



Cold Rock joins Mr Whippy stable

by Nick Nichols
business editor

GOLD Coast ice-cream chain Cold Rock has been swallowed in a private deal by the owner of Mr Whippy.

The buyout, which has been 12 months in the making, also brings back into play former Brumby's Bakeries managing director Michael Sherlock, who has been appointed executive chairman of Cold Rock's new owner, the Melbourne-based Franchised Food Company.

Mr Sherlock, who was ousted from the top job at Brumby's in 2007 after a bitter takeover battle, is poised to help steer FFC to future acquisitions in the fast-food market.

The position will pitch Mr Sherlock against his arch rival, Retail Food Group's chief executive Tony Alford, in the pursuit of new business targets.

Retail Food Group won control of Brumby's in 2007 in a \$47 million takeover opposed by Mr Sherlock and his management team.

But Mr Sherlock was beaming yesterday, excited by the prospect of a new venture in a field he knows well.

Mr Sherlock has taken an equity position in FFC, but yesterday would not disclose the purchase price for Cold Rock.

The business recorded total group sales of \$34.78 million in the 2009 financial year, up from \$27.5 million a year earlier.

Mr Sherlock, who has close business ties to the Gold Coast, said Cold Rock would remain headquartered at Arundel.

"We'll have a support office in Melbourne," he said.

Cold Rock has 87 stores in its stable around Australia, up from about 50 a year ago.

"The idea is to continue to

expand," said Mr Sherlock.

"We've only just put our feet under the table this morning, but we've hit the ground running."

Mr Sherlock said news of the deal coincided with a Cold Rock national franchisees conference being held on the Gold Coast this week.

Apart from Cold Rock and Mr Whippy, FFC also operates Pretzel World.

FFC founder Stan Gordon said Cold Rock had 'enormous potential' for growth.

"It sits well alongside our existing brands," he said.

Mr Gordon said it also would allow FFC to negotiate with suppliers.

He said Mr Sherlock's experience in franchising would be 'invaluable' to the group. Mr Sherlock had 29 years with Brumby's, nine of them as its managing director.



Buyout... Cold Rock's Michael Sherlock at the Surfers Paradise store yesterday