaining the company 's non @-@ discrimination policy , and added to its website and menu the policy and details on how to make a complaint .

Since the early 2000s , Cracker Barrel has provided training and resources to minority employees , to improve its image on diversity . These efforts involved outreach to minority employees , along with testing a training plan to help employees whose first language is Spanish to learn English . As of 2002 , minorities made up 23 percent of the company 's employees , including over 11 percent of its management and executives .

Cracker Barrel is on the Corporate Advisory Board for the Texas Conference of the National Association for the Advancement of Colored People (NAACP) , and is a corporate sponsor of the NAACP Leadership 500 Summit . The company has been praised for its gender diversity , particularly on its board of directors , which includes three women out of eleven total board members . Its chief executive officer (CEO) , Sandra Cochran , is the second woman in Tennessee to hold that office in a publicly traded company .

= = Licensed products = =

In November 2012 , Cracker Barrel licensed its name to Smithfield Foods ' John Morrell Division in a deal to create a line of meat products to be sold in super markets and through other retail channels .

In response to this turn of events , Kraft Foods filed a trademark @-@ infringement lawsuit in February 2013 . Kraft has sold cheese in retail stores under their Cracker Barrel brand since 1954 . The corporation said that Cracker Barrel stores have not made significant sales of retail food products beyond their restaurant menu , and asked that the Smithfield Foods deal be nullified by the U.S. District Court in the Northern District of Illinois .