

# THE WALL STREET JOURNAL.

## As Sales Cool, Frozen-Dessert Chain Tries New Twists on Treats

16 Handles introduces concoction of frozen yogurt, cotton candy and rock candy

CHARLES PASSY – July 28, 2018



At the New York-based frozen-yogurt chain 16 Handles, the main draw has always been the self-serve aspect.

But this summer, patrons at the 10-year-old chain's East Village location may be surprised to find a soft-serve machine positioned behind the counter. It is reserved for a special new line of frozen treats, dubbed Sugalips, that employees are charged with making.

Included in the offerings: an outer space-inspired Galaxy Cone, priced at \$8.95, that combines frozen yogurt, cotton candy and rock candy, a colorful dessert designed with the food-on-social-media era in mind.

The addition is a conscious effort by the chain to freshen its image. And it comes as 16 Handles has seen its same-store sales decline in each of the past three years, according to the company's founder and CEO.

Restaurant-industry experts say it is no secret why 16 Handles is being forced to innovate. For starters, the concept of self-serve frozen yogurt is no longer seen as novel. But even more important: Frozen yogurt isn't the trendy dessert it once was.

Artisan ice-cream companies, offering a wave of creative and even vegan flavors, are commanding increased attention. So, too, are makers of multicultural frozen treats, such as Thai-style rolled ice cream.

**"The audience has grown up and become discerning,"** Arlene Spiegel, a New York-based restaurant consultant, said of frozen-dessert customers.

While such changes might help bring frozen-yogurt chains a broader clientele, experts warn there is a risk of alienating the regular customer base if a company goes too far. ●