For Immediate Release



Cereality's® Roth Gets Into the "Broth"

Cereality[®] Cereal Bar & Café Founders Featured in "Chicken Soup for the Entrepreneur's Soul"

Chicago, September 13, 2006 – While Cereality[®] Cereal Bar & Café might seem like a brilliant idea today – with cafes, e-commerce, franchising and unique business partnerships on the balance side of the ledger, at one point it was just a dream.

With all the notoriety the founders have received for inventing a whole new category in the restaurant industry, it was the call from the editors of the wildly successful "Chicken Soup for the Soul" series that was one of their most meaningful acknowledgements—as it allowed them to tell a more personal story. David Roth, Cereality's CEO and co-founder, penned the essay, one of 59 fascinating pieces by entrepreneurs found in the series' latest title, "Chicken Soup for the Entrepreneur's Soul: Advice & Inspiration for Fulfilling Dreams" (Health Communications, Inc., \$14.95 trade paperback, pub date: September 19, 2006).

Found in the book's chapter on successful partnerships, "See Reality" tells the story of how Roth and co-founder and chief creative officer Rick Bacher created the phenomenon known as Cereality Cereal Bar & Café after a series of simple observations and "aha" moments. Launching the idea of an "all cereal, all day, all ways" ™ concept, in the face of skepticism from both the restaurant and cereal industries, Roth and Bacher held steadfast on their business philosophy that it's about transporting cereal from commodity to experience: "It's about the emotional ties surrounding the cereal meal—the rituals and habits, the loyalties to a particular product, the mood and ambience."

Preparing for the Entrepreneur "Race"

Roth also shares how entrepreneurial life had always been a "calling" even when he was working in the field of organizational psychology, fresh out of his Master's Degree program at Harvard. However it was his learning experience with a start-up culinary travel magazine that proved to be critical in the success of Cereality.

"First-time entrepreneurship is like riding a bike for the very first time," Roth recalls prospective investors telling him. "You're now ready for the triathlon."

Armed with a business plan built on the sound advice of hand-picked restaurant and retail consultants, seed money from their savings and a few angel investors, they were able to convince executives at industry giant Quaker Oats and parent company PepsiCo to back their initiative. The duo set out to prove that people had very strong and unique personal relationships with cereal and there was a good chance that a big business could succeed

if they could create a home for cereal away from home where it would feel like "it's always Saturday morning." The company opened its pilot kiosk (160-square feet) in the Memorial Union Building on the campus of Arizona State University in August 2003.

Today, Cereality not only owns and operates three prototype cafes with more scheduled to open later this fall, it has also begun a robust franchising program to develop sites throughout the U.S. and abroad. In addition to the cafes, Cereality has designed, in partnership with Dodge, an innovative mobile retail fleet known as the "Cereality Sprinters." The company offers local and long-distance catering for special events, creates unique bakery goods as premiums for major corporate clients, has a thriving online business, and is actively signing deals to license the Cereality name for all sorts of innovative products slated for mass market distribution.

Among the other entrepreneurs in "Chicken Soup for the Entrepreneur's Soul" are companies large and small – from Tom Chappell, co-founder of Tom's of Maine to Jim McCann of 1-800-FLOWERS to Food Network TV star and bestselling cookbook author Paula Dean. Each story – some told for the very first time – will help readers think about new methods of entrepreneurship or provide inspiration to even consider turning a dream into a business.

About Cereality

Cereality is the first restaurant business to ever break the mold of traditional foodservice to bring a unique, highly personal, healthy eating experience to the consumer, entirely focused around brand-name cereals. One of the most compelling aspects of Cereality is that the menu offerings are already famous, with favorite brands from Quaker Oats, Kellogg's, General Mills, Post, and Nature's Path.

Customers can choose from more than 30 different cereal varieties, over 40 different toppings, a variety of milks (including soy and lactose-free) and choices of hot and cold beverages. The menu also features a wide range of popular signature Cereality blends of cereals, toppings, and mix-ins. These include many delicious made-to-order varieties of Quaker Oatmeal[®].

Yet, these cereals aren't served just in bowls. They're also used in proprietary cereal bars and other homemade bakery items, snack mixes, granolas, parfaits, and smoothies. The unique residential, home kitchen atmosphere is punctuated by familiar brand-name cereal boxes displayed in custom-built kitchen cabinets and pajama-clad Cereologists™ prepare orders to customers' specifications.

For photos of Cereality's various locations or for more information, go to www.cereality.com.

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