The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

McDonald's to Sell Russian Business, Ending 32-Year Presence

May 16, 2022



McDonald's first Russian restaurant on Pushkinskaya Square in Moscow. **Moskva News Agency**

American fast-food giant McDonald's will sell its Russian business and exit the market completely, The New York Times reported Monday, citing an internal corporate message it obtained.

The company aims to sell its business to a Russia-based buyer but the restaurants will no longer be able to use the McDonald's arch logo or brand name.

"This was not an easy decision, nor will it be simple to execute given the size of our business and the current challenges of operating in Russia. But the end state is clear," McDonald's CEO Chris Kempczinski wrote in the message.

Alongside other major food chains such as Starbucks and KFC, McDonald's temporarily closed all 847 restaurants and suspended business operations in Russia in the wake of Moscow's invasion of Ukraine. Most Western food retailers have thus far been hesitant to exit Russia completely, citing difficulties of re-entering the market and concerns for the welfare of local

employees.

Related article: McDonald's in Russia Turns 30

McDonald's vowed to pay salaries to its 65,000 Russian employees until after the sale, and to ensure their employment continues with the business' future owner.

The rebranded chain could resume its work across the country as early as June of this year, according to information published by the state-run TASS news agency.

McDonald's opened its first Russian restaurant in Moscow in January 1990, symbolizing the Soviet Union's liberalization and integration into the global capitalist market.

In his message, Kempczinski called that moment one of the company's "proudest and most exciting milestones."

"It is impossible to ignore the humanitarian crisis caused by the war in Ukraine. And it is impossible to imagine the Golden Arches representing the same hope and promise that led us to enter the Russian market 32 years ago," said Kempczinski.

Original url:
https://www.themoscowtimes.com/2022/05/16/mcdonalds-to-sell-russian-business-ending-32-year-presence-a77692