

CRACKER BARREL OLD COUNTRY STORE, INC
Form DFAN14A
December 15, 2011
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

CRACKER BARREL OLD COUNTRY STORE, INC.
(Name of Registrant as Specified in Its Charter)

BIGLARI HOLDINGS INC.
BIGLARI CAPITAL CORP.
THE LION FUND, L.P.
SARDAR BIGLARI

(Name of Persons(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials:

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Item 1: On December 15, 2011, Biglari Holdings Inc. issued the following press release:

FOR IMMEDIATE RELEASE

BIGLARI HOLDINGS RELEASES ENTIRE GLASS LEWIS REPORT

SAN ANTONIO, TX — December 15, 2011 — Biglari Holdings Inc. (NYSE: BH) urges all shareholders of Cracker Barrel Old Country Store, Inc. (NASDAQ: CBRL), and particularly those who subscribe only to Institutional Shareholder Services (ISS), to read the Glass Lewis report on Cracker Barrel in its entirety. We find the Glass Lewis report to be extremely thorough. We want all shareholders to have access to Glass Lewis' full report. [Click here to read the complete report.](#)

Glass Lewis examines thoroughly Cracker Barrel's operating performance, stock-price performance, executive compensation, board composition, related party transactions, financial-reporting transparency, potential conflict of interest, among other areas of shareholder concern. For Biglari Holdings to gain Glass Lewis' recommendation requires clearing a high hurdle. Glass Lewis states:

“As a rule, we are reticent to recommend the removal of incumbent directors, or in favor of [shareholder] nominees, unless one of the following has occurred: (i) there are serious problems at the company and the [shareholder] nominees have a clear and realistic plan to solve these problems; or (ii) the current board has undertaken an action contrary to the interests of shareholders (or failed to undertake an action to the benefit of shareholders).”

“We side with [Biglari] in identifying a number of concerns at Cracker Barrel, including: (i) under-performance and under-valuation compared to peers; (ii) declining store-level operating performance; (iii) stagnant financial performance; (iv) questionable compensation, governance and reporting practices; and (v) reactive responses to shareholder issues and interests.”

“In this case, we believe [Biglari] has identified areas of concern, both operationally and governance related, and we find grounds on which to support the notion that the election of [Mr. Biglari] is likely to result in a superior outcome for Cracker Barrel and its shareholders. Our concerns regarding Cracker Barrel outweigh any concerns raised by the Company regarding [Biglari] and its nominee. Therefore, we ultimately believe that Mr. Biglari is likely to have a positive impact at Cracker Barrel.”

Glass Lewis recommends that you vote only the GOLD card for Biglari.

* * *

CERTAIN INFORMATION CONCERNING PARTICIPANTS

Biglari Holdings Inc., an Indiana corporation (“Biglari Holdings”), together with the other participants named below, has filed with the Securities and Exchange Commission (“SEC”) a definitive proxy statement and accompanying proxy card to be used to solicit votes for the election of Sardar Biglari to the Board of Directors of Cracker Barrel Old Country Store, Inc., a Tennessee corporation (the “Company”), at the 2011 annual meeting of shareholders of the Company.

BIGLARI HOLDINGS STRONGLY ADVISES ALL SHAREHOLDERS OF THE COMPANY TO READ THE PROXY STATEMENT AND OTHER PROXY MATERIALS AS THEY BECOME AVAILABLE BECAUSE THEY CONTAIN, AND WILL CONTAIN, IMPORTANT INFORMATION. SUCH PROXY MATERIALS ARE AVAILABLE AT NO CHARGE ON THE SEC’S WEB SITE AT [HTTP://WWW.SEC.GOV](http://www.sec.gov). IN ADDITION, THE PARTICIPANTS IN THIS PROXY SOLICITATION WILL PROVIDE COPIES OF THE PROXY STATEMENT WITHOUT CHARGE UPON REQUEST. REQUESTS FOR COPIES SHOULD BE DIRECTED TO THE PARTICIPANTS’ PROXY SOLICITOR, INNISFREE M&A INCORPORATED, TOLL-FREE AT (888) 750-5834, BANKS AND BROKERS CALL COLLECT AT (212) 750-5833.

The participants in this proxy solicitation are Biglari Holdings, Biglari Capital Corp., a Texas corporation (“BCC”), The Lion Fund, L.P., a Delaware limited partnership (the “Lion Fund”), and Sardar Biglari.

As of the date hereof, Biglari Holdings directly owns 2,147,887 shares of Common Stock of the Company. As of the date hereof, the Lion Fund directly owns 140,100 shares of Common Stock. Each of BCC, as the general partner of the Lion Fund, and Biglari Holdings, as the parent of BCC, may be deemed to beneficially own the shares of Common Stock directly owned by the Lion Fund. Mr. Biglari, as the Chairman and Chief Executive Officer of each of BCC and Biglari Holdings, may be deemed to beneficially own the shares of Common Stock directly owned by Biglari Holdings and the Lion Fund.

As members of a “group” for the purposes of Rule 13d-5(b)(1) of the Securities Exchange Act of 1934, as amended, each of the participants in this proxy solicitation is deemed to beneficially own the shares of Common Stock of the Company beneficially owned in the aggregate by the other participants. Each of the participants in this proxy solicitation disclaims beneficial ownership of such shares of Common Stock except to the extent of his or its pecuniary interest therein.

Item 2: The following materials were posted by Biglari Holdings Inc. to <http://www.enhancecrackerbarrel.com>:
