



U.S. Franchise Opportunities

The UPS Store franchise opportunity offers rewarding potential. As a franchisee of The UPS Store, you have the advantage of joining an innovative network with more than 25 years of retail and franchising experience and the power of one of the world's most admired and recognized brands.

The UPS® brand resonates strongly with current and potential customers and is among the top brands in the world. *Forbes*® ranked UPS ninth out of the 25 "Most Valuable Corporate Brands." in 2007, *Entrepreneur* magazine's annual "Franchise 500" ranked The UPS Store and MBE #1 in the Postal and Business category for the 17th consecutive year.

With over 5,800 The UPS Store and Mail Boxes Etc. locations around the world and opportunities in more than 75 countries and territories, our network is the global leader in its market. Our network revenues exceed \$1.8 billion annually.

Seeking the Best

We are looking for qualified men and women who have the ambition and drive to be successful. Qualified candidates for our franchise include people who enjoy working with the public, know how to provide the world-class customer service expected from one of the world's most well-known brands, are comfortable with technology, have experience working with budgets – either for business or personal – and are comfortable following established business guidelines.

If you have these qualities, we invite you to take the next step in finding out if The UPS Store franchise is the right business for you by completing our no-obligation online application today.

The minimum financial qualification to purchase a The UPS Store franchise includes \$60,000 in liquid capital (cash, stocks, bonds, mutual funds, retirement accounts, a gift from a family member or friend, or any other non-borrowed source) from all applicants combined. However, based upon your area of interest, this amount could vary between \$60,000 and \$100,000 due to market conditions. English proficiency is a requirement for franchise ownership; applicants may be required to take and pass an English proficiency exam.

Products and Services

An example of some of the products and services you would provide as a franchisee of The UPS Store include:

- Mailbox Services
- Digital Printing & Document Services
- Packaging and Shipping
- Moving Supplies & Packaging Materials
- Additional Products and Services

Ready to take the next step?

The UPS Store franchise opportunities are available across the entire U.S. To speak to a local representative about The UPS Store franchise opportunity, complete the Online Application. Submitting the application does not obligate you in any way.



Features & Benefits

Some of the benefits you will receive as a The UPS Store franchisee include:

Unparalleled Brand Recognition

With the UPS brand on your storefront, both current and prospective customers will associate your business with one of the most recognized brands in the world: As a franchisee you'll have national, regional and local marketing campaigns designed to increase brand awareness and drive customers to your store. Further, our relationship with UPS allows us to be included in exciting marketing initiatives.

Financing Assistance

We offer a program to provide financing for newly qualified franchisees to assist with the purchase of fixtures and equipment (loans made pursuant to a Department of Corporations California Finance Lenders License). Established relationships are in place with several preferred lenders, including SBA lenders, to assist with financing everything from supplies to working capital.

Real Estate Development

A combination of over 25 years of experience and demographic research assist you in selecting the best location for your store.

Store Design and Construction

We furnish a proven floor plans and fixture systems adaptable to any site and standardized design applications with a consistent image.

Training

The UPS Store University offers a multi-phased, learning program that focuses on developing the business management, technical, conceptual and diagnostic skills necessary to grow your franchised business.

The University program includes two week-long, in-store training sessions and an eight-day course at our corporate office in San Diego, CA.

Ongoing Support

Our experienced team of support personnel can help you make the most of your time and effort. From day-to-day operational assistance to local marketing and network support, our local representatives will be there for you every step of the way.

Pre-established Corporate Customers

Corporate Retail Solutions (CRS) has a dedicated sales force that works exclusively with medium and large Fortune 1000 companies. As such, they work in conjunction with other UPS sales groups to develop and deploy integrated solutions that can result in additional customers for your store. These solutions include returns and exchanges, Alternate Delivery Location (ADL) and business services.

Technology Development and Support

UPS is committed to enhancing business and improving efficiency through advances in technology. Using one of the world's most sophisticated digital information systems to deliver more than 13 million packages and documents each day and spending more than \$1 billion annually on information technology, UPS provides its customers unparalleled capability in tracking and distribution intelligence.

At The UPS Store, a network system connects all locations to the corporate office. This link enables you to focus resources, solve problems and keep abreast of industry trends. It also supports our aggressive CRS initiatives described above.

To enhance efficiencies, The UPS Store has developed many programs to assist in the day-to-day operations and management of a center. The Point of Sale system allows for the capture of customer information, up-to-the minute management reports and is integrated with the Counter Manifest System, which is used for processing packages. Financial planning tools allow you to import your center financial data to run additional reports for analyzing and forecasting purposes. In addition to these programs, there are several others designed to help in the operations of your center.

We offer all this, plus the benefit of a dedicated support staff to assist you with business hardware and software questions.



Special Opportunities

For more information about any of the opportunities below, please fill out our Confidential Franchise Application and a local representative will contact you to discuss the opportunity.

Vet-Fran

The Veterans Transition Franchise Initiative ("Vet-Fran") allows military veterans the opportunity to own a franchise business. We, in conjunction with the International Franchise Association (IFA) and the Small Business Administration (SBA), have created a special program for veterans. As a military veteran, you have the skills and drive that we are looking for in a franchisee. As our way of saying thank you for your service to our country, veterans receive a special discount towards the franchise fee for a new location.

We are proud that The UPS Store has licensed more franchises under the Vet-Fran program than any other franchise company. Over 100 veterans have opened their very own The UPS Store since 2003.

Multiple Center Ownership

Over 30% of our franchisees currently have ownership in more than one location. Owning more than one The UPS Store franchise is a great opportunity for those who qualify.

Rural

Thinking of moving to a smaller community? Consider opening one of our franchises. We have a program specifically designed for expansion into rural markets that meets our eligibility criteria. The program includes lower estimated start-up costs to help you fill the need for our products and services in your community.

Special Venue

In addition to traditional shopping center locations, The UPS Store retail outlets serve customers in "non-traditional" locations through our Special Venue development program. These Special Venue locations may include military bases, college campuses, convention centers, hotels, self-storage facilities and inside other retail outlets such as supermarkets and mass merchandisers.

If you are approved for The UPS Store franchise, your local representative will let you know about Special Venue opportunities available in your area.

Would you like to add The UPS Store concept to your existing business?

Benefits include:

- The flexibility to fit into a variety of different locations.
- A unique combination of products and services that help draw new customers to your location.
- The same extensive pre-opening training and ongoing support that you would receive with a traditional location.

Conversions

Enhance your business by uniting with one of the world's most respected and trusted brands. By converting your existing business to a The UPS Store franchise, you will be eligible to receive all of the features and benefits enjoyed by The UPS Store franchisees.



Testimonials

Mail Boxes Etc., Inc. was founded in 1980 and has received almost every accolade in the franchise sector, including being ranked the #1 franchise opportunity in the Postal and Business Services category by *Entrepreneur*[®] magazine for 17 consecutive years.

See what some of our satisfied franchisees have to say about their experiences as franchise owners.

Testimonials

"It's been two years since I made the decision to purchase my The UPS Store franchise and it's been an outstanding experience. I found a great fit that I can have a passion for. It's got the name recognition and business reputation found in UPS with the freedom of running my own company. The support has been great."

Greg Sherwood – Aurora, CO

"Individuals with military background, I believe, are trained and disciplined to not only start a new franchise, but also thrive in it as well. MBE's participation in the Vet-Fran program was very much appreciated. It allowed for a discount towards your franchise fee. It was as simple as producing copies of your DD-214 discharge papers and submitting them."

Wayne Askelson – Superior, WI

"I come from a small business background and I liked the idea of working with people. MBE has been amazingly helpful. When you go out on your own, you don't have that support. They're always there to answer your questions."

Mary O'Connell – Fort Carson, CO

"Owning my own business had been a dream of mine for a long time. It would be a family business and something to pass down to my three sons. My middle son and I started going to franchise conferences to decide what kind of business would suit the both of us. We didn't want a food or automotive franchise. We wanted to have a business that reflected all the services that we had seen were lacking in most of our customer service experiences. We have been in business 10 years and just completed our renewal for another ten years. I currently work side by side with two of my sons and am enjoying the experience. They love the business and so do I.

For some reason, I'm more relaxed in this business than I was working for others. It can be stressful, but it is more manageable because I feel in control. From the beginning, we have incorporated fun and ease of service into our business plan. Providing customers with quality service and having them appreciate it is a really good feeling. I like the everyday challenge."

Barbara Weary – Chicago, IL.



Frequently Asked Questions

What makes The UPS Store franchise opportunity the right choice for me?

- With The UPS Store you can harness the power of the UPS brand and benefit from our 25-year franchising history as the leader in retail shipping, postal and business services.
- Together, The UPS Store and Mail Boxes Etc. locations form a network of more than 5,800 locations worldwide, providing new franchisees with strength and support.
- The UPS Store concept meets the personal and business needs of consumers with a complete array of shipping, postal and business-service offerings - all in one convenient location. Customers benefit from the shipping prices they want, with the reliability they need.
- Through ongoing operational support, national and local marketing, extensive training and technology development, we are committed to helping you reach your goals.

What is the connection between Mail Boxes Etc. (MBE) and The UPS Store?

- In April 2001, MBE, now the world's largest franchisor of retail shipping, postal and business services, became a subsidiary of UPS, the world's largest express carrier and package delivery company. In 2003, we introduced The UPS Store franchise opportunity to offer franchisees and customers the best of both businesses.

Can I own a Mail Boxes Etc. store in the U.S.?

- No, in the United States, India and Canada, we only franchise The UPS Store.

How long has Mail Boxes Etc./The UPS Store been in business?

- Our first franchise opened in Carlsbad, CA in 1980.

What are your financial guidelines for franchise ownership?

- We require that all applicants be able to verify their liquid capital. A minimum of \$60,000 is required. However, based upon your area of interest, this amount could vary between \$60,000 and \$100,000 due to market conditions. Your local representative will be able to clarify the amounts for your area when you submit your initial confidential franchise application. This liquid capital requirement can be met through cash, stocks, bonds, mutual funds, retirement accounts, a gift from a family member or friend, or any other non-borrowed source. In addition, as part II of your application process, you will be required to submit a Personal Financial Statement.

How much does it cost to open a new franchise?

- Depending on size and location, a new The UPS Store will range in cost from \$170,766 to \$279,375.*
- This estimate is for a first-time franchise that is not purchased under the Rural or Vet-Fran programs.

Is there a difference in cost between new and existing locations?

- Prices for existing locations are decided solely between the buyer and the seller and can vary greatly based upon size, location, profitability, etc.

What is your franchise fee?

- Our franchise fee for a first-time, traditional location is \$29,950. We do offer a discounted franchise fee of \$19,950 to current franchisees expanding into their second or subsequent location.



Frequently Asked Questions – cont'd

Can you help with financing?

- Yes. The UPS Store has a program to assist qualified new franchise owners with the purchase of fixtures and equipment up to \$50,000.**
- We also have established relationships with several preferred lenders, including Small Business Administration (SBA) lenders that can assist you with all your financing needs - everything from supplies to working capital.
- The UPS Store has been approved by the Franchise Registry program, which enables SBA loan applications to be rapidly processed.

** Loans made pursuant to a Department of Corporations California Lenders License.

What are The UPS Store royalties? Are there any media fees?

- The UPS Store receives a 5% royalty on all gross sales and gross commissions less allowable exclusions. In addition, a 1% Marketing Fee and 2.5% National Advertising Fee are collected from the franchisee.

Who identifies my franchise location?

- Your local representative, with their local market knowledge, and the market research and demographics provided by our Real Estate Development Department will offer guidance in choosing the best location for your needs.

What is the average, minimum or maximum size of a The UPS Store?

- The average size is between 1,200 and 1,400 sq. ft. but generally can range between 800 and 1,800 sq. ft.

Will I get protected territory for my franchise?

- Yes. Each The UPS Store franchise has a protected territory that ensures no other traditional The UPS Store location will be placed in that territory.

What sites are currently available?

- To find out what new and/or existing sites are currently available in your area of interest, please complete our Confidential Franchise Application to speak with a local representative.

What does my training include?

- A comprehensive, three-phase training program through The UPS Store University, including two weeks of hands-on, in-store training and eight days at The UPS Store University in San Diego, CA.
- Instruction includes operating procedures, products and services, computer systems, business management, marketing and public relations.
- You will also receive a complete set of training materials, including The UPS Store Learning Resource and Associate Manuals.
- The UPS Store University is accredited by the University of Phoenix and by the International Franchise Association's certified franchisee program.



Frequently Asked Questions – cont'd

What support will I receive after training is completed?

- You will receive ongoing support from your local representatives.
- Additional support includes networking meetings with other The UPS Store franchisees, newsletters, store visits, business tools and a toll-free help desk.
- We also provide professional growth and development programs to help you stay on top of a dynamic marketplace.
- We combine national advertising campaigns designed to increase brand awareness, with strong regional and local marketing plans to help drive traffic to your center.

May I open multiple franchises?

- Yes. Owning more than one The UPS Store franchise is an option for those who qualify. Please complete the Confidential Franchise Application to speak with a local representative for more information regarding qualification criteria.

How much money can I make?

- Financial performance depends on many factors including operating and start-up costs, financing terms and most importantly, your ability to operate the business effectively and adhere closely to our operating systems and performance improvement initiatives. Our Uniform Franchise Offering Circular (UFOC), as well as our existing franchisees, are excellent sources of information.

Can I work in one of your centers?

- Yes. Hiring for in-center positions is handled at the store level. If you would like to work at The UPS Store, please contact your local center directly.

What are the next steps in The UPS Store franchise application process?

- Complete and submit the Confidential Franchise Application.
- After we have received your application, a local representative will contact you to schedule a meeting and provide more details on The UPS Store franchise opportunity.
- Candidates will receive the current Uniform Franchise Offering Circular (UFOC), including a Center Directory.
- Complete and submit our Personal Financial Statement and supporting documentation.
- Your local representative will schedule an interview with an executive from our franchise selection board. If recommended by the executive, you will submit your letter of intent and your completed application package will be forwarded to our corporate office in San Diego for final review.
- If you are approved, you and your local representative will begin site selection and lease negotiations. You're then on your way to becoming a member of The UPS Store family!

Is your Web site a secure site?

- Yes. All online forms are hosted on a secure Web site.

How can I contact you for more information?

- We can be reached, toll free, at 1-877-623-7253.

MBE is a UPS® company. The UPS Store® locations are independently owned and operated by franchisees of Mail Boxes Etc., Inc. in the USA and by its international master licensees and their franchisees outside of the USA. Services and hours of operation may vary by location.