Restaurant Research®

Concept Analysis & Benchmark Report

Carl's Jr. 2025/2026

Executive Summary

Carl's Jr. is a QSR burger chain with a significant regional West Coast orientation, spanning from Colorado to California. Menu attributes include: charbroiling for burgers (including its popular double patty option) & certain chicken sandwiches; hand-breaded chicken sandwiches & tenders; biscuit breakfast sandwiches; and milkshakes made with hand-scooped ice cream. Its iconic Western Bacon Cheeseburger is symbolic of Carl's spirit, piling high its beef, cheese, bacon, onion rings & BBQ sauce ingredients which appeals to its core "young hungry males" customer demo. The problem is that this demo is not doing so well in today's economy and this has implications for a chain that has a decent, but not compelling, value positioning. The other major problem is that 62% of Carl's system is located in California's business hostile environment which established a $20 minimum wage in 2024 that has wreaked havoc on the chain's store-level margins. In any case, Carl's move back to its racy ad roots (featuring both Alix Earle & the iconic Paris Hilton) is likely to help break the clutter as the chain also continues to make digital progress which should help improve its relevancy. In conclusion, while Carl's Jr. is executing well on what it can control, the game is currently stacked against it in terms of geography (California) and its young men target market which is struggling to make ends meet.

Parent Company Summary

Parent Company	Ticker	Corp. Debt Rating	Net Debt [(1)]/ EBITDA	EV/ EBITDA	Stock Performance		
					2024	TTM	Aug-25
CKE Restaurants Holdings, Inc.	Private	Not Rated	N/a	N/a	N/a	N/a	
$1B+ Chains			5.40	14.47	-3.8%	-4.3%	

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(1) Net Debt includes operating leases.

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