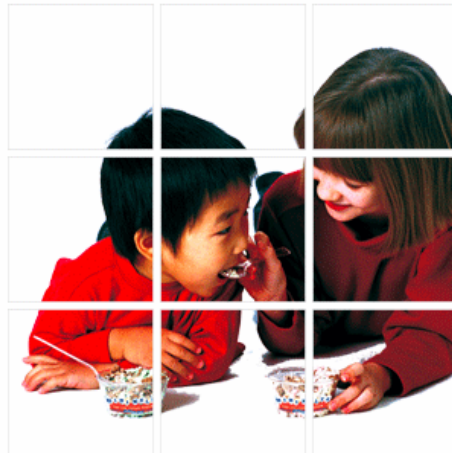


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## Info Pack 2010



[www.MinimeltsBC.ca](http://www.MinimeltsBC.ca)



## INTRODUCTION

Mini Melts BC is the exclusive distributor of Mini Melts patented cryogenically frozen ice cream in British Columbia. Mini Melts has grown rapidly since its inception in early 2005. Mini Melts ice cream is distributed through BC in dozens of retail locations ranging from permanent mall installations, to seasonal vending carts, to mobile festival trailer units. Future plans include many more retail locations as well as numerous automated vending machines.

Mini Melts "The Ice Cream Dream" offers something exciting and new. This is a super-premium kernel-shaped ice cream with a unique texture and flavour that has been flash frozen through a special manufacturing process which locks in all the flavour and taste. The end product is served and stored at an extreme low temperature of  $-40^{\circ}\text{C}$ , the result being an outstanding cold sensation while the ice cream melts in your mouth. "Worlds Coldest Ice Cream"

Mini Melts are manufactured around the world in twenty-eight different countries using specialized high tech equipment. The finest quality of ingredients and the richest cream content in Canada makes Mini Melts one of the highest quality ice cream products in the world.

Mini Melts are manufactured using cryogenics. Cryogenics use liquid Nitrogen (which is totally inert and tasteless) to instantaneously freeze Mini Melts to less than  $-187^{\circ}\text{C}$ ; this is close to the coldest temperature achievable on earth. This rapid freezing process enables Mini Melts to "lock in" the flavour, while specialized storage freezers are used to guarantee the highest flavour and quality are maintained.

Mini Melts ice cream is a patented product; Tom Mosey (the President and CEO of Mini Melts) and Nick Angus have been awarded a United States patent for a method of rapidly producing cryogenically frozen dessert particles. This patent #6,349,549 was awarded on February, 26 2002 by the United States Patent and Trademarks Office.



## PRODUCT

Mini Melts are uniquely shaped, come in a wide variety of colours and are currently available in ten different flavours:

- vanilla
- chocolate
- strawberry
- mint chocolate
- creamy dreamy orange
- cookies & cream
- banana split
- mango
- cotton candy
- (non-dairy) tropical ice

This unique shape and texture makes Mini Melts quick and easy to serve, to maximize sales and minimize product over-serving. Consuming Mini Melts is much cleaner than "ordinary" ice cream, especially with young children. We frequently have parents tell us "my child had your Mini Melts and he's actually clean".

Ice cream conjures emotions of nostalgia, but not all ice creams are created equally. Most are plain and lack depth of flavour, Mini Melts offers something wholly different. It's colourful, kernel-shaped and is designed to give consumers levels of flavour and enjoyment unparalleled by any other ice creams.

The taste and quality of ice cream is determined by the quality of ingredients, the speed at which the product is frozen and the amount of air that is whipped into the product. Mini Melts has scoured the world in search of the highest quality ingredients and maintains a cream content of 14%, while flash freezing the ice cream mixture in a split second locks in all the flavour. Furthermore, serving Mini Melts does not require scooping because there is no air whipped into the mix, resulting in a mouth watering exceptionally pure ice cream, "The Ice Cream Dream".



Mini Melts is served in three different sizes: a 3.5oz small, a 5.0oz medium and an 8.0oz large. Each cup is clear with an imprinted Mini Melts logo and is designed to ensure correct portioning and to minimize product over-serving. Also for an additional charge, Mini Melts can be served in a waffle bowl that can also be eaten.



## MARKET SIZE & TRENDS

Canadians are the fifth highest consumers of ice cream per capita in the world. Currently on average each Canadian consumes over 9.0 litres of ice cream annually. The ice cream market is well established and mature; ice cream has become a staple and is readily available in numerous forms through various distribution channels, ranging from grocery stores to ice cream parlours. In the last decade little innovation has taken place aside from new flavour introductions and new packaging. As a result, combined with our aging population, overall ice cream sales growth has flattened and most recently declined by 2-3%. However, novelty/premium ice cream category sales in the same time period show a 4% growth year after year.

Mini Melts, a truly new and innovative product, is ripe for rapid growth in Canada. Sales are sky-rocketing in the United States and in other nations around the world. As with most innovative products and services originating in the US, it takes a few years to cross the border into Canada. Mini Melts are now here and Canadian consumer response has been very positive.

Mini Melts was initially launched in Ontario in 2004. All distribution locations have achieved higher sales than forecasted and the product has been well received by the public. In many cases, people are coming back for seconds and thirds after trying Mini Melts for the first time. Several existing Canadian locations hold a worldwide Mini Melt sales record for most units sold in a single day, over 3000 units.

In the US, 60% of ice cream revenue comes from purchases made outside the home which accounts for 40% of the ice cream production. While 60% of the volume is consumed at home, it only accounts for 40% of all ice cream revenues. These statistics highlight the fact that people are treating themselves to premium novelty ice creams while spending time outside their homes.



## Demographics

There are four primary consumer segments that Mini Melts is targeting, children, teenagers, young urban professionals and tourists.

### Children

The age range for the children segment is four to twelve. This market is especially important because of their influence on parental spending. Since ice cream is an impulse buy, children will likely influence their parents purchasing decisions. This is important in destination locations for children such as theme parks, malls and special events geared towards children. In BC, this age group represents approximately 380,000 individuals or 9% of BC's population.

### Teenagers

The age range for the teenager segment is thirteen to nineteen. These are educated youth with access to local media. Teenagers are among the first group of individuals that are willing to try a new innovative product. If the product is marketed as something new and hip and becomes part of their culture, they will continue to purchase the product when they are out with their friends. In BC, this age group represents approximately 763,000 individuals or 18% of BC's population.

### Young urban professionals

The age range for the young urban professional segment is twenty to thirty-five. This group of individuals represents a group with a large amount of disposable income. They also spend the most amount of money on entertainment and food items such as ice cream. Within this group are families with double incomes and no kids. These individuals have more purchasing power and are willing to spend their after tax dollars on new innovative products. In BC, this age group represents approximately 579,000 individuals or 14% of BC's population.



## BUSINESS OPPORTUNITIES

As well as having a truly unique and exciting product, Mini Melts BC has developed a range of business opportunities to allow the right individuals to become our business partners by rapidly building an extensive distribution network for Mini Melts in British Columbia.



Mini Melts BC grows its product distribution network through a licensing structure. Locations throughout BC will be licensed to selected business partners to run and operate as their own businesses. Five separate licensing options are available in certain markets:

- shopping centre retail kiosks,
- seasonal retail kiosks,
- special events vending kiosks,
- automated vending machines
- M2 implant packages for existing retail establishments.

Although each location will be licensed separately, one business partner may own licenses for multiple locations.

## Season Retail Kiosks

Mainly located in outdoor environments, seasonal retail kiosks are limited to the spring and summer seasons, operating between April and October each year. Seasonal kiosks are found at ferry terminals, tourism destinations, beaches and many other high traffic locations. The seasonal stainless steel kiosks are designed to be an attractive and efficient means of selling Mini Melts ice cream, while being durable enough to withstand the harsh outdoor environment. Each kiosk is equipped with a serving freezer, triple sinks with potable hot and cold running water, a cash register and storage space for items such as cups, spoons, and napkins. The kiosk is also mounted on heavy-duty wheels for ease of movement and set-up. The kiosk occupies less than 35 sq.ft. of space with the kiosk dimensions being approximately 7' x 3'.



## Vending Machines



Vending machines are due to arrive in this winter, with a full roll-out scheduled for early 2007. Mini Melts vending machines can be found in amusement parks, malls, family fun centres, bowling alleys, miniature golf courses, skating rinks, water parks, and many other family oriented venues throughout the US. Each vending machine contains 4 flavours of Mini Melts that are pre-packaged with a serving spoon and are sealed with a foil top. Mini Melts BC will offer a turn-key vending package to business partners in which they will place and maintain vending machines throughout the province.

Each vending package will include the following items:

- Specialized -40°C vending machine
- 1 storage chest freezer on wheels
- Three delivery coolers
- 1 delivery dolly
- 2 uniform sets
- Training & set-up support

## m2 Implant Packages

In addition to the retail stores, retail kiosks and vending machines, Mini Melts BC will select 30 existing retail establishments to sell Mini Melts ice cream within their business. Each location will be selected based on customer demographics and strength of the existing business. The M2 Implant is designed to be easily deployed with minimal space requirements. Each implant operator will be trained how to serve and store the product, with the practical component completed on location. In most cases, the M2 Implant package is purchased, or leased; in certain cases other business arrangements may be available.



## Special Events Unit

Special events and festival units are available to individuals that are seeking a seasonal business while enjoying the winter off. Throughout the spring and summer seasons, many cities and towns hold festivals ranging from agricultural fairs, kid's festivals, rodeos, folk festivals and many more. Mini Melts offers turn-key special events trailer unit that include all the necessary equipment, training and festival booking support. (For more details please contact Mini Melts BC directly)

## Training Program

A comprehensive training program must be completed by all business partners to assure that Mini Melts product is served professionally and efficiently. The aim of the training is to maintain consistency for our customers, whether a person buys a cup of Mini Melts in Victoria or Kelowna the experience must be consistent.

The training program will focus on product knowledge: how Mini Melts is produced, product differences, product handling, our business partners will become Mini Melts "Ice-Creamologists". In addition to product knowledge, other training will include customer relations, food safe, and complaint management. Each business partner will be responsible for the initial and ongoing training of their staff in accordance with Mini Melts guidelines with an emphasis on exceptional customer service.



## CONTACT INFORMATION

For further information and to find out about existing opportunities in British Columbia please contact us by telephone or e-mail.

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Appendix A



**Kits Beach - Vancouver**



**Woodgrove Centre**



**Downtown Vancouver**



**BC Festival & Events**



**Niagara Falls**



**Toronto Harbour Front**