

*San Gabriel Valley Tribune*  
July 13, 2004

## Scream for ice cream

*Cold Stone franchises cater to luxury buyer of frozen treat*

By **Kevin Felt**, Staff Writer

The new location is the company's second in Pasadena and its 16th in the San Gabriel Valley and Whittier areas.

The store is on the front line of rapid growth for the Scottsdale, Ariz.-based company, which ranked 25th on Entrepreneur magazine's list of the nation's '101 Fastest Growing Franchises.' In Southern California, 145 stores have opened in the past eight years, with 25 more scheduled to open by year's end. Nationwide, the chain hopes to grow from about 700 stores to more than 1,000 before the year is over.



Cold Stone Creamery's newly open shop on Lake Ave in Pasadena, Ca., July 13, 2004. Ice Cream Maker, Tamar Boghokian, 17, puts a caramel topping on one of her creation. (Staff photo by Mike Mullen)

While the company's growth plan is rapid, John Shallert, president of **The Shallert Group**, a Florida-based marketing consulting firm, said it's achievable.

"They're targeting that exclusive luxury ice cream buyer, the customer that is willing to pay premium prices for a premium product,' he said.

Three sizes, "Like It," "Love It" and "Gotta Have It," which each include one "mix-in," cost \$3.29, \$3.69 and \$4.09, respectively.

While rapid expansion is a "slippery slope" for many companies, Cold Stone does a good job of supporting its franchisees, said Don DeBolt, president of the **International Franchise Association**, a Washington-based trade group.

"They should be congratulated for achieving some significant milestones in a relatively short period of time,' he said.

DeBolt doesn't see the Atkins trend of low-carb dieting affecting Cold Stone.

"We still live in a reward-based society,' he said. "Even dieters have to have rewards once in a while."

Greg Ferrell, area developer for Cold Stone locations in Southern California and Arizona, said that the company is thrilled with its growth in California, where sales were 10 percent to 15 percent higher than the chainwide average of about \$360,000 last year.

Franchisee Karren Antonyan, who also owns the location at **Paseo Colorado** and another in La Crescenta, said Cold Stone's appeal is the ice cream a mixture that is neither soft-serve nor hard-packed.

"The smooth, creamy texture of the ice cream surpasses any other ice cream out there," he said.

Antonyan will donate 25 percent of the store's sales between noon and 8 p.m. Saturday to the **Make-A-Wish Foundation**. Chainwide, stores are also donating a portion of their July sales to send an 11-year-old Chicago girl with cystic fibrosis and her family to the Olympic games in Athens, Greece, next month.

Shopping on Lake Avenue Tuesday, Kathe Smiley, a 45-year-old San Gabriel resident, said that she brought her 3-year-old daughter Kendall in for an ice cream because she missed out when her sisters had Cold Stone the day before at Paseo Colorado.

"Her sisters are big fans, so she had to have one," said Smiley. "It's kind of a gimmick, but I think that it is lots of fun."