

# THE WALL STREET JOURNAL.

## Kellogg Aims to Give Cereal Snap, Crackle, Pop Beyond Breakfast

As sales decline, the company says it is opening a 5,000 square-foot store in Manhattan to push cereal ‘forward to the modern age’ *CHARLES PASSY* – December 12, 2017



For many Americans, the morning bowl of cereal is a simple affair. But at Kellogg’s NYC, a 5,000-square-foot cereal “café” set to open Thursday in Manhattan’s Union Square neighborhood, that bowl is designed to be a template for gourmet creativity.

Restaurant-industry insiders say the rent easily could top \$1 million annually, which, in turn, could make turning a profit a challenge.

That is especially true given the relatively low pricing of the café’s menu items – a bowl of cereal runs \$1.50-\$7.50 – and the fact that patrons are encouraged to linger.

Behind the goal is a stark reality: Cereal consumption has been on the decline for several years, as Americans turn to other foods such as Greek-style yogurt, for their morning meal.

“It will attract people who spend their whole day on their laptops and don’t spend money,” said Arlene Spiegel, a New York-based restaurant consultant.

Still, the Kellogg’s NYC team says they see a path to profitability. They note the space could be used for events. “The revenue is not just cereal sales,” Ms. Sandra Di Capua, one of Co.create NYC’s partners noted. ●