

DENNYS CORP
Form PREC14A
March 26, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Denny s Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(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:

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Preliminary Proxy Statement Subject to Completion

203 East Main Street

Spartanburg, South Carolina 29319

April 8, 2010

To Our Stockholders:

You are cordially invited to attend the Annual Meeting of Stockholders of Denny's Corporation to be held at 9:00 a.m. on Wednesday, May 19, 2010, at Denny's Corporation Corporate Offices, 203 East Main Street, Spartanburg, South Carolina. If you plan to attend, we ask that you please (1) detach, sign and return the self-addressed, postage prepaid Attendance Card, and (2) detach and bring with you to the meeting the Admittance Card. These cards are attached together and enclosed with the form of proxy for the meeting.

The accompanying formal Notice of Meeting and Proxy Statement describe the matters on which action will be taken at the meeting. One of the matters is the proposal to elect eight (8) directors. The eight nominees named in the accompanying proxy statement are current members of the Company's Board of Directors. You may know that Oak Street Capital Master Fund, Ltd. and certain affiliated entities (Oak Street), a group of activist hedge funds, are attempting to install three nominees in opposition to the Board's slate of eight nominees.

We strongly urge you to vote for the nominees proposed by the Board by using the enclosed **WHITE** proxy card and not to return any proxy card sent to you by Oak Street. If you vote using a gold card provided to you by Oak Street, you can subsequently revoke it by using the **WHITE** proxy card and following its instructions to vote by telephone or Internet, or by signing, dating and returning the **WHITE** proxy card in the postage-paid envelope provided. Only your last-dated proxy will count. Any proxy may be revoked at any time prior to its exercise at the Annual Meeting as described in the Proxy Statement.

Whether or not you attend in person, **it is important** your shares be represented and voted at the meeting. I urge you to sign, date and return the enclosed **WHITE** proxy card or vote via telephone or the Internet as directed on the proxy card, at your earliest convenience.

Thank you for your continued support. If you have any questions, please contact Okapi Partners LLC, which is assisting us with this year's Annual Meeting at 1-877-279-2311.

On Behalf of the Board of Directors,

Sincerely,

Debra Smithart-Oglesby

Board Chair

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Preliminary Proxy Statement Subject to Completion

NOTICE OF MEETING

Spartanburg, SC

April 8, 2010

The Annual Meeting of Stockholders of Denny's Corporation will be held at Denny's Corporation Corporate Offices, 203 East Main Street, Spartanburg, South Carolina on Wednesday, May 19, 2010 at 9:00 a.m. for the following purposes as described in the accompanying Proxy Statement:

1. To elect eight (8) directors.
2. To consider and vote on a proposal to ratify the selection of KPMG LLP as the independent registered public accounting firm of Denny's Corporation and its subsidiaries for the year ending December 29, 2010.
3. To transact such other business as may properly come before the meeting.

Only holders of record of Denny's Corporation common stock at the close of business on March 23, 2010 will be entitled to notice of, and to vote at, this meeting. Please vote in one of the following ways:

use the toll-free telephone number shown on your **WHITE** proxy card;

visit the website shown on your **WHITE** proxy card to vote via the Internet; or

mark, sign, date and return the enclosed **WHITE** proxy card in the enclosed postage-paid envelope.

YOUR VOTE IS IMPORTANT

Whether or not you plan to attend the meeting, you are urged to promptly complete, sign, date and return the enclosed **WHITE** proxy card in the envelope provided (or follow the instructions set forth in the enclosed proxy to vote by telephone or the Internet). Returning your proxy card as described above does not deprive you of your right to attend the meeting and to vote your shares in person. However, in order to vote your shares in person at the meeting, you must be a stockholder of record or hold a valid proxy from your broker permitting you to vote at the meeting. If you plan to attend, we ask that you please (1) detach, sign and return the self-addressed, postage prepaid Attendance Card, and (2) detach and bring with you to the meeting the Admittance Card. These cards are attached together and enclosed with the form of proxy for the meeting. For directions to the meeting, please visit the Denny's website at www.dennys.com, or call (864) 597-8000. If you have any questions or need assistance in voting your shares of Denny's stock, please call Okapi Partners LLC, which is assisting us at this year's Annual Meeting at

1-877-279-2311.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 19, 2010.

The proxy statement and the 2009 Annual Report of Denny's Corporation are available at <http://www.cstproxy.com/dennys/2010>.

Denny's has received a notice from Oak Street Capital Master Fund, Ltd. of its intent to nominate three directors in opposition to the slate of directors nominated by the Denny's Board of Directors. The Board urges you not to sign any proxy cards sent to you by Oak Street. If you have previously signed a proxy card sent to you by Oak Street, you may revoke it by voting the **WHITE** proxy card in the manner so directed.

By order of the Board of Directors

J. Scott Melton

Assistant General Counsel,

Corporate Governance Officer and

Secretary

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PROXY STATEMENT

April 8, 2010

GENERAL

Introduction

The Annual Meeting of Stockholders of Denny's Corporation, a Delaware corporation, will be held on Wednesday, May 19, 2010, at 9:00 a.m. at Denny's Corporation Corporate Offices, 203 East Main Street, Spartanburg, South Carolina (the "Annual Meeting"), for the purposes set forth in the accompanying Notice of Meeting. This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Denny's Corporation to be used at the upcoming Annual Meeting of Stockholders. The information provided herein concerns not only Denny's Corporation, but also Denny's, Inc. ("Denny's"), a subsidiary which it wholly owns through another wholly-owned subsidiary, Denny's Holdings, Inc., since substantially all operations of Denny's Corporation are currently conducted through Denny's.

Stockholder Voting

You may vote at the Annual Meeting either by proxy or in person. Only holders of record of common stock of Denny's Corporation, par value \$0.01 per share (the "Common Stock") as of the close of business on March 23, 2010 (the "Record Date") will be entitled to notice of, and to vote at, the Annual Meeting. This Proxy Statement will be mailed to each such stockholder beginning on or about April 14, 2010.

Voting by Proxy

To vote by proxy, you must either properly execute and return prior to the meeting the **WHITE** proxy card, or follow the instructions set forth in the enclosed **WHITE** proxy card to vote by phone or on the Internet. Where you have appropriately specified how your proxy is to be voted, it will be voted accordingly. If no specifications are made, your proxy will be voted (i) in favor of the eight (8) nominees to the Board of Directors, and (ii) in favor of the selection of KPMG LLP as the independent registered public accounting firm of Denny's Corporation and its subsidiaries (collectively, the "Company") for the year ending December 29, 2010. The Company does not know of any matter that is not referred to herein to be presented for action at the Annual Meeting. If any other matter of business is brought before the Annual Meeting, the proxy holders may vote the proxies at their discretion.

If you execute a proxy, you may revoke it at any time before it is exercised by delivering a written notice to J. Scott Melton, Assistant General Counsel, Corporate Governance Officer and Secretary of Denny's Corporation, either at the Annual Meeting or prior to the meeting date at the Denny's Corporation principal executive offices at 203 East Main Street, Spartanburg, South Carolina 29319, by executing and delivering a later-dated proxy, or by attending the meeting and voting in person. If you vote by telephone or by accessing the Internet voting website, you may also revoke your proxy by re-voting using the same procedure no later than 7:00 p.m. Eastern Time on Tuesday, May 18, 2010.

Voting in Person

To vote at the meeting in person, you must be a stockholder of record or hold a valid proxy from your broker permitting you to vote at the meeting. For directions to the meeting, please visit Denny's website at www.dennys.com, or call (864) 597-8000.

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At the meeting, holders of Common Stock will have one vote per share and a quorum, consisting of a majority of the outstanding shares of Common Stock as of the Record Date, represented in person or by proxy, will be required for the transaction of business by stockholders. A quorum being present, due to the contested nature of the director election, directors will be elected by a plurality of the votes cast and the other actions proposed in the accompanying Notice of Meeting will be decided by a majority of votes cast on the matter. Abstentions and broker non-votes will be counted for purposes of determining whether a quorum has been reached, but will not be counted in determining the number of shares voted for any director-nominee or for or against any other proposal. As of the close of business on the Record Date, there were issued and outstanding and entitled to be voted at the Annual Meeting, 98,972,213 shares of Common Stock.

Equity Security Ownership**Principal Stockholders**

The following table sets forth the beneficial ownership of Common Stock by each stockholder known by the Company as of March 23, 2010 to own more than 5% of the outstanding shares. As of March 23, 2010, there were 98,972,213 shares of the Common Stock issued and outstanding.

Name and Address	Amount and Nature of Beneficial Ownership	Percentage of Common Stock
Fidelity Management & Research Company (and related entities) 82 Devonshire Street Boston, MA 02109	12,223,180(1)	12.4
Morgan Stanley 1585 Broadway New York, NY 10036	7,968,109(2)	8.1
The Vanguard Group, Inc. (and related entities) 100 Vanguard Blvd. Malvern, PA 19355	7,814,266(3)	7.9
Black Rock, Inc. (and related entities) 45 Fremont Street San Francisco, CA 94105	5,908,239(4)	6.0
Keeley Asset Management Corp. (and related entities) 401 South LaSalle St. Chicago, IL 60605	5,710,000(5)	5.8
Wellington Management Company, LLP 75 State Street Boston, MA 02109	5,169,182(6)	5.2
Oak Street Capital Management, LLC (and related entities) 111 S. Wacker Drive, 33 rd Floor Chicago, IL 60606	1,928,076(7)	2.0
Patrick Walsh 111 S. Wacker Drive, 33 rd Floor Chicago, IL 60606	43,000(8)	*

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Name and Address	Amount and Nature of Beneficial Ownership	Percentage of Common Stock
Dash Acquisitions LLC (and related individual) 9701 Wilshire Boulevard, Suite 1110 Beverly Hills, CA 90212	1,202,300(9)	1.2
Soundpost Capital, LP (and related entities) 405 Park Avenue, 6 th Floor New York, NY, 10022	1,407,587(10)	1.4
Soundpost Partners, LP (and related entities) 405 Park Avenue, 6 th Floor New York, NY, 10022	892,413(11)	*
Lyrical Opportunity Partners II, LP 405 Park Avenue, 6 th Floor New York, NY 10022	338,500(12)	*
Lyrical Opportunity Partners II, Ltd c/o Ogier Fiduciary Services (Cayman) Limited, P.O. Box 1234 GT, Queensgate House, South Church Street, Grand Cayman, Cayman Islands, KY 1-1108	368,600(13)	*
Patrick H. Arbor c/o Chicago Board of Trade, 141 West Jackson Boulevard, Suite 300 Chicago, IL 60604.	65,000(14)	*

- (1) Based upon the Schedule 13G/A filed with the SEC on February 16, 2010, FMR LLC is the beneficial owner of 12,223,180 shares and has sole voting power over 5,007,897 shares and sole investment power over 12,223,180 shares. Edward C. Johnson 3d is the beneficial owner of 12,223,180 shares and has sole investment power over 12,223,180 shares. Fidelity Management & Research Company (Fidelity), a wholly-owned subsidiary of FMR LLC and an investment adviser, is the beneficial owner of 6,656,854 shares. Edward C. Johnson 3d and FMR LLC, through its control of Fidelity, and the Fidelity Funds (the Funds), each has sole investment power over the 6,656,854 shares owned by the Funds. Neither FMR LLC, nor Edward C. Johnson 3d, Chairman of FMR LLC, has the sole power to vote shares owned directly by the Funds, which power resides with the Funds Board of Trustees. Pyramis Global Advisers Trust Company (PGATC), an indirect wholly-owned subsidiary of FMR LLC is the beneficial owner of 5,358,596 of the shares listed as a result of its serving as investment manager of institutional accounts owning such shares. Edward C. Johnson 3d and FMR LLC, through its control of PGATC, each has sole investment power over 5,358,596 shares and sole voting power over 4,800,167 shares owned by the institutional accounts managed by PGATC. Pyramis Global Advisors, LLC (PGALLC), an indirect wholly-owned subsidiary of FMR LLC, is the beneficial owner of 207,730 shares as a result of its serving as investment adviser to institutional accounts, non-U.S. mutual funds, or investment companies owning such shares. Edward C. Johnson 3d and FMR LLC, through its control of PGALLC each has sole investment power and sole voting power over 207,730 shares owned by institutional accounts or funds advised by PGALLC.
- (2) Based upon the Schedule 13G/A filed with the SEC on February 12, 2010. Morgan Stanley has sole voting power with respect to 7,967,015 shares and sole investment power with respect to 7,968,109 shares. Morgan Stanley indicates that it files reports solely in its capacity as the parent company of, and indirect beneficial owner of shares held by, certain of its operating units.
- (3) Based upon the Schedule 13G/A filed with the SEC on February 4, 2010. The Vanguard Group, Inc. is deemed to be the beneficial owner of the listed shares and to have sole voting power with respect to 110,850 shares and sole investment power with respect to 7,703,416 shares. Vanguard Fiduciary Trust Company (VFTC), a wholly-owned subsidiary of the Vanguard Group, Inc., is the beneficial owner of 110,850 shares as a result of its serving as investment manager of collective trust accounts and has sole voting power with respect to such shares.
- (4) Based upon the Schedule 13G/A filed with the SEC on January 29, 2010, Black Rock, Inc., as a result of its acquisition completed on December 1, 2009 of Barclays Global Investors, has sole voting power and sole investment power over the listed shares.
- (5) Based upon the Schedule 13G/A filed with the SEC on February 12, 2010. Keeley Asset Management Corp. and the Keeley Small Cap Value Fund are deemed to be the beneficial owners of the listed shares. Keeley Asset Management Corp. is deemed to have sole voting and sole investment power with respect to such shares.
- (6) Based upon the Schedule 13G/A filed with the Securities and Exchange Commission (the SEC) on February 12, 2010. Wellington Management Company, LLP is deemed to be the beneficial owner of the listed shares and to have shared voting power with respect to 4,693,570 shares and shared investment power with respect to 5,169,812 shares.

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- (7) Based upon a Schedule 13D filed on January 21, 2010 and as amended on March 2, 2010, Oak Street Capital Master Fund, Ltd. (Oak Street Master), Oak Street Capital Management, LLC (Oak Street Management), and David Makula, who is the sole managing member of Oak Street Capital Management, are deemed to be the beneficial owners of the listed shares. The three entities have reported shared voting and investment power with respect to such shares. In addition, Oak Street Capital Master Fund, Ltd., Oak Street Capital Management, LLC, and David Makula are members of a group under Section 13(d)(3) of the Exchange Act and the rules promulgated thereunder, with each of Patrick Walsh, Dash Acquisitions LLC, a Delaware limited liability company (Dash Acquisitions), Jonathan Dash, Soundpost Capital, LP, a Delaware limited partnership (Soundpost Onshore), Soundpost Capital Offshore, Ltd., a Cayman Islands exempted company (Soundpost Offshore), Soundpost Advisors, LLC, a Delaware limited liability company (Soundpost Advisors), Soundpost Partners, LP, a Delaware limited partnership (Soundpost Partners), Soundpost Investments, LLC, a Delaware limited liability company (Soundpost Investments), Jaime Lester, Lyrical Opportunity Partners II, L.P., a Delaware limited partnership (Lyrical Onshore), Lyrical Opportunity Partners II, Ltd., a Cayman Islands exempted company (Lyrical Offshore), Lyrical Opportunity Partners II GP, L.P., a Delaware limited partnership (Lyrical Onshore GP), Lyrical Corp III, LLC, a Delaware limited liability company (Lyrical III), Lyrical Partners, L.P., a Delaware limited partnership (Lyrical Partners), Lyrical Corp I, LLC, a Delaware limited liability company (Lyrical I), Jeffrey Keswin and Patrick H. Arbor (along with Oak Street Master, Oak Street Master, Oak Street Management and David Makula, the 13D Group . Collectively, the 13D Group beneficially owns 6.5%.
- (8) Based upon a Schedule 13D filed on January 21, 2010 and as amended on March 2, 2010, Patrick Walsh is deemed to be the beneficial owners of the listed shares. Mr. Walsh has reported sole voting and sole investment power with respect to such shares, in addition to being a member of the 13D Group. Collectively, the 13D Group beneficially owns 6.5%.
- (9) Based upon a Schedule 13D filed on January 21, 2010 and as amended on March 2, 2010, Dash Acquisitions and its President Jonathan Dash are deemed to be the beneficial owners of the listed shares. Dash Acquisitions and Jonathan Dash have reported shared voting and shared investment power with respect to such shares, in addition to being members of the 13D Group. Collectively, the 13D Group beneficially owns 6.5%.
- (10) Based upon a Schedule 13D filed on January 21, 2010 and as amended on March 2, 2010, Soundpost Onshore, its general partner, Soundpost Advisors, and Soundpost Advisor s sole managing member, Jaime Lester, are deemed to be the beneficial owners of the listed shares. Soundpost Onshore, Soundpost Advisors and Jamie Lester have reported shared voting and shared investment power with respect to such shares, in addition to being members of the 13D Group. Collectively, the 13D Group beneficially owns 6.5%.
- (11) Based upon a Schedule 13D filed on January 21, 2010 and as amended on March 2, 2010, Soundpost Partners as investment manager to Soundpost Offshore, Soundpost Partners general partner, Soundpost Investments, and Sound Post Investment s sole managing member, Jaime Lester, are deemed to be the beneficial owners of the listed shares. Soundpost Partners, Soundpost Offshore, Soundpost Investments and Jaime Lester have reported shared voting and shared investment power with respect to such shares, in addition to being members of the 13D Group. Collectively, the 13D Group beneficially owns 6.5%.
- (12) Based upon a Schedule 13D filed on January 21, 2010 and as amended on March 2, 2010, Lyrical Onshore, its general partner Lyrical Onshore GP, Lyrical Onshore GP s general partner, Lyrical III, and Lyrical III s sole managing member, Jaime Lester, are deemed to be the beneficial owners of the listed shares. Lyrical Onshore, Lyrical Onshore GP, Lyrical III and Jaime Lester reported shared voting and shared investment power with respect to such shares, in addition to being members of the 13D Group.
- (13) Based upon a Schedule 13D filed on January 21, 2010 and as amended on March 2, 2010, Lyrical Offshore, its investment manager Lyrical Partners, Lyrical Partners general partner, Lyrical I, and Lyrical I s sole managing member, Jaime Lester, are deemed to be the beneficial owners of the listed shares. Lyrical Offshore, Lyrical Partners, Lyrical I and Jaime Lester reported shared voting and shared investment power with respect to such shares, in addition to being members of the 13D Group. Collectively, the 13D Group beneficially owns 6.5%.
- (14) Based upon a Schedule 13D filed on January 21, 2010 and as amended on March 2, 2010, Patrick H. Arbor is deemed to be the beneficial owners of the listed shares. Mr. Arbor has reported sole voting and sole investment power with respect to such shares, in addition to being a member of the 13D Group. Collectively, the 13D Group beneficially owns 6.5%.

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The following table sets forth, as of March 23, 2010, the beneficial ownership of Common Stock by: (i) each current member of the Board of Directors (the Board) of Denny's Corporation, (ii) each director nominee of Denny's Corporation to the Board, (iii) each executive officer included in the Summary Compensation Table elsewhere in this Proxy Statement, and (iv) all current directors and executive officers of Denny's Corporation as a group. Except as otherwise noted, the persons named in the table below have sole voting and investment power with respect to all shares shown as beneficially owned by them.

Name	Amount and Nature of Beneficial Ownership(1)(2)	Percentage of Common Stock
Brenda J. Lauderback	101,738	*
Nelson J. Marchioli	4,838,124(3)	4.8
Robert E. Marks	224,064	*
Louis P. Neeb	43,929	*
Donald C. Robinson	24,110	*
Donald R. Shepherd	217,150	*
Debra Smithart-Oglesby	165,813	*
Laysha Ward	6,819	*
F. Mark Wolfinger	626,396	*
Janis S. Emplit	690,527	*
Mark E. Chmiel	6,700	*
All current directors and executive officers as a group (9 persons)	6,248,143	6.1

* Less than one (1) percent.

- (1) The Common Stock listed as beneficially owned by the following individuals includes shares of Common Stock which such individuals have the right to acquire (within sixty (60) days of March 23, 2010) through the exercise of stock options: (i) Mr. Marks (69,300 shares) (ii) Mr. Shepherd (103,200 shares), (iii) Ms. Lauderback (50,400 shares), (iv) Mr. Marchioli (1,610,501 shares), (v) Mr. Neeb (12,600 shares), (vi) Ms. Smithart-Oglesby (69,300 shares), (vii) Mr. Wolfinger (503,100 shares), (viii) Ms. Emplit (499,000 shares), and all current directors and executive officers as a group (2,418,401 shares).
- (2) The Common Stock listed as beneficially owned by the following individuals includes shares of Common Stock which such individuals have the vested right to acquire (within sixty (60) days of March 23, 2010) through the conversion of deferred stock units upon termination of service as a director of Denny's Corporation: (i) Ms. Lauderback (51,338 shares), (ii) Mr. Marks (66,011 shares), (iii) Mr. Neeb (31,329 shares), (iv) Mr. Robinson (24,110 shares), (v) Mr. Shepherd (69,097 shares), (vi) Ms. Smithart-Oglesby (67,613 shares), (vii) Ms. Ward (6,819 shares) and all current directors and executive officers as a group (316,317 shares).
- (3) Of this amount, 2,963,661 shares are pledged as security for a bank loan to Mr. Marchioli.

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The following table sets forth information as of December 30, 2009 with respect to compensation plans of the Company under which equity securities of Denny's Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	10,530,487(1)	\$ 2.34	2,861,981(2)
Equity compensation plans not approved by security holders			
Total	10,530,487	\$ 2.34	2,861,981

- (1) Includes shares issuable pursuant to the grant or exercise of awards under the Denny's Corporation 2008 Omnibus Incentive Plan (the 2008 Omnibus Plan), the Denny's Corporation Amended and Restated 2004 Omnibus Incentive Plan (the 2004 Omnibus Plan), the Denny's, Inc. Omnibus Incentive Compensation Plan for Executives, the Advantica Stock Option Plan and the Advantica Restaurant Group Director Stock Option Plan.
- (2) Includes shares of Common Stock available for issuance as awards of restricted stock, restricted stock units, deferred stock units and performance awards, under the 2008 Omnibus Plan and the 2004 Omnibus Plan.

ELECTION OF DIRECTORS**Nominees for Election as Directors of Denny's Corporation**

As permitted under our Bylaws, the Board has set eight (8) as the number of directors effective as of May 19, 2010 to constitute the Board of Directors of Denny's Corporation. Accordingly, it is intended that proxies in the accompanying form will be voted at the Annual Meeting for the election of eight (8) nominees to the Board of Denny's Corporation. These nominees are: Brenda J. Lauderback, Nelson J. Marchioli, Robert E. Marks, Louis P. Neeb, Donald C. Robinson, Donald R. Shepherd, Debra Smithart-Oglesby and Laysha Ward, each of whom has consented to serve and be named in this Proxy Statement and will serve as a director, if elected, until the 2011 Annual Meeting of Stockholders and until his or her successor shall be elected and shall qualify, except as otherwise provided in Denny's Corporation's Restated Certificate of Incorporation and Bylaws, as amended. Each nominee currently serves as a director.

If for any reason any nominee named above is not a candidate when the election occurs, it is intended that proxies in the accompanying form will be voted for the election of the other nominees named above and may be voted for any substitute nominee or, in lieu thereof, the Board may reduce the number of directors in accordance with the Denny's Corporation Restated Certificate of Incorporation and Bylaws.

Table of Contents**Business Experience**

The name, age, present principal occupation or employment, directorships and the material occupations, positions, offices or employments for at least the past five years, of each current director of Denny's Corporation are set forth below. Unless otherwise indicated, each such person has held the occupation listed opposite his or her name for at least the past five years.

Name	Age	Current Principal Occupation or Employment and Five-Year Employment History	Director Since
Brenda J. Lauderback	59	Director of Denny's Corporation; Retired; President of Wholesale and Retail Group of Nine West Group, Inc., a footwear manufacturer and distributor (1995-1998); President of Wholesale Division of U.S. Shoe Corporation, a footwear manufacturer and distributor (1993-1995); Vice President and General Merchandise Manager of Target Corporation (formerly Dayton Hudson) (1982-1993). Director of Big Lots, Inc., Wolverine World Wide, Inc., and Select Comfort Corporation.	2005
Nelson J. Marchioli	60	Chief Executive Officer, President and Director of Denny's Corporation and Denny's, Inc. (2001-present); President of El Pollo Loco, Inc. (a subsidiary of the Company until 1999) (1997-2001).	2001
Robert E. Marks	58	Director of Denny's Corporation; President of Marks Ventures, LLC, a private equity investment firm (1994-present); Chairman of the Board of Directors of Denny's Corporation (2004-2006); Director of Emeritus Corporation and a member of the Board of Trustees of the Fisher House Foundation and The International Rescue Committee. From 1982-1994, Managing Director and co-head of leverage buyout investing at Carl Mark & Co. Inc. Member of the board of directors of 15 private companies most of which were during this period.	1998
Louis P. Neeb	70	Director of Denny's Corporation; Chairman of the Board of Directors of Mexican Restaurants, Inc., a restaurant company (1995-present); Director of Mexican Restaurants, Inc. and CEC Entertainment, Inc.	2008
Donald C. Robinson	57	Director of Denny's Corporation; President of Baha Mar Resorts, Ltd., a resort development in Nassau, Bahamas (2006-present); Group Managing Director, Hong Kong Disneyland (2001-2006); Senior Vice President, Walt Disney World Operations (1998-2001).	2008
Donald R. Shepherd	73	Director of Denny's Corporation; Retired; Chairman of Loomis, Sayles & Company, L.P., an investment management firm (1992-1995); Chief Executive Officer and Chief Investment Officer of Loomis Sayles & Company, L.P. (1990-1995). Member of Investment Committee of Scripps Research Institute and various University of Michigan advisory committees.	1998
Debra Smithart-Oglesby	55	Director of Denny's Corporation; Chair of the Board of Directors of Denny's Corporation (2006-present); President of O/S Partners, private investment and consulting services firm (2000-present); Chief Financial Officer of Dekor, Inc., a home improvement and decorating retail company (2000); President of Corporate Services and Chief Financial Officer of First America Automotive, Inc. (1997-1999). A member of the Editorial Advisory Board of CFO Magazine.	2003
Laysha Ward	42	Director of Denny's Corporation; President, Community Relations, Target Corporation (2008 to present); Vice President, Community Relations, Target Corporation (2003 to present).	2010

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Director Qualifications and Skills

We believe that each of our nominees has professional experience in areas relevant to our strategy and operations. Many of our Directors served in key management positions in a wide-range of businesses, including retail and restaurant businesses through which they have developed, as a group, expertise and experience in core business skills such as strategy and business development, innovation, operations, brand management, finance, compensation and leadership development, and compliance and risk management. We also believe each of our nominees has other attributes necessary to create an effective board: the willingness to engage management and each other in a constructive and collaborative fashion; high personal and professional ethics, integrity and values; good judgment; analytical minds; the willingness to offer a diverse perspective; the ability to devote significant time to serve on our board and its committees; and a commitment to representing the long-term interests of all our stockholders. As a collective, our Board has a broad set of competencies and experiences making it well suited to further the interests of Denny's, its stockholders and other stakeholders.

Set out below are the education, specific experience, qualifications, attributes and skills of each of our directors which led the Board to the conclusion that each individual should be nominated as a director of the Company.

Brenda J. Lauderback Ms. Lauderback's experience includes footwear, apparel, and retail industry experience, corporate leadership experience, branded marketing experience, international operations experience, public company board experience and public company finance and accounting experience through audit committee service. Ms. Lauderback has more than 25 years of experience in the retail industry and more than 35 collective years of experience on public company boards. From 1995 until her retirement in 1998, Ms. Lauderback was president of the Wholesale and Retail Group of Nine West Group, Inc., a footwear wholesaler and distributor. She previously was the President of the Wholesale Division of U.S. Shoe Corporation, a footwear manufacturer and distributor, a position that included responsibility for offices in China, Italy and Spain, and was a Vice President/General Merchandise Manager of Dayton Hudson Corporation, a retailer. Ms. Lauderback has collective experience of more than 20 years on audit, compensation and governance committees of public company boards and is chair of three governance committees. Ms. Lauderback is a director of Big Lots, Inc., Wolverine Worldwide, Inc. and Select Comfort Corporation. Within the last five years, Ms. Lauderback also served as a director of Irwin Financial Corporation. Ms. Lauderback received her Bachelor of Science degree from Robert Morris University in 1972.

Nelson J. Marchioli Mr. Marchioli has more than 30 years of experience in the restaurant industry, including leadership positions, in addition to Denny's, at Bruegger's Bagel Bakeries, Burger King, El Pollo Loco and Red Lobster.

Since 2001 Mr. Marchioli has been the President and Chief Executive Officer of Denny's during which time Denny's (i) achieved a successful financial, cultural and brand turnaround placing Denny's in the strongest financial position in more than 20 years; (ii) was re-listed on NASDAQ in August 2005 after 22 consecutive months of increased same-store sales and a return to positive earnings for the first time since 1989; (iii) in 2007, achieved the first full year of profit, more than doubling that amount in 2008 in adjusted net income; (iv) reduced the Company's debt by almost 50%, launched new products, developed promotional menus, introduced a new restaurant image, and improved food quality; and (v) managed brand transformation through creative initiatives such as a 2009 Super Bowl promotion to re-introduce the Denny's brand to drive repeat traffic, market share and the enhancement of the philanthropic presence of Denny's in communities.

From 1997 to 2001, Mr. Marchioli was the President and Chief Executive Officer of El Pollo Loco, a flame-grilled chicken restaurant chain, during which time he was responsible for an increase in the growth rate of the chain. From 1996 to 1997, Mr. Marchioli was Executive Vice President and Chief Executive Officer of Bruegger's Corporation, the first major bagel chain in the United States, where he was responsible for all regional offices and system-wide restaurant operation