

A selected listing of recent appointments and announcements in U.S. bankruptcy law practice, compiled by Dow Jones's *DBR Small Cap* staff.

Ron Bloom has been appointed senior adviser at **Lazard Ltd.** Bloom will give the consulting firm strategic advice and will counsel investment banking and restructuring clients. Most recently, Bloom was an assistant with the **Office of Manufacturing Policy.** Bloom also worked for the Treasury Department, where he helped lead restructurings of General Motors and Chrysler.

Matthew W. Cheney has been promoted to partner in the financial services group of law firm **Crowell & Moring LLP.** Cheney, who has experience in business bankruptcy and creditors' rights, also has worked on loan workouts, commercial transactions and other distressed-debt issues. He is a member of the American Bankruptcy Institute and the Bankruptcy Bar Association for the District of Maryland.

Joel H. Schneider has joined **Hilco Real Estate LLC** as senior vice president of dispositions. He has experience in bankruptcy, liquidation and advising turnaround firms and has also worked on strategic planning and asset management. Most recently, Schneider was a principal with real estate advisory firm **Atlas Partners.** He is a member of the American Bankruptcy Institute and the Turnaround Management Association.

DBR Small Cap's Networking column welcomes news releases from those working in the corporate bankruptcy industry. The column will appear each Friday. Items for Networking may be emailed to Melanie Cohen at melanie.cohen@dowjones.com.

Mover of the Week

MorrisAnderson's David Bagley Helps Eateries Beat Challenges

By Rachel Feintzeig



David Bagley has come full circle.

The restructuring professional, who was recently promoted to principal at turnaround firm MorrisAnderson, specializes in helping struggling restaurant chains claw their way back to health. It's a cool gig—and one that makes even more sense after you learn that Bagley was once a McDonald's employee himself.

"It's amazing what you can become starting with a minimum wage job," he said.

Bagley's high school job may be well in the rearview mirror now—after all, he eventually moved on to working at the local ice cream shop during his school days—but his longtime love affair with the industry still shines through. As the chief restructuring officer for a variety fast food franchisees, he's seeing things from a different perspective: that of the squeezed restaurant operator.

The industry is extremely challenging, Bagley said, noting that with multiple locations (usually 25 to 30 eateries as opposed to a single manufacturing plant), multiple management and employee issues and very tight margins, it can be tough to get a struggling restaurant company back on track. Sales are often "extremely consistent," he said, making it hard to turn revenues upward.

On the cost side, restaurants are almost completely at the mercy of commodity costs. And franchisees often find themselves with little control over key aspects of their business; the national chain's advertising impacts them, for example, and they can't make changes to their menu on their own.

"You've really got to be creative to grow your top line," Bagley said. "It's just very difficult to try to change the momentum."

Bagley's learned to hone in on what he sees as a restaurant's most important asset: its people. Motivating employees and boosting morale is key to improving a struggling eatery, he said. Bagley's tested out a variety of strategies designed to keep staff and customers happy, for example bumping up the number of workers per shift in an effort to reduce the time it took to get patrons their food at a restaurant franchisee in the Southeast. (The venture took a while to work, but eventually, it increased the restaurants' sluggish sales.)

He's also had wait staff hand out coupons on the street to promote a national bar and grill. And as the chief restructuring officer for a Popeyes franchisee in bankruptcy, he focused on giving the restaurants a face lift, allocating \$450,000 to give them a fresh look.

Throughout his work, Bagley has developed a deep respect for restaurant owners.

"It's like the American dream story," he said, noting how entrepreneurial and dedicated they are. "They put their whole lives at risk, putting up money for a restaurant."