

Friendly's Parent Files for Bankruptcy, But Restaurants to Remain Open

Economic conditions force yet another familiar chain to reorder finances and sell its assets.

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FIC Restaurants, Inc., the parent company of Friendly's restaurants and ice-cream shops, has announced it will be selling all of its assets to Amici Partners Group, LLC, a consortium of restaurant-industry investors and operators affiliated with multi-brand franchising agency BRIX Holdings. In order to expedite the process, FIC has also filed for relief under Chapter 11 bankruptcy protection.

This comes as sour news to millions of nostalgic Americans with a sweet tooth, but the good news is FIC expects nearly all of its 130 Friendly's locations to remain open, and for thousands of corporate and on-site jobs to be saved. Per FIC's release, "Friendly's has sufficient cash on-hand to continue operations, meet its obligations to employees, franchisees and vendors, and ensure a seamless transition."

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In the bigger picture, Friendly's fate underscores how this pandemic has wreaked havoc on restaurateurs across the board. FIC CEO George Michel noted in his statement that, "Unfortunately, like many restaurant businesses, our progress was suddenly interrupted by the catastrophic impact of

Covid-19, which caused a decline in revenue as dine-in operations ceased for months and re-opened with limited capacity.”

The venerable, sundae-slinging chain was founded in 1935 in Springfield, Massachusetts and last filed for bankruptcy in 2011. Milk producer Dean Foods acquired the company from FIC in 2016 before declaring bankruptcy itself in 2019.

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