

FinancialWeek

New Wendy's CEO needs all her CFO skills now

By Arundhati Parmar

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In the six years Kerri Anderson was chief financial officer at Wendy's International Inc., she was approached over and over by recruiters eager to steal her from the fast-food chain operator.

But each time, she turned them down.

Ms. Anderson's perseverance and loyalty were richly rewarded when the Dublin, Ohio, company's board named her chief executive officer earlier this month. She had been interim CEO and president since April.

"The word is that there was a very strong lobbying effort from Wendy's franchisees to make her permanent in that position," said Scott Simmons, a vice president at corporate recruiter Crist Associates. "She had been recommended to us on a number of different projects, but she is very committed to Wendy's."

Ms. Anderson, 49, is hardly the first CFO to be named CEO, but among that group she joins Indra Nooyi, recently appointed CEO at PepsiCo, as one of the few women running a big-name American company. Ms. Nooyi jumped to CEO from CFO in August.

Mr. Simmons said that even though more CFOs appear to be moving into the corner office, boards are not just looking at slide-rule stuff.

"The nature of the CFO is more than just a green eyeshade-wearing accountant," he said.

Before joining Wendy's in 2000, Ms. Anderson spent 14 years as CFO at M/I Homes Inc. M/I chairman, president and CEO Robert Schottenstein said it was her non-financial skills that set Ms. Anderson apart.

"Kerri has a very subtle and effective way of getting the best out of people," he said. "She has tremendous integrity. A CEO cannot and should not lead any organization if they don't have that. That's non-negotiable."

Still, Ms. Anderson needs to be squarely focused on Wendy's finances.

The company, which had \$3.8 billion in revenue in 2005, has been attempting to turn itself around for more than a year. With little to show for those efforts, and three new board members backed by activist shareholder Nelson Peltz, Wendy's previous CEO and chairman, Jack Schuessler, left in April. That's when the board named Ms. Anderson as interim chief.

Since then, a turnaround seems to have taken hold, according to John Owens, who follows Wendy's for Morningstar. Joseph Buckley, an analyst at Bear Stearns, wrote in a research report that last month was the fifth consecutive month of positive same-store sales, a key business gauge for companies like Wendy's.

"One of the real interesting things they are doing right now is testing breakfast menus," Mr. Owens said.

His advice to Ms. Anderson: You've got the right plan in place; just keep the momentum going.
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