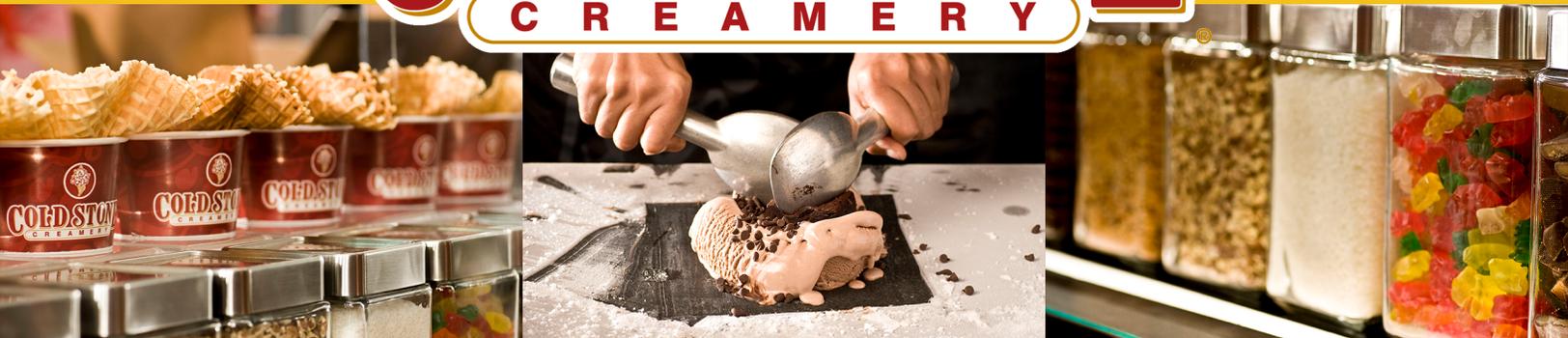


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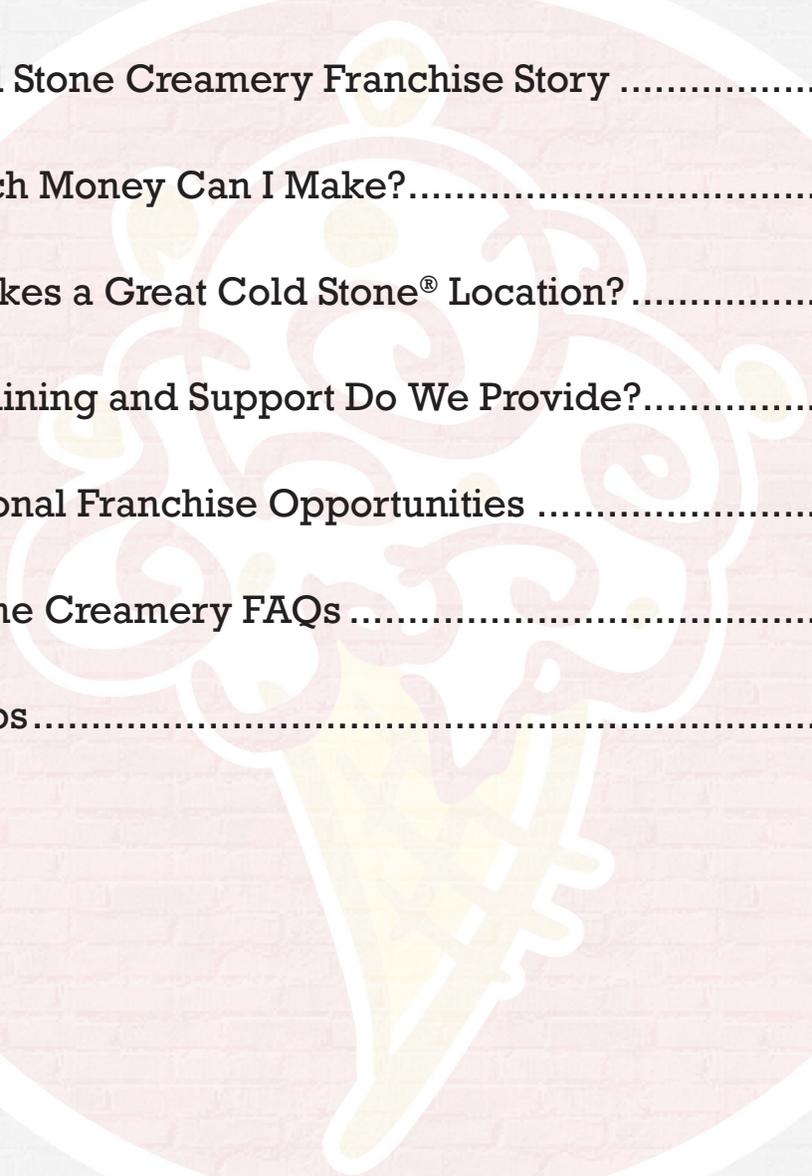


Franchise Information Report

This advertisement is not an offering. An offering can only be made by a prospectus filed first with the Department of Law of the State of New York. Such filing does not constitute approval by the Department of Law.

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What Is a Cold Stone Creamery® Franchise?

One of the nation's premier ice cream franchises is a beloved brand with an even brighter future

The Cold Stone Creamery ice cream franchise has captivated the sweet tooth of customers around the globe, and it continues to be a bright brand in the \$10.6 billion ice cream industry, according to IBIS World.¹ Doing business for more than 35 years, Cold Stone® has become a national institution, beloved for offering the Ultimate Ice Cream Experience®. Our brand's super-premium ice cream is made fresh in many locations across in the United States and around the world. As one of the pioneers of customization, Cold Stone Creamery allows customers to dream up their own ice cream treats, or choose from our wildly popular Signature Creations™. Better still, our customer service is not only exciting, with songs, cheers and dances, but it creates memories that will last a lifetime.



“Cold Stone Creamery is unique in the ice cream franchise space, because we make our ice cream in-house,” says Our Cold Stone Creamery Tastemaster™. “When our customers come to us, they’re getting ice cream that has been made for them in that very store. Our product is exceptional, and that is evident in the fact that millions of

¹IBIS World, “Ice Cream Production in the US - Market Size 2003-2027.”

people around the world love the experience they get at their local Cold Stone — and that number grows every day. The best part about Cold Stone is that we get to make people happy. If someone comes in having a bad day, they’re going to leave us with a smile. If someone comes to us on a good day, they’re going to go on and have a better day. That is what Cold Stone is all about.”

Ice cream is one of America’s favorite desserts. Ice cream has been an American favorite since George Washington was president. Not only do we spend 10+ billion on ice cream, Americans, according to the International Dairy Food Association eat more than 23 pounds of ice cream per year!²

“Our love affair with ice cream appears everywhere in popular culture: in the movies, on television, in songs, in literature — Americans turn to ice cream in good times and bad, to celebrate and to share in order to make life that much sweeter,” says our Cold Stone Creamery Tastemaster. “Ice cream is also unique because our love of it, our craving for it, stays with us throughout our entire lives. Cold Stone is very privileged in that our customers are grandparents with their grandchildren, teenagers on first dates, young families, old families, groups of friends celebrating birthday parties and victorious sporting events. Ice cream brings us together, and because it’s one of the only foods we eat in its frozen state, there’s literally nothing like it!”

Cold Stone is an iconic business model that is easy to run and easy to scale

Fad concepts offering the hot new desserts come and go, but ice cream will always be a part of American life. Not only is Cold Stone one of the nation’s premier ice cream franchises and a beloved institution around the world, but we are proud to say that our business model has helped hundreds of entrepreneurs realize their dreams of small

²International Dairy Food Association, “Ice Cream Sales & Trends.”



business ownership and take control of their own futures for over three decades.

Why does Cold Stone have staying power? For starters, Cold Stone has been designed to be easy to run and easy to scale. Our franchisees come to us with a passion for ice cream, an enthusiasm for our product and the desire to be a positive, meaningful force in their communities — and we teach them the rest. We provide a total of 120 hours of initial training, and our ongoing training continues throughout a franchisee's tenure with us. Cold Stone helps with everything from marketing to PR, to the development of business plans, to new and fresh products, to ongoing coaching and franchisee support.

“The beauty of Cold Stone is that anyone with business savvy and passion for our brand and the ability to follow our systems can build a bright future,” says John Wuycheck, SVP of Franchise Development with Cold Stone Creamery. “We don't require any experience in the restaurant industry or the service industry, because our training and support is so involved that we can teach any entrepreneur how to be a Cold Stone franchisee. Our brand has franchisees who have been with us since the beginning, many of whom have scaled

up to multiple locations. New franchisees are welcomed into the Cold Stone family with open arms, and the culture is inclusive, accessible and encouraging. Cold Stone is more relevant than ever, and our goal is to open hundreds of locations in North America and internationally in the coming years.”



The Cold Stone Creamery Franchise Story

How the ultimate ice cream franchise opportunity pioneered customization, exceptional customer service and the Ultimate Ice Cream Experience

Cold Stone Creamery was founded in 1988, by married couple Donald and Susan Sutherland in the college town of Tempe, Arizona. The Sutherlands were ice cream fanatics and traveled all over the world trying to find the perfect ice cream. Unsatisfied with the ice cream they discovered, when they returned, the Sutherlands set out to open a new ice cream shop that would be far different than the prepackaged, chalk-like ice cream they could get in the supermarket, or the prepackaged ice cream

that arrived in vats at their local ice cream shops in town. They wanted ice cream that was made in-house, on the very same day their customers came in to get a sundae or cone. The quest for the perfect ice cream franchise opportunity is the reason Cold Stone was founded, and it's why Cold Stone continues to enjoy rising popularity.

“What made us unique when Cold Stone Creamery was founded is what continues to make us unique today, which is the fact that we make our ice cream fresh,” says our Cold Stone Creamery Tastemaster. “What the Sutherlands discovered in the 1980’s still persists amongst a lot of our competitors, who bring their ice cream in tubs or vats, and the ice cream sits until they sell it or it goes bad. This key difference is why Cold Stone has such a heavenly taste, that perfect ice cream taste that you want when you’re in the mood for ice cream: we make the ice cream in the same store where you come in to get it.”



The Ultimate Ice Cream Experience and Pioneering Customization

Long before fast food and QSR restaurants began displaying ingredients before the customers, allowing them to pick and choose, Cold Stone® perfected the concept. Customers can pick and choose from brownies, OREO® cookies, gummy bears, Butterfinger®, Snickers® and more, alongside a dozen or so freshly made ice cream flavors such as Cake Batter™, Sweet Cream, Chocolate, Cheesecake and more to make their own individualized Creation™.

This revolutionary concept of customization set the standard for the rest of the food industry, but it also helped inspire the concept that Cold Stone Creamery is known for: The Ultimate Ice Cream Experience®.

“The Ultimate Ice Cream Experience is a 10-minute vacation®,” says our Cold Stone Creamery Tastemaster. “A guest walks into Cold Stone and is immediately welcomed, and their eyes dart over to our freshly made ice cream, they see the mix-ins, and they know they can create something that is perfect for them, or they can choose one of our iconic Cold Stone Signature Creations. Cold Stone Creamery crew members sing and cheer, encouraging laughter and friendly conversation, and when the customer leaves, they leave us with a smile. That’s our goal, really.

Our primary goal is to make people happy. The fact that people are happy when they leave us is one of the reasons why they come back.”

A Global Footprint

Cold Stone began franchising in 1994, and the result has been that Cold Stone is an iconic brand all over the world. When Kahala Brands™, one of the world’s most esteemed franchisors, with a portfolio of multiple international brands, including Blimpie®, took the reins of Cold Stone Creamery in 2007, the ice cream franchise became a giant. Cold Stone is in nearly 30 different countries around the world, and hundreds of locations across the United States.

“While the growth of Cold Stone has much to do with our phenomenal product and our commitment to exceptional customer service, the continued popularity of our brand is shared with our franchisees, who turn their dream of bringing Cold Stone to their communities into reality,” says Jay Goldstein, VP of Franchise Development with Cold Stone. “We support them every step of the way, and it shows in how our franchisees feel about their businesses and the Cold Stone brand. We’re proud to say that we have some of the most enthusiastic franchisees in any brand in any industry. We’re looking forward to growing this brand to many more communities in the years to come.”



How Much Money Can I Make?

The premier ice cream franchise is your chance to build a bright future as an entrepreneur with a beloved brand

Cold Stone is an exciting franchise in the rapidly growing ice cream segment, which generates \$10.6 billion annually in revenue according to IBIS World.¹ After more than 35 years in business, Cold Stone is still rapidly growing, with several locations in the United States and many more in countries around the world. Cold Stone is inviting new entrepreneurs with a passion for ice cream and the Cold Stone brand to join us as we rapidly expand at home and abroad.

“Cold Stone is a truly remarkable brand that has proven staying power,” says Jay Goldstein, VP of Franchise Development with Cold Stone Creamery. “Over the years,

we’ve helped hundreds of entrepreneurs become small business owners who now are continuing to spread joy in their community. That’s the best part about Cold Stone — not only is it a sound investment with tremendous support and an exceptional product, but it’s also a fun business to own. Our goal is to add hundreds of locations in the United States in the coming years. The future of Cold Stone is extremely bright!”

The initial investment estimate for a Cold Stone Creamery franchise ranges from \$57,200 to \$627,775. Cold Stone Creamery is far more affordable than other dessert or frozen-treat franchise concepts, and, more importantly, it has an iconic business model that has helped hundreds of entrepreneurs realize their potential of small business ownership while bringing the joy of artisanal, super-premium ice cream to their communities.

¹IBIS World, “Ice Cream Production in the US - Market Size, Industry Analysis, Trends and Forecasts (2024-2029).”



What Makes a Great Cold Stone Location?

One of the nation's super-premium ice cream franchises has decades of experience helping entrepreneurs find an amazing location

Selecting a location for your ice cream franchise is one of your most important business decisions, but don't worry. You won't make that decision alone. After more than 35 years and opening over several stores in the United States and many more around the world, Cold Stone Creamery has a lot of expertise in helping our franchisees select great locations.

This is how we do it:

Cold Stone Creamery stores' small footprint gives franchisees much more real estate flexibility than other dessert franchise concepts. Our brand's stores are typically established in shopping centers next to movie theaters and supermarkets, in strip malls next to coffee shops and local restaurants, and in mall food courts next to fast food chains.

Franchisees are guided through the real estate process to review traffic patterns, demographics, ease of access, visibility and many other items. Every site a franchisee selects is reviewed by Cold Stone Creamery for these items before it is authorized to proceed.

From there, you're on way to celebrating the grand opening of your new business! We can't wait to help you get there.



What Training and Support Do We Provide?

Cold Stone is passionately committed to the growth of your business

Franchising with Cold Stone Creamery means you'll never be alone in your business. As the world's premier ice cream franchise, Cold Stone's support network has launched hundreds of entrepreneurs without any experience in either the service industry or the restaurant industry into successful businesses in communities across the country and around the world.

"Cold Stone has one of the most robust training platforms in the entire franchise industry," says John Wuycheck, SVP of Franchise Development. "Our franchisees make real investments of both time and money to franchise with Cold Stone, and we honor that by going above and beyond in providing an exceptional initial and ongoing training platform. We've been helping entrepreneurs establish new Cold Stone businesses for a long time, and we've built an iconic business model that requires no previous experience to become a top performer. As a franchisor, we're honored to report that franchisee satisfaction is at an all-time high."

This is how we do it:

Initial training :

New franchisees attend KTEC (Kahala Training and Education Center). In addition, new franchisees spend two weeks in a store where we cover every aspect of their new business, including making the ice cream, preparing and serving Cold Stone Creamery products, managing inventory and supporting their business through savvy marketing.

On-the-job training :

New franchisees spend 80 hours in a store to learn the ins and outs of the business, including how to correctly prepare and serve our products. Cold Stone also hosts monthly check-ins to help you meet your goals, to offer assistance and to ensure you have all the tools necessary to improve your business every day.

Ongoing training:

Cold Stone will meet with you regularly to help you and answer any of your questions. Every new franchisee receives monthly check-in calls from a Regional Director of Operations or Area Developer.

Ongoing marketing assistance:

Cold Stone franchisees have access to in-house marketing and public relations teams, which significantly reduces expenses. These teams help with national, regional and local marketing, along with public relations from the grand opening through the life of the business. We train franchisees to manage their stores' social media accounts, including Facebook®, Twitter® and Instagram®.



International Franchise Opportunities

The premier ice cream franchise is rapidly expanding around the world

Cold Stone Creamery is an international treasure. The iconic brand has hundreds of locations in nearly 30 international markets around the world, and the beloved ice cream franchise is actively seeking Master Franchisees in Africa, Asia, Australia, Central and South America, Europe, North America and beyond to bring the Ultimate Ice Cream Experience® to their countries.

The Ultimate Ice Cream Experience is the reason why Cold Stone Creamery is beloved around the world. Take a trip to Japan, Philippines, the Middle East, or any one of the hundreds of locations where Cold Stone Creamery Master Franchisees are growing their business and you'll discover one thing that is true everywhere you go: Cold Stone Creamery is in the business of making people happy.

The Ultimate Ice Cream Experience begins as soon as a customer walks through our doors; they're greeted with big smiles and winning personalities, who are going to cheer them on, and amaze them with the theatricality of how we prepare their treats. There's a reason why videos of our

customer service have gone viral: where else can you see ice cream being thrown high into the air only to land perfectly in the cup or on the cone? Where else can you see employees singing and cheering with genuine enthusiasm? Our customer service is designed not only to make a great day even better, but it's designed to make memories that last a lifetime.

Then there is our ice cream! Our super-premium ice cream has won worldwide acclaim for being made fresh in-store. As one of the pioneers of customization, Cold Stone Creamery allows customers to dream up their own ice cream treats, or choose from our wildly popular Signature



Creations™. Beyond ice cream, we also offer a wide variety of shakes and smoothies as well as our handcrafted ice cream cakes. Cold Stone Creamery is also sensitive to the markets we enter by working with our Master Franchisees to create flavors and treats that cater to the local population.



“Ice cream is the dessert that’s loved universally,” says Eddy Jimenez, SVP of International Operations & Development with Cold Stone Creamery. “Our goal internationally is to make people happy



wherever we go, and we look for Master Franchisees who share our passion to deliver the Ultimate Ice Cream Experience. We’ve successfully expanded the Cold Stone Creamery brand to hundreds of locations around the globe, and there are still plenty of great territories available as we continue to grow our wonderful brand across the world.”

Why investing in Cold Stone Creamery is a best-bet anywhere in the world

Franchising with Cold Stone Creamery means you’re never alone in your business, no matter where you are in the world. We’ve developed a robust international training platform, including 3-4 full weeks of education at our headquarters in Scottsdale, Arizona, to help make you an expert in all aspects of your Cold Stone Creamery business, and have built a dream team of professionals to assist you in everything from operations, marketing, training, logistics and supply chain that will work hard to help your business thrive.

“Our international Master Franchisees are some of the most experienced restaurant operators and retailers in the world. We believe combining our know-how in creating the Ultimate Ice Cream Experience with their unique knowledge of their country’s culture and retail community creates the best recipe for success.”

Become a Master Franchisee with Cold Stone Creamery

Cold Stone Creamery is actively seeking Master Franchisees with the following qualities and experience:

- Currently involved in Food & Beverage, Retail, or other service related business
- Currently operating multiple stores; multiple concepts a plus
- Must possess a thorough knowledge of the marketplace and have the ability to bring in a proven management team
- Have successfully introduced & developed other F&B or Retail concepts
- Fully understand import/export regulations for your country and the US
- Have enough working capital for this project



Cold Stone Creamery Master Franchise FAQs

Cold Stone Creamery is led by an executive team that has over 120 years of combined experience in the food & beverage service industry, and has helped grow hundreds of brands around the world. If you're interested in pursuing a Master Franchisee Opportunity with Cold Stone Creamery, you'll soon be speaking with Eddy Jimenez, SVP of International Operations & Development with Cold Stone Creamery. As a way of introduction, Eddy provides answers to some of the most common questions about Cold Stone Creamery's international opportunity below:

What makes Cold Stone Creamery a great opportunity across the globe?

Cold Stone Creamery is a tremendous opportunity, as our passion is to provide the best ice cream in the world, served in the world's most unique manner. Our ice cream is made fresh daily, mixed with any of dozens of delicious mix-ins, and served in a freshly made waffle cone or bowl. Our brand is tremendously flexible and we have locations of every size, from multi-story locations to smaller kiosks. Cold Stone Creamery is adapted to the local flavors of each country, whether we're featuring our Founder's Favorite® Creation™ in the US or Freak Shakes in Egypt.

Is there a demand for super-premium ice cream internationally?

Yes! We have inquiries from countries all around the globe every week asking us to bring Cold Stone Creamery to their homes. One of our recent openings in India had over 4000 attendees at the grand opening. We're looking forward to similar

success as we grow our brand in new countries across the world. Ice cream is universal and Cold Stone Creamery super-premium ice cream is universally craved.

How does Cold Stone Creamery retain its culture as it expands around the world?

It starts with the great staff at Kahala Brands™ and the great Master Franchisees who sign up. The culture is one of the many factors that sets Cold Stone Creamery apart from the competition and everyone at Kahala Brands and our Master Franchisees understands that success is derived, in part, from bringing the Ultimate Ice Cream Experience to every customer. We constantly work with our master franchisees to ensure the brand's core remains in place as they build new stores, bring in new employees and earn wonderful new customers. Our Global Business Conference, where we bring in our Master Franchisees from around the world, features the Global Creamery Cup competition. The Global Creamery Cup is an international competition where Cold Stone Creamery crew members show off their best singing, dancing and entertaining moves that help them deliver the Ultimate Ice Cream Experience.

What support does corporate provide for Master Franchisees?

From the opening conversation, the support for our Master Franchisees is non-stop. We have dedicated project managers that oversee the opening process, to dedicated training staff and Directors of International Operations. We support our Master Franchisees with product development, marketing support and business development. Our team members each have averaged over twelve years with Cold Stone Creamery and many more in the restaurant industry before that. We

visit each franchisee and maintain constant phone and email communication with them.

What is the size of the investment?

It takes a strong investment to bring Cold Stone Creamery to a new country. We expect that our Master Franchisees have the infrastructure to help develop the Cold Stone Creamery brand in a new country, whether from a human resources perspective of hiring the right people to the knowledge of importing products to the capital to build out stores and populate the market. A strong Master Franchisee candidate will have a food and beverage or retail background and enough capital and resources to provide a smooth and successful launch of the brand.

What kind of support do they have to provide to their sub-franchisees?

Most of our Master Franchisee community have developed their markets via a company owned business model. For those Master Franchisees that are awarded the rights to sub-franchise, they need to build the infrastructure that will be able to support their sub-franchisees successfully. They need to be able to identify great candidates, train them on the brand standards and help them on A to Z business plans. They

need to be able to coach sub-franchisees as much on the business model as they do the brand standards. Franchisees are signing on for a big commitment and a Master Franchisee must recognize those needs and be able to help a franchisee not just be able to sell ice cream, but develop and grow their businesses.

How successful are the Master Franchisees? What makes them successful?

Several of our Master Franchisees have recently renewed their agreements as they came upon the end of the original franchise agreement term – I think that clearly demonstrates their successes. What makes them successful? Truly, it is embodying the Ultimate Ice Cream Experience®. Our Master Franchisees have learned how to keep what makes Cold Stone Creamery successful as a super-premium ice cream brand but at the same time, adapt to the wants and needs of their local customers. That could mean a different look for the stores, other non-traditional locations, new flavors and products and even expanding the brand into licensed products. Success, like great customer service, is a never-ending pursuit and neither we nor our Master Franchisees ever rest on our laurels.



Cold Stone Creamery FAQs

Answers to common questions about our Cold Stone franchise opportunity

How much does a Cold Stone franchise cost?

The total investment estimate for a Cold Stone Creamery franchise ranges from \$57,200 to \$627,775. Cold Stone Creamery is an affordable investment, especially in the frozen dessert space and, more importantly, it has a business model that has helped hundreds of entrepreneurs realize their potential of small business ownership.

What are the net worth requirements?

To franchise with Cold Stone, a candidate needs a minimum of \$250,000.

How much liquid capital do I need?

Cold Stone requires candidates to have minimum liquid capital of \$125,000.

Does Cold Stone provide financing?

Cold Stone Creamery has relationships with third-party sources which offer financing to cover the following: franchise fee, startup costs, equipment.

What is the royalty fee?

The ongoing royalty fee is 6% of gross sales.

How much is the advertising fee?

The ongoing advertising fee is 3% of gross sales.

What kind of experience do I need to open a Cold Stone franchise?

None! Cold Stone requires no previous experience in either the restaurant industry or the service industry, only the desire to follow our business model and the ability to be a passionate advocate for Cold Stone in your community.

What kind of training does Cold Stone provide?

Cold Stone Creamery has helped hundreds of entrepreneurs realize their dreams of small business ownership. Because Cold Stone Creamery doesn't require prior experience in the restaurant industry, we make training, coaching and education an ongoing part of being in the Cold Stone family. New franchisees attend KTEC (Kahala Training and Education Center). In addition, new franchisees spend two weeks in a store where we cover every aspect of their new business, including making the ice cream, preparing and serving our products, managing inventory and support their business through savvy marketing. Cold Stone will host monthly check-ins to help you meet your goals, to offer assistance and to be there to ensure you have all the tools to make your business a success.

I've never marketed a business before. Does Cold Stone provide assistance?

Cold Stone franchisees have access to in-house marketing and public relations teams, which significantly reduces expenses for franchisees. The teams help with national, regional and local marketing and public relations from the time of grand opening onward. We train our franchisees to manage social media accounts for their stores, including Facebook®, Twitter® and Instagram®, to name a few.

I've never built a store before. Does Cold Stone provide assistance?

The Cold Stone Creamery team will guide you through all phases of site selection, lease negotiation, construction, training, grand opening and ongoing processes for marketing and operations.

How do I find premier locations for my new store?

Our Area Developers and real estate teams assist you in securing the best locations in each city. Once you become a franchisee, you can also work with the Cold Stone Creamery team to research and suggest outstanding Cold Stone Creamery sites.

What if there's already a Cold Stone in my community?

Cold Stone has mapped out a range of site opportunities globally. If a store already exists in your area, there may be enough local demand to support more stores. Ask your Area Developer or Franchise Development Manager to discuss potential opportunities.

What steps do I need to complete to franchise with Cold Stone?

Below is an outline of the steps you will encounter when opening a Cold Stone Creamery.

- Complete our application
- Sign your franchise agreement
- Secure your location and build your store
- Train
- Open your store



Next Steps

Ready to bring a Cold Stone Creamery franchise to your community?

Once we determine you're financially qualified and we're a good fit for each other, you'll sign your franchise agreement and we'll hit the ground running! We will schedule your weeklong training experience at KTEC, which will cover everything you need to know about our business, including creating a business plan, managing inventory and supporting your business through savvy marketing. In addition, new franchisees will spend two weeks in a store to learn the ins and outs of the business. Cold Stone Creamery will host monthly check-ins to help you meet your goals, offer assistance and be there to ensure you have all the tools necessary to begin your journey with the Cold Stone Creamery franchise family.

We are looking forward to hearing from you and are excited that you're interested in bringing Cold Stone Creamery to your community as we rapidly expand across the nation and around the world.

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