



## 1 Cheap Stock to Buy on the TSX in July 2021

### Description

**Restaurant Brands International** ([TSX:QSR](#))([NYSE:QSR](#)) responded to COVID-19 rationally and effectively. The global crisis resulting from the spread of coronavirus had a [substantial impact](#) on the company's global restaurant operations for 2020.

During 2020, the company's restaurants were temporarily closed in certain countries and many of the restaurants that remained open had limited operations, such as drive-thru, takeout, and delivery.

### Technology to meet rapidly-evolving needs

As a result of the COVID-19 pandemic, the company has [enhanced restaurant standards](#) regarding hand washing, sanitization, health and hygiene, and contact-less procedures.

Additionally, changes in consumer behaviour due to the pandemic increased the company's focus on the use of technology to meet Restaurant Brands' guests' rapidly-evolving needs through the expansion of the number of restaurants offering delivery, the improvement of the company's mobile app guest experience, and the evolution of the rewards program to increase digital registration. The company began extending personalized offers that attracted clients.

The company's operating results substantially depend upon Restaurant Brands' franchisees' sales volumes, restaurant profitability, and financial stability.

The financial impact of COVID-19 had an adverse effect on many of our franchisees' liquidity and the company worked closely with franchisees to monitor and assist restaurants with access to appropriate sources of liquidity in order to sustain operations throughout this crisis.

### Providing cash flow support

This included options such as offering rent relief programs for eligible franchisees who lease property from the company. Restaurant Brands also provided cash flow support in 2020 by extending loans to

eligible franchisees in the U.S. and by advancing certain cash payments to eligible franchisees in Canada.

Overall, Restaurant Brands has created a financially strong company built upon a foundation of three thriving, independent brands with significant global growth potential and the opportunity to be one of the most efficient franchised restaurant operators in the world through the company's focus on the several strategies.

## **Net restaurant growth and enhanced guest service**

Further, Restaurant Brands has accelerated net restaurant growth and enhanced guest service and experience at the company's restaurants through comprehensive training, improved restaurant operations, reimaged restaurants, and appealing menu options. This has led to increasing restaurant sales and profitability which are critical to the success of the company's franchise partners.

Restaurant Brands has demonstrated an ability to grow the company's brands around the world and to preserving the rich heritage of each of the company's brands by effective management. The company also continues to play a prominent role in local communities. In addition, the company's business consists of three operating segments.

As part of Restaurant Brands' development approach for the company's brands in the U.S., it has been granted limited development rights in specific areas to franchisees in connection with area development agreements.

## **Master franchise and development agreements**

As part of Restaurant Brands' international growth strategy for all brands, the company has established master franchise and development agreements in a number of markets.

The company has also created strategic master franchise joint ventures in which it received a meaningful minority equity stake in each joint venture.

### **CATEGORY**

1. Investing

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1. canada

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1. NYSE:QSR (Restaurant Brands International Inc.)
2. TSX:QSR (Restaurant Brands International Inc.)

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### Date

2025/08/22

### Date Created

2021/07/20

### Author

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