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**Cold Stone Creamery Outperforms 2009 Industry Averages  
Leveraging Brand Equity, Partnerships, Licensing Agreements**

***Partnership with Rocky Mountain Chocolate Factory Increases Same Stores Sales  
14 Percent***

**SCOTTSDALE, Ariz. —28 January 2010**—Cold Stone Creamery today announced successful results for 2009 due to key strategic partnerships and new product launches. In anticipation of a difficult economic climate, Cold Stone Creamery introduced innovative new products, established co-branding partnerships with complementary brands and leveraged its brand equity through licensing agreements to heighten brand awareness, drive traffic and ultimately drive industry-leading sales for franchise owners.

Among the initiatives for increased franchise owner profitability, Cold Stone Creamery's co-branding partnerships with Tim Hortons and Rocky Mountain Chocolate Factory drove significant success in 2009.

Cold Stone Creamery and Rocky Mountain Chocolate Factory opened 13 co-branded locations, with an additional 50 locations planned to open in 2010, designed to leverage the complementary seasonality of each brand's product offering. The co-branded locations exceeded sales goals for traditionally slower winter months, increasing same store sales by 14 percent.

"We engaged in strategic partnerships designed to create new revenue streams, increase momentum and continue to raise brand awareness," said Dan Beem, president for Cold Stone Creamery. "We implemented aggressive strategies to mitigate potential negative pressure caused by the continued economic downturn and traditionally lower winter traffic. We are pleased that those strategies accomplished our goal and kept our AUVs solid and above industry averages."

In addition to its co-branding partnerships, Cold Stone Creamery continued a legacy of creative product innovation with the introduction of JELL-O Pudding Ice Cream – the industry's first no-melt ice cream, Fudge Brownie Batter ice cream and ice cream cupcakes that propelled double digit same store sales increases system-wide.

"Last year was a great year for Cold Stone in terms of new products, and we have a schedule for new product innovation in 2010 that will reinvent the standard," said Beem. "As the economy improves there will be additional opportunities to expand co-branded concepts, create new products and move into new international markets. Look for Cold Stone to continue to innovate and grow."

Cold Stone Creamery also established licensing agreements and partnerships as a way to leverage Cold Stone's excellent brand equity, create additional revenue streams to invest back into the brand and elevate brand awareness through in-home products. The products include Scoop It Up, a Wii game from Zoo Games and the Cold Stone Creamery Ice Cream Maker as part of Think WOW Toys' EZ-2 Make line.

**Cold Stone Creamery**

Cold Stone Creamery delivers *The Ultimate Ice Cream Experience* through a community of franchisees who are passionate about ice cream. The secret recipe for smooth and creamy ice cream is handcrafted fresh daily in each store, and then customized by combining a variety of mix-ins on a frozen granite stone.

Headquartered in Scottsdale, Ariz., Cold Stone Creamery is part of the Kahala holding company, one of the fastest growing franchising companies in the world, with a portfolio of 12 quick service restaurant brands. Cold Stone Creamery alone operates 1,450 locations in 15 countries.

For more information about Cold Stone Creamery, visit [www.coldstonecreamery.com](http://www.coldstonecreamery.com). For more information about Kahala, visit [www.kahalacorp.com](http://www.kahalacorp.com).

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