

### Cold Stone co-brands with Rocky Mountain Chocolate

Cold Stone Creamery, fresh off a co-branding deal with the Canadian doughnut chain Tim Hortons, is at it again. This time, with Rocky Mountain Chocolate Factory.

The two franchises just reached a deal expanding their co-brand test nationwide. Any of the nation's 1,400 Cold Stone franchisees can get the option of adding the chocolate brand to their stores. And RMCF franchisees, or new ones, will get the option to build new co-branded locations.

The deal came about after a four-unit test found double-digit sales increases at each Cold Stone location that was co-branded with the Colorado-based chocolate franchise. "We were thrilled with the results," said Cold Stone President Dan Beem. He noted that each of the stores were average locations, and that there was little tradeoff

in product at the locations.

Beem said franchisees should be able to add a Rocky Mountain Chocolate Factory to their location for less than \$55,000. About 350 stores have expressed interest in the extra brand.

For Cold Stone, the addition of the chocolate brand could help boost revenues at each store. Cold Stone is determined to get average unit volumes to \$500,000. For RMCF, the deal has the potential to expand the brand's presence considerably, said Bryan Merryman, Rocky Mountain's chief operating officer.

Both Beem and Merryman noted that their respective brands are complementary in terms of seasonality—Cold Stone is strongest in summer and has been looking for a business boost in winter. Rocky Mountain is strongest during the "chocolate months" of November through April (Christmas through Easter).

