SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 28, 1997

OR

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number: 0-21660

PAPA JOHN'S INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware	61-1203323
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification number)

11492 Bluegrass Parkway, Suite 175
Louisville, Kentucky 40299-2334
(Address of principal executive offices)

(502) 266-5200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Yes X No ___

At October 31, 1997, there were outstanding 29,035,654 shares of the registrant's common stock, par value $.01 per share.

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Part I. Financial Information

Item 1. Financial Statements (Unaudited)

Papa John's International, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

	September 28, 1997 (Unaudited)	December 29, 1996 (Note)
(In thousands)		
Assets		
Current assets:		
Cash and cash equivalents	$ 19,663	$ 24,063
Accounts receivable	13,547	13,101
Inventories	8,524	6,839
Deferred pre-opening costs	3,925	2,654
Prepaid expenses and other current assets	1,522	1,591
Total current assets	47,181	48,248
Investments	57,247	65,067
Net property and equipment	104,399	80,717
Notes receivable from franchisees	14,853	5,053
Other assets	17,609	12,976
Total assets	$ 241,289	$ 212,061
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 12,934	$ 13,105
Accrued expenses	14,143	9,062
Current maturities of long-term debt	185	175
Deferred income taxes	763	672
Total current liabilities	28,025	23,014
Unearned franchise and development fees	4,709	3,378
Long-term debt, less current maturities	1,320	1,505
Deferred income taxes	3,768	3,285
Other long-term liabilities	221	236
Stockholders' equity:		
Preferred stock	-	-
Common stock	290	288
Additional paid-in capital	148,021	143,978
Unrealized gain on investments	695	977
Retained earnings	54,721	35,882
Treasury stock	(481)	(482)
Total stockholders' equity	203,246	180,643
Total liabilities and stockholders' equity	$ 241,289	$ 212,061

Note: The balance sheet at December 29, 1996 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

See accompanying notes.

Papa John's International, Inc. and Subsidiaries
Condensed Consolidated Statements of Income
(Unaudited)

(In thousands, except per share amounts)	Three Months Ended September 28, 1997	Three Months Ended September 29, 1996	Nine Months Ended September 28, 1997	Nine Months Ended September 29, 1996
Revenues:				
Restaurant sales	$ 63,645	$ 42,311	$ 180,114	$ 118,085
Franchise royalties	5,971	4,506	17,274	12,699
Franchise and development fees	1,149	1,211	3,774	3,032
Commissary sales	46,466	37,153	133,355	104,011
Equipment and other sales	11,021	7,548	29,590	19,308
Total revenues	128,252	92,729	364,107	257,135
Costs and expenses:				
Restaurant expenses:				
Cost of sales	16,644	12,170	47,398	33,632
Salaries and benefits	17,016	11,300	48,705	31,467
Advertising and related costs	6,058	4,016	16,759	11,145
Occupancy costs	3,493	2,288	9,200	6,058
Other operating expenses	8,503	5,811	24,408	16,012
	51,714	35,585	146,470	98,314
Commissary, equipment and other expenses:				
Cost of sales	44,524	35,474	126,672	98,302
Salaries and benefits	3,248	2,357	9,463	6,607
Other operating expenses	4,611	2,791	13,143	7,820
	52,383	40,622	149,278	112,729
General and administrative expenses	9,160	6,355	26,990	18,865
Depreciation	3,549	2,415	9,455	6,495
Amortization	1,749	1,233	4,635	3,388
Total costs and expenses	118,855	86,210	336,828	239,791
Operating income	9,697	6,519	27,279	17,344
Other income (expense):				
Investment income	1,175	1,098	3,399	2,445
Other, net	8	183	(808)	315
Income before income taxes	10,880	7,800	29,870	20,104
Income tax expense	4,026	2,886	11,052	7,439
Net income	$ 6,854	$ 4,914	$ 18,818	$ 12,665
Net income per share	$ 0.24	$ 0.17	$ 0.65	$ 0.46
Weighted average shares outstanding	28,972	28,671	28,872	27,776

See accompanying notes.

Papa John's International, Inc. and Subsidiaries
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)

(In thousands)	Common Stock	Additional Paid-In Capital	Unrealized Gain (Loss) on Investments	Retained Earnings	Treasury Stock	Total Stockholders' Equity
Balance at January 1, 1996	$ 268	$ 88,043	$ (263)	$18,838	$ (604)	$ 106,282
Issuance of common stock	17	50,534	-	-	-	50,551
Exercise of stock options	1	1,191	-	-	-	1,192
Tax benefit related to exercise of non-qualified stock options	-	1,006	-	-	-	1,006
Acquisitions	1	1,454	-	-	-	1,455
Change in unrealized gain (loss) on investments	-	-	(25)	-	-	(25)
Net income	-	-	-	12,665	-	12,665
Other	-	42	-	(32)	112	122
Balance at September 29, 1996	$ 287	$ 142,270	$ (288)	$31,471	$ (492)	$ 173,248
Balance at December 30, 1996	$ 288	$ 143,978	$ 977	$35,882	$ (482)	$ 180,643
Exercise of stock options	2	2,161	-	-	-	2,163
Tax benefit related to exercise of non-qualified stock options	-	1,882	-	-	-	1,882
Change in unrealized gain (loss) on investments	-	-	(282)	-	-	(282)
Net income	-	-	-	18,818	-	18,818
Other	-	-	-	21	1	22
Balance at September 28, 1997	$ 290	$ 148,021	$ 695	$54,721	$ (481)	$ 203,246

See accompanying notes.

Papa John's International, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(In thousands)	Nine Months Ended September 28, 1997	Nine Months Ended September 29, 1996
Operating activities		
Net cash provided by operating activities	$ 32,761	$ 18,108
Investing activities		
Purchase of property and equipment	(31,163)	(21,104)
Purchase of investments	(28,482)	(52,094)
Proceeds from sale or maturity of investments	35,070	9,225
Loans to franchisees	(10,605)	(5,502)
Loan repayments from franchisees	805	-
Deferred systems development costs	(1,486)	(1,247)
Acquisitions	(5,448)	(30)
Other	293	9
Net cash used in investing activities	(41,016)	(70,743)
Financing activities		
Proceeds from exercise of stock options	2,163	1,192
Payments on long-term debt	(175)	(837)
Proceeds from issuance of common stock	-	50,555
Tax benefit related to exercise of non-qualified stock options	1,882	1006
Other	(15)	(16)
Net cash provided by financing activities	3,855	51,900
Net decrease in cash and cash equivalents	(4,400)	(735)
Cash and cash equivalents at beginning of period	24,063	19,904
Cash and cash equivalents at end of period	$ 19,663	$ 19,169

See accompanying notes.

Papa John's International, Inc. and Subsidiaries

Notes to Condensed Consolidated Financial Statements
(Unaudited)

September 28, 1997

Note 1 -- Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments, consisting of normal recurring accruals, considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 28, 1997, are not necessarily indicative of the results that may be expected for the year ended December 28, 1997. For further information, refer to the consolidated financial statements and footnotes thereto included in the Papa John's International, Inc. Annual Report on Form 10-K for the year ended December 29, 1996.

Note 2 -- Business Combinations

During the second quarter of 1997, the Company acquired four Papa John's restaurants in Arlington, Texas for approximately $488,000 in cash and 16 Papa John's restaurants in North Carolina for $5 million (consisting of $4,960,000 in cash and a credit of $40,000 towards future development fees), in transactions accounted for by the purchase method of accounting. A majority ownership interest in the franchisee of the North Carolina restaurants was held by certain directors and officers, including the Chief Executive Officer, of the Company.

Note 3 -- Accounting Pronouncements

In February 1997, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share," which is required to be adopted for 1997 year-end financial reporting. In addition to the Company's current presentation of net income per share, this Statement will require the Company to present diluted net income per share, which will include the dilutive effect of stock options. The Company does not believe the additional disclosure of diluted net income per share will materially impact the financial statements.

In June 1997, the FASB issued SFAS No. 130, "Reporting Comprehensive Income" which is required to be adopted for 1998 interim financial reporting. This Statement will require additional disclosures related to comprehensive income (which includes items such as unrealized gains and losses on available-for-sale securities, not included in the income statement) in the Company's financial statements.

In June 1997, the FASB issued SFAS No. 131, "Disclosure about Segments of an Enterprise and Related Information" which is required to be adopted for 1998 year-end financial reporting. This Statement does not have any impact on the financial results or financial condition of the Company, but will result in certain changes in required disclosures of segment information.

Note 4 -- Subsequent Events

Subsequent to quarter end, the Company acquired three Papa John's restaurants near Denver, Colorado for $720,000 in cash in a transaction accounted for by the purchase method of accounting. These restaurants were owned by the Chief Executive Officer of the Company and his wife.

Also subsequent to quarter end, the Company acquired a 49% equity ownership interest in Mountain Pizza Group, L.L.C. ("MPG"), an entity which operates seven Papa John's restaurants in Denver, Colorado, for $150,000 in cash. The transaction and subsequent operating results of MPG will be accounted for by the equity method of accounting. The 49% equity ownership interest was acquired from the President of the Company, who remains the 51% majority owner of MPG.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Restaurant Progression

	Three Months Ended		Nine Months Ended	
	September 28, 1997	September 29, 1996	September 28, 1997	September 29, 1996
Company-owned:				
Beginning of period	367	248	303	217
Opened	22	20	67	48
Closed	-	(1)	(1)	(2)
Acquired	-	-	20	4
End of period	389	267	389	267
Franchised:				
Beginning of period	976	752	857	661
Opened	64	62	206	159
Closed	(2)	(1)	(5)	(3)
Sold to Company	-	-	(20)	(4)
End of Period	1,038	813	1,038	813
Total at end of period	1,427	1,080	1,427	1,080

Results of Operations

Revenues. Total revenues increased 38.3% to $128.3 million for the three months ended September 28, 1997, from $92.7 million for the comparable period in 1996, and 41.6% to $364.1 million for the nine months ended September 28, 1997, from $257.1 million for the comparable period in 1996.

Restaurant sales increased 50.4% to $63.6 million for the three months ended September 28, 1997, from $42.3 million for the comparable period in 1996, and 52.5% to $180.1 million for the nine months ended September 28, 1997, from $118.1 million for the comparable period in 1996. These increases were primarily due to increases of 45.3% and 44.5% in the number of equivalent Company-owned restaurants open during the three and nine months ended September 28, 1997, respectively, compared to the same periods in the prior year. "Equivalent restaurants" represent the number of restaurants open at the beginning of a given period, adjusted for restaurants opened or acquired during the period on a weighted average basis. Also, sales increased 6.6% for the three months ended September 28, 1997, over the comparable period in 1996, for Company-owned restaurants open throughout both periods.

Franchise royalties increased 32.5% to $6.0 million for the three months ended September 28, 1997, from $4.5 million for the comparable period in 1996, and 36.0% to $17.3 million for the nine months ended September 28, 1997, from $12.7 million for the comparable period in 1996. These increases were primarily due to increases of 29.4% and 30.2% in the number of equivalent franchised restaurants open during the three and nine months ended September 28, 1997, respectively, compared to the same periods in the prior year. Also, sales increased 5.4% for the three months ended September 28, 1997, over the comparable period in 1996, for franchised restaurants open throughout both periods.

Franchise and development fees decreased 5.1% to $1.1 million for the three months ended September 28, 1997, from $1.2 million for the comparable period in 1996, and increased 24.5% to $3.8 million for the nine months ended September 28, 1997, from $3.0 million for the comparable period in 1996. The decrease for the three month period was primarily due to a lower average dollar amount of fees in 1997, which more than offset the impact of two additional restaurant openings. The increase for the nine month period was primarily due to the 206 franchised restaurants opened during the nine months ended September 28, 1997, versus the 159 opened during the comparable period in 1996, an increase of 29.6%. The average dollar amount of fees per franchised restaurant may vary from period to period depending upon the mix of restaurants opened pursuant to older development agreements and "Hometown restaurants" which generally have lower required fees than restaurants opened pursuant to standard development agreements. "Hometown restaurants" are located in smaller markets, generally markets with less than 9,000 households.

Commissary sales increased 25.1% to $46.5 million for the three months ended September 28, 1997, from $37.2 million for the comparable period in 1996, and 28.2% to $133.4 million for the nine months ended September 28, 1997, from $104.0 million for the comparable period in 1996. These increases were primarily the result of the increases in equivalent franchised restaurants and comparable sales for franchised restaurants noted above. The impact of these increases was partially offset by an 18% and 14% decrease in the average cheese block market price during the three and nine months ended September 28, 1997, respectively, as compared to the same periods in 1996, which resulted in lower sales prices to franchisees.

Equipment and other sales increased 46.0% to $11.0 million for the three months ended September 28, 1997, from $7.5 million for the comparable period in 1996, and 53.3% to $29.6 million for the nine months ended September 28, 1997, from $19.3 million for the comparable period in 1996. These increases were primarily due to the increase in equivalent franchised restaurants open during the three and nine months ended September 28, 1997, as compared to the same periods in 1996, and the increase in franchised restaurants opened during the three and nine months ended September 28, 1997, as compared to the same periods in 1996. A portion of the equipment and other sales increase was attributable to the increase in sales of the Papa John's PROFIT System, a proprietary point of sale system, and related PROFIT support services to the franchisees, as well as increasing insurance commissions from franchisees. The Company initiated an insurance agency function for franchisees during the fourth quarter of 1996.

Costs and Expenses. Restaurant cost of sales, which consists of food, beverage and paper costs, decreased as a percentage of restaurant sales to 26.2% for the three months ended September 28, 1997, from 28.8% for the comparable period in 1996, and decreased as a percentage of restaurant sales to 26.3% for the nine months ended September 28, 1997, from 28.5% for the comparable period in 1996. This decrease was primarily due to decreases in the average cheese block market prices noted above.

Restaurant salaries and benefits as a percentage of restaurant sales were 26.7% for the three months ended September 28, 1997, and September 29, 1996. Restaurant salaries and benefits increased as a percentage of sales to 27.0% for the nine months ended September 28, 1997, from 26.6% for the comparable period in 1996, primarily due to increased staffing levels during the second quarter of 1997 to ensure quality customer service was delivered during the 12th Anniversary Promotion.

Advertising and related costs (9.5% vs. 9.5% and 9.3% vs. 9.4%, respectively), occupancy costs (5.5% vs. 5.4% and 5.1% vs. 5.1%, respectively), and other restaurant operating expenses (13.4% vs. 13.7% and 13.6% vs. 13.6%, respectively), were relatively consistent as a percentage of sales for the three and nine months ended September 28,1997, as compared to the same periods in the prior year. Other operating expenses include all other restaurant-level operating costs, the material components of which are automobile mileage reimbursement for delivery drivers, telephone costs, training costs and workers compensation insurance. Other operating expenses also include an allocation of commissary operating expenses equal to 3% of Company-owned restaurant sales in order to assess a portion of the costs of dough production and food and equipment purchasing and storage to Company-owned restaurants.

Commissary, equipment and other expenses include cost of sales and operating expenses associated with sales of food, paper, equipment, printing and promotional items to franchisees and other customers. These costs increased as a percentage of combined commissary sales and equipment and other sales to 91.1% for the three months ended September 28, 1997, as compared to 90.9% for the comparable period in 1996, and to 91.6% for the nine months ended September 28, 1997, from 91.4% for the comparable period in 1996. Cost of sales as a percentage of combined commissary sales and equipment and other sales decreased to 77.5% and 77.7%, respectively, for the three and nine months ended September 28, 1997 from 79.4% and 79.7%, respectively, for the comparable periods in 1996, due to the timing of certain favorable commodity price changes. The decrease was more than offset by an increase in other operating expenses to 8.0% and 8.1%, respectively, for the three months and nine months ended September 28,1997, compared to 6.2% and 6.3%, respectively, for the comparable periods in 1996, due primarily to increased delivery costs resulting from larger commissary service areas and costs related to the opening of three commissary facilities in 1997.

General and administrative expenses were relatively consistent as a percentage of total revenues at 7.1% and 7.4%, respectively, for the three and nine months ended September 28, 1997, as compared to 6.9% and 7.3%, respectively, for the comparable periods in 1996.

Depreciation and amortization was relatively consistent as a percentage of total revenues at 4.1% and 3.9%, respectively, for the three and nine months ended September 28, 1997, as compared to 3.9% and 3.8%, respectively, for the comparable periods in 1996.

Investment Income. Investment income increased to $1.2 million for the three months ended September 28, 1997, from $1.1 for the comparable period in 1996, and to $3.4 million for the nine months ended September 28, 1997, from $2.4 million for the comparable period in 1996. These increases were primarily the result of higher investment returns for the three months ended September 28, 1997, and higher average investment balances during the first nine months of 1997 compared to the same periods in 1996, due to the investment of proceeds from the Company's public offering of common stock in May 1996.

Other Income (Expense). Other income (expense) was relatively consistent for the three month periods ended September 28, 1997 and September 29, 1996. Other income (expense) fluctuated from income of $315,000 for the nine months ended September 29, 1996 to expense of $808,000 for the same period in 1997. This fluctuation was primarily attributable to the equipment and leasehold write-offs related to an increasing number of restaurant relocations during the first and second quarters of the year.

Income Tax Expense. Income tax expense reflects a combined federal, state and local effective tax rate of 37% for the three and nine months ended September 28, 1997 and September 29,1996.

Liquidity and Capital Resources

The Company requires capital primarily for the development and acquisition of restaurants, the addition of new commissary and support services facilities and equipment and the enhancement of corporate systems and facilities. Capital expenditures of $31.2 million, acquisitions of $5.4 million and loans to franchisees of $10.6 million for the nine months ended September 28, 1997, were primarily funded by cash flow from operations, available cash and liquidation of investments.

Cash flow from operations increased to $32.8 million for the nine months ended September 28, 1997, from $18.1 million for the comparable period in 1996, due primarily to the higher level of net income for the first nine months of 1997.

In addition to restaurant development and possible acquisitions, significant capital projects for the next twelve months are expected to include a new commissary in the Pacific Northwest area. The Company also expects to begin construction during 1997 of a 221,000 square foot facility in Louisville, Kentucky, scheduled for completion in late 1998, approximately one-half of which will accommodate relocation and expansion of the Louisville commissary facility and Novel Approach promotional division and the remainder of which will accommodate relocation and consolidation of corporate offices. In addition, the Company expects to fund an additional $7 million in loans under existing commitments within the franchisee loan program. The amounts actually funded may vary as the Company continues to review the growth of the loan program.

Capital resources available at September 28, 1997, include $19.7 million of cash and cash equivalents, $57.2 million of investments and a $10 million line of credit expiring in June 1998. The Company expects to fund planned capital expenditures and disbursements under the franchise loan program for the next twelve months from these resources and operating cash flows.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is subject to claims and legal actions in the ordinary course of its business. The Company believes that all such claims and actions currently pending against it are either adequately covered by insurance or would not have a material adverse effect on the Company if decided in a manner unfavorable to the Company.

Item 6. Exhibits and Reports on Form 8-K.

a. Exhibits

Exhibit Number	Description
10.1	Discretionary Line of Credit Note dated June 30, 1997 between the Company and PNC Bank, Kentucky, Inc.
10.2	Amendment to Chief Operating Officer Agreement dated October 9, 1997, by and between the Company and Wade S. Oney.
27	Financial Data Schedule which is submitted electronically to the Securities and Exchange Commission for information only and not deemed to be filed with the Commission.
99.1	Cautionary Statements. Exhibit 99.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 1996 (Commission File No. 0-21660) is incorporated herein by reference.

b. Current Reports on Form 8-K.

There were no reports filed on Form 8-K during the quarterly period ended September 28, 1997.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PAPA JOHN'S INTERNATIONAL, INC.
(Registrant)

Date: November 12, 1997	/s/ E. Drucilla Milby
	E. Drucilla Milby, Chief Financial Officer and Treasurer

Exhibit 10.1 - Discretionary Line of Credit Note

$10,000,000.00 As of June 30, 1997

FOR VALUE RECEIVED, PAPA JOHN'S INTERNATIONAL, INC. (the "Borrower"), with an address at 11492 Bluegrass Parkway, Louisville, Kentucky 40299, promises to pay to the order of PNC BANK, KENTUCKY, INC. (the "Bank"), in lawful money of the United States of America in immediately available funds at its offices located at 500 West Jefferson Street, Louisville, Kentucky 40202, or at such other location as the Bank may designate from time to time, the principal sum of TEN MILLION DOLLARS ($10,000,000.00) (the "Facility") or such lesser amount as may be advanced to or for the benefit of the Borrower hereunder, together with interest accruing on the outstanding principal balance from the date hereof, as provided below:

1. Rate of Interest. Each advance outstanding under this Note will bear interest at a rate per annum determined in the Bank's sole discretion, as offered by the Bank to the Borrower as the rate at which the Bank would advance funds to the Borrower in the principal amount requested for the interest period requested, each as agreed upon in writing between the Borrower and the Bank.

Interest will be calculated on the basis of a year of 360 days for the actual number of days in each interest period. In no event will the rate of interest hereunder exceed the maximum rate allowed by law.

2. Discretionary Advances. This is not a committed line of credit and advances under this Note, if any, shall be made by the Bank in its sole discretion. Nothing contained in this Note or any other Loan Documents shall be construed to obligate the Bank to make any advances. The Bank shall have the right to refuse to make any advances at any time without prior notice to the Borrower.

The Borrower may request advances, repay and request additional advances hereunder, subject to the terms and conditions of this Note and the Loan Documents (as defined herein). In no event shall the aggregate unpaid principal amount of advances under this Note exceed the face amount of this Note.

3. Payment Terms. The principal amount of each advance shall be due and payable on the earlier of (i) the last day of the applicable interest period for such advance or (ii) the Expiration Date (as defined in the Loan Documents). Interest shall be due and payable at the times set forth in the Loan Documents, and no less frequently than quarterly.

If any payment under this Note shall become due on a Saturday, Sunday or public holiday under the laws of the State where the Bank's office indicated above is located, such payment shall be made on the next succeeding business day and such extension of time shall be included in computing interest in connection with such payment. The Borrower hereby authorizes the Bank to charge the Borrower's deposit account at the Bank for any payment when due hereunder. Payments received will be applied to charges, fees and expenses (including attorneys' fees), accrued interest and principal in any order the Bank may choose, in its sole discretion.

4. Default Rate. If any advance or other amount is not paid when due, the Borrower shall pay interest on such amount until it is paid in full at a rate per annum (based on a year of 360 days and actual days elapsed) (the "Default Rate") equal to two hundred (200) basis points (2%) above the Prime Rate but not more than the maximum rate allowed by law. As used herein, "Prime Rate" shall mean the rate publicly announced by the Bank from time to time as its prime rate. The Prime Rate is determined from time to time by the Bank as a means of pricing some loans to its borrowers. The Prime Rate is not tied to any external rate of interest or index, and does not necessarily reflect the lowest rate of interest actually charged by the Bank to any particular class or category of customers. If and when the Prime Rate changes, the rate of interest on this Note will change automatically without notice to the Borrower, effective on the date of any such change. The Default Rate shall continue to apply whether or not judgment shall be entered on this Note.

5. Prepayment. The Borrower shall have the right to prepay at any time and from time to time, in whole or in part, without penalty, any advance hereunder which is accruing interest at a rate based upon a floating rate. If the Borrower prepays all or any part of any advance which is accruing interest at a fixed rate on other than the last day of the applicable interest period, the Borrower shall also pay to the Bank, on demand therefor, the Cost of Prepayment. "Cost of Prepayment" means an amount equal to the present value, if positive, of the product of (a) the difference between (i) the yield, on the beginning date of the applicable interest period, of a U.S. Treasury obligation with a maturity similar to the applicable interest period minus (ii) the yield, on the prepayment date, of a U.S. Treasury obligation with a maturity similar to the remaining maturity of the applicable interest period, and (b) the principal amount to be prepaid, and (c) the number of years, including fractional years from the prepayment date to the end of the applicable interest period. The yield on any U.S. Treasury obligation shall be determined by reference to Federal Reserve Statistical Release H.15(519) "Selected Interest Rates". For purposes of making present value calculations, the yield to maturity of a similar maturity U.S. Treasury obligation on the prepayment date shall be deemed the discount rate. The Cost of Prepayment shall also apply to any payments made after acceleration of the maturity of this Note.

6. Other Loan Documents. This Note is issued pursuant to the letter agreement dated as of June 30, 1997, and the other documents referred to therein, the terms of which are incorporated herein by reference (the "Loan Documents").

7. Advance Procedures. A request for advance made by telephone must be promptly confirmed in writing by such method as the Bank may require. The Borrower authorizes the Bank to accept telephonic requests for advances, and the Bank shall be entitled to rely upon the authority of any person providing such instructions. The Borrower hereby indemnifies and holds the Bank harmless from and against any and all damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) which may

arise or be created by the acceptance of such telephone requests or making such advances. The Bank will enter on its books and records, which entry when made will be presumed correct, absent manifest error, the date and amount of each advance, the interest rate and interest period applicable thereto, as well as the date and amount of each payment made by the Borrower.

8. Yield Protection. The undersigned shall pay to the Bank, on written demand therefor, together with the written evidence of the justification therefor, all direct costs incurred, losses suffered or payments made by Bank by reason of any change in law or regulation or its interpretation imposing any reserve, deposit, allocation of capital, or similar requirement (including without limitation, Regulation D of the Board of Governors of the Federal Reserve System) on the Bank, its holding company or any of their respective assets.

9. Events of Default. The occurrence of any of the following events will be deemed to be an "Event of Default" under this Note: (i) the nonpayment of any principal, interest or other indebtedness under this Note when due; (ii) the occurrence of any event of default or default and the lapse of any notice or cure period under any Loan Document or any other debt, liability or obligation to the Bank of any Obligor; (iii) the filing by or against any Obligor or any Affiliate of any proceeding in bankruptcy, receivership, insolvency, reorganization, liquidation, conservatorship or similar proceeding (and, in the case of any such proceeding instituted against any Obligor or any Affiliate, such proceeding is not dismissed or stayed within thirty (30) days of the commencement thereof); (iv) any assignment by any Obligor or any Affiliate for the benefit of creditors, or any levy, garnishment, attachment or similar proceeding is instituted against any property of any Obligor or any Affiliate held by or deposited with the Bank; (v) a default with respect to any other indebtedness of any Obligor or any Affiliate for borrowed money in excess of $100,000.00, if the effect of such default is to cause or permit the acceleration of such debt; (vi) the entry of a final judgment in excess of $100,000.00 against any Obligor or any Affiliate and the failure of such Obligor or any Affiliate to discharge the judgment within ten days of the entry thereof; (vii) any material adverse change in the business, assets, operations, financial condition or results of operations of any Obligor or any Affiliate; (viii) the revocation or attempted revocation, in whole or in part, of any guarantee by any Guarantor; (ix) any representation or warranty made by any Obligor or any Affiliate to the Bank in any document, including but not limited to the Loan Documents is false, erroneous or misleading in any material respect; (x) the failure of any Obligor or any Affiliate to observe or perform any covenant or other agreement with the Bank contained in any Loan Document or any other documents now or in the future securing the obligations of any Obligor or any Affiliate to the Bank; and (xi) the occurrence of any event of default or default and the lapse of any notice or cure period under any debt, liability or obligation to the Bank of any Affiliate.

As used herein, the term "Obligor" means any Borrower and any Guarantor, the term "Guarantor" means any guarantor of the obligations of the Borrower to the Bank existing on the date of this Note or arising in the future, and the term "Affiliate" means each of PJ Food Service, Inc. and PJFS of Mississippi, Inc.

Upon the occurrence of an Event of Default: (a) the Bank shall continue to have no obligation to make advances hereunder; (b) if an Event of Default specified in clause (iii) or (iv) above shall occur, the outstanding principal balance and accrued interest hereunder together with any additional amounts payable hereunder shall be immediately due and payable without demand or notice of any kind; (c) if any other Event of Default shall occur, the outstanding principal balance and accrued interest hereunder together with any additional amounts payable hereunder, at the option of the Bank and without demand or notice of any kind, may be accelerated and become immediately due and payable; (d) at the option of the Bank, this Note will bear interest at the Default Rate from the date of the occurrence of the Event of Default; and (e) the Bank may exercise from time to time any of the rights and remedies available to the Bank under the Loan Documents or under applicable law.

10. Right of Setoff. In addition to all liens upon and rights of setoff against the money, securities or other property of the Borrower given to the Bank by law, the Bank shall have, with respect to the Borrower's obligations to the Bank under this Note and to the extent permitted by law, a contractual possessory security interest in and a contractual right of setoff against, and the Borrower hereby assigns, conveys, delivers, pledges and transfers to the Bank all of the Borrower's right, title and interest in and to, all deposits, moneys, securities and other property of the Borrower now or hereafter in the possession of or on deposit with, or in transit to, the Bank whether held in a general or special account or deposit, whether held jointly with someone else, or whether held for safekeeping or otherwise, excluding, however, all IRA, Keogh, and trust accounts. Every such security interest and right of setoff may be exercised without demand upon or notice to the Borrower. Every such right of setoff shall be deemed to have been exercised immediately upon the occurrence of an Event of Default hereunder without any action of the Bank, although the Bank may enter such setoff on its books and records at a later time.

11. Miscellaneous. No delay or omission of the Bank to exercise any right or power arising hereunder shall impair any such right or power or be considered to be a waiver of any such right or power nor shall the Bank's action or inaction impair any such right or power. The Borrower agrees to pay on demand, to the extent permitted by law, all costs and expenses incurred by the Bank in the enforcement of its rights in this Note and in any security therefor, including without limitation reasonable fees and expenses of the Bank's counsel. If any provision of this Note is found to be invalid by a court, all the other provisions of this Note will remain in full force and effect.

The Borrower and all other makers and endorsers of this Note hereby forever waive presentment, protest, notice of dishonor and notice of non-payment. The Borrower also waives all defenses based on suretyship or impairment of collateral.

If this Note is executed by more than one Borrower, the obligations of such persons or entities hereunder will be joint and several. This Note shall bind the Borrower and its heirs, executors, administrators, successors and assigns, and the benefits hereof shall inure to the benefit of Bank and its successors and assigns.

This Note has been delivered to and accepted by the Bank and will be deemed to be made in the State where the Bank's office indicated above is located. This Note will be interpreted and the rights and liabilities of the Bank and the Borrower determined in accordance with the laws of the State where the Bank's office indicated above is located, excluding its conflict of laws rules. The Borrower hereby irrevocably consents to the exclusive jurisdiction of any state or federal court located for the county or judicial district where the Bank's office indicated above is located, and consents that all service of process be sent by nationally recognized overnight courier service directed to the Borrower at the Borrower's address set forth herein and service so made will be deemed to be completed on the business day after deposit with such courier; provided that nothing contained in this Note will prevent the Bank from bringing any action, enforcing any award or judgment or exercising any rights against the Borrower individually, against any security or against any property of the Borrower within any other county, state or other foreign or domestic jurisdiction. The Borrower acknowledges and agrees that the venue provided above is the most convenient forum for both the Bank and the Borrower. The Borrower waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Note.

12. WAIVER OF JURY TRIAL. The Borrower irrevocably waives any and all rights the Borrower may have to a trial by jury in any action, proceeding or claim of any nature relating to this Note, any documents executed in connection with this Note or any transaction contemplated in any of such documents. The Borrower acknowledges that the foregoing waiver is knowing and voluntary.

The Borrower acknowledges that it has read and understood all the provisions of this Note, including the waiver of jury trial, and has been advised by counsel as necessary or appropriate.

WITNESS the due execution hereof as of the date first written above, with the intent to be legally bound hereby.

PAPA JOHN'S INTERNATIONAL, INC.

By /s/ J. David Flanery

Print Name: J. David Flanery

Title: Vice President and Corporate Controller

WITNESS/ATTEST:

By /s/ Edward B. Martin
Edward B. Martin, Vice President

Exhibit 10.2 - Amendment to Chief Operating Officer Agreement

October 9, 1997

Mr. Wade S. Oney
8536 Summerville Place
Orlando, Florida 32819

RE: 1998 Compensation Plan as Chief Operating Officer

Dear Wade:

This letter will memorialize our understanding as of April 8, 1997, concerning your employment as Chief Operating Officer ("COO") of Papa John's International, Inc. and Papa John's USA, Inc. for fiscal year 1998.

1. Position. As COO, you will be primarily responsible for the development and operation of Company-owned and franchised Papa John's Pizza stores system-wide. Such responsibilities shall include, without limitation, reviewing markets and sites, supervising store-level operations and interacting with the remainder of the Papa John's organization on behalf of your department. You will report directly to the President. This Plan is based on our present expectation that you would serve as COO through the fourth quarter of 1998. During that time, we would work together to identify and train your replacement. In the event we identify and properly train an agreed-upon candidate sooner, we would support your decision to step down and concentrate on L-N-W and Bam-Bam.

2. Salary and Bonus. Your annualized salary shall be $150,000, payable weekly. You will also be eligible for an annual bonus of up to $100,000. The bonus will be paid quarterly subject to the criteria set forth in Section 4 below. The bonus will be prorated for any partial quarter.

3. Stock Options. You shall be granted options to purchase 150,000 shares of Papa John's International, Inc. ("PJI") common stock at $27.00 per share pursuant to a written Option Agreement and the PJI 1993 Stock Ownership Incentive Plan (the "Plan").

4. Bonus Criteria.

A.

Performance Level	vs. Goal(1) (% above)	Cash Bonus(3)
Poor	2+	$ 2,500
Average	1.5 - 1.9	5,000
Good	0.1 - 1.4	10,000
Excellent	At or below goal	12,500

B.

Performance Level	% Increase Comparable Sales (2)	Quarterly Cash Bonus(3)
Poor	3.9 or less	$ 2,500
Average	4.0 - 6.0	5,000
Good	6.1 - 9.4	10,000
Excellent	9.5+	12,500

(1) For all Company-owned restaurants open more than 149 days. For restaurants open 0-60 days -- FLM goal will be 80%; 61-149 days -- 65%.

(2) For those restaurants open a full year.

(3) Cash bonus will be calculated and paid within 45 days after each of the first three quarters and within 90 days after the close of the fiscal year. The amounts for each level (i.e., poor - excellent) are not cumulative. The amount earned under a particular level in A. is added to the amount earned in a particular level in B.

5. Car Allowance. You will receive a car allowance of $500 per month. We will also pay for the business use of your mobile telephone.

6. Operational Headquarters and Travel. You will be based in Orlando, Florida. The decision to base you out of Orlando is centered on the fact that we want operations to remain as unencumbered as possible from the day-to-day administrative burdens which would naturally come from being based in the Louisville corporate office. Of course, substantial interaction between yourself and the remainder of the Company will remain necessary. You will have a travel budget of up to $16,000 per period to cover commercial and charter air

travel to the corporate and franchise markets and the corporate office.

7. Prior Plans. This plan applies only for fiscal year 1998. In the event Oney does not continue in the position of Chief Operating Officer subsequent to December 27, 1998, for reasons other than cause, Oney's employment will continue as a consultant on mutually agreed-upon terms through December 1999. This compensation package replaces and supersedes all prior oral or written understandings concerning your compensation for 1998. Your existing plan, as outlined in the memorandum dated March 31, 1995, and as amended by the Amendment to Chief Operating Officer Agreement dated February 12, 1996, shall continue through fiscal year 1997, and shall terminate and be replaced by this Plan on December 29, 1997.

Sincerely,

PAPA JOHN'S INTERNATIONAL, INC.

/s/ Charles W. Schnatter

Charles W. Schnatter
Senior Vice President, Secretary
and General Counsel

CWS:kw

READ AND AGREED TO:

/s/ Wade S. Oney

Wade S. Oney

October 24, 1997

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1,000

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DEC-30-1996
SEP-28-1997
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