



# FRANCHISE INFORMATION PACKET

# Postal Connections of America: The Story

Postal Connections of America started in 1995 as a company that built and furnished postal, packing and shipping stores for independent operators. In 1996, Postal Connections began franchising our concept, offering to franchisees a support system for daily operations, marketing and preferred vendors.

In 2007, C. “Andy” Thompson and Fred Morache bought the franchise to operate it as a privately held company dedicated to expanding franchise stores across the country. The stores are modeled on an updated version of the original postal, shipping and business services concept they helped create at Mail Boxes Etc. before UPS purchased the franchise and changed this model. The original model is based on community-oriented services specializing in personalized service and competitive pricing.



A key aspect of Postal Connections is flexible operations. We often work with franchisees in adding new services or products that are currently hard to find in the community or integrating a locally existing business into the Postal Connections store. We are a community service center.

Our new store process is very efficient, delivering a furnished, and ready-to-go facility starting with a low initial investment and overhead. Thorough training in all aspects of the business, favorable vendor relationships, and franchise owner flexibility to meet local customer opportunities are key elements of our business.

## Get To Know The Leadership Team



### **C.A. Andy Thompson | Owner & Managing Director**

As one of the key executives behind Mail Boxes, Etc. (MBE), Andy Thompson helped guide the original “pack and ship” store and franchise concept to unprecedented success. And as a former MBE franchisee himself, he also gained invaluable knowledge and experience at the “ground floor” level, learning, essentially, what works — and what doesn’t — in this ever-changing service and product segment.



### **Fred Morache | Owner & Managing Director**

Fred Morache brings more than 25 years of franchising experience to Postal Connections. He was also one of the driving forces behind Mail Boxes, Etc., guiding its launch while also overseeing all aspects of advertising as MBE’s VP of Marketing for eight years.

Fred is a guiding force to business development and he will be on-hand to assist all new franchisees with their start-up and ongoing promotional needs.



# Why Postal Connections

We understand you want to work for yourself, and our goal is to help you take full advantage of our flexible, proven system and value-driven business investment.

## **We offer two business models to reach huge marketplaces!**

Our Postal Connections stores offer superior service in shopping malls, high-rise commercial spaces and smaller community free-standing stores. Postal Connections Express service centers, located in the world's largest retailer's super centers, reach millions of customers with convenient one-stop shopping assistance.

## **Low Entry Price, High Value Support**

Postal Connections offers affordable entry into a proven business. There are two turnkey business models that have initial investment levels ranging from \$59,600 to \$155,650. Royalty is among the lowest in this business and national marketing assistance by professionals is delivered locally and on social media at a low monthly fee.

## **The Postal Connections models are designed to compete!**

A Postal Connections store fits perfectly into retail mall spaces anywhere across the country and typically occupy 1,200 sq. ft. Stores are designed to be open and efficient in serving customers face-to-face on the floor, helping with boxes to ship and duplicate business and personal documents.

Postal Connections Express ranges in size from 400 to 800 sq. ft. and is located inside at the front of giant super centers operated by the world's largest retailer. With service alternatives, flexible operations, low entry costs and low ongoing royalties, your store is ready to compete for customers when it opens.

## **Franchise owners enjoy a higher success rate than independent start-up businesses!**

There's a popular saying in our business: Owning a franchise allows you to go into business for yourself, but not by yourself — and with Postal Connections, this couldn't be more true.



# Our Commitment to Service

At Postal Connections, we are the antidote to an all-too-common phenomenon in commerce: shrinking, and often, near non-existent customer service. Our Postal Connections stores, operated by local business owners, serve their neighbors with a personal touch, convenience and reliability.

Our company and franchisees are guided by a set of business operating values—trustworthy, friendly, savvy and leading edge—that differentiates our performance in serving customers and each other.

Our stores are the “back-office” for small business people and an invaluable time saver for households on the go. We “become” our customers’ personal mailroom, printing department, gift shop, packer and shipper, outpost for passport photos and communication center where we do everything from notarizing documents to receiving personal and business faxes. We even help people sell unneeded items online turning them into cash.



We can ship, receive and ensure safe delivery of items both large and small to anywhere in the world.

Whatever the task or need, our customers trust us to do it right.

## Products & Services

- Shipping
- Overnight shipping
- Packaging & Supplies
- Freight
- Stamps
- Copies
- Printing
- Scanning & Storage
- Online e-commerce
- iSOLD It on eBay Service
- Mailboxes
- Faxing
- Office Supplies
- Passport Photos
- Notary Services
- Shredding



# Dare To Compare

## **We challenge you to make the comparison—to see the difference.**

We have two models that take us to where the customers are. Compare our start-up expense charts detailing initial costs and ongoing fees you can expect when becoming a Postal Connections franchisee.

### **Postal Connections Store**

Franchise Fee	\$24,900*
Turnkey Store Installation	\$99,000
Typical Local Expense (Paid to vendors)	\$18,900 to \$31,750
Estimated Initial Investment	\$130,350 to \$155,650**
Royalty	4%
Mo. Advertising Fee	\$175 or 2% of sales, whichever is lower

### **Postal Connections Express**

Franchise Fee	\$10,000*
Turnkey Store Installation	\$49,600 to \$83,100
Typical Local Expense (Paid to vendors)	\$5,000 to \$10,000
Estimated Initial Investment	\$59,600 to \$103,100**
Royalty	4%
Mo. Advertising Fee	\$175 or 2% of sales, whichever is lower

\* Veterans receive a discount. For a Postal Connections Store, the discount is 50% or \$12,450 off. For Postal Connections Express—the discount is 25% or \$2,500 off.

\*\* An operating reserve is not included. We discuss this with you before you join our franchise

## **You'll find Postal Connections pays close attention to cost control to ensure you a good start. This includes:**

- Stores that are turnkey start-ups ready to do business within 45 days from signing space lease
- Start-up assistance with business planning, sourcing financing and site selection
- Efficient turnkey store and expert, on-site training for fast-tracked start-up
- Ongoing operating guidance focused on planning for profit
- Frequent new products and services always tested and, if successful, added
- Flexible operating policies to encourage local entrepreneurial development
- Start-up marketing tailored to your location with locally targeted advertising and publicity
- Special franchise fee discounts for veterans



# Business Financing Assistance

Postal Connections are experts in assisting franchisees to find financing and guiding them to the best funding choices.

## You Have Options

Postal Connections has worked with lending sources to develop several financing methods to help you take that final step into becoming a Postal Connections franchisee.

We'll discuss the types of financing that best suits your needs. We'll continue our guidance as you create your own business plan and we can refer you to experts who develop franchisee business plans. As an assurance for you, neither our company nor the principles and staff have any financial interest in any financial sources or advisors we would recommend.



## 5 Easy Steps to Owning Your Own Business

### **1. Decide to Move Forward**

Seeking financial and career independence? Postal Connections is a good place to be. Contact us at 800.767.8257 and speak with our representative to begin your discovery of Postal Connections. Or, email Devin@postalconnections.com and Devin will reach out to you. Or, go to [www.postalconnections.com](http://www.postalconnections.com) where there is a host of information available. We love this business and are always happy to discuss Postal Connections.

### **2. Apply**

Fill out our confidential franchise application. You can apply online at [www.postalconnections.com/apply-now](http://www.postalconnections.com/apply-now). Our online application is protected with a 128-bit secure server. Your application is needed before we can consider you for our franchise opportunity.

### **3. Review Our Franchise Agreement**

After we review your application, we will send you detailed information and our Franchise Disclosure Document (FDD) and our Franchise Agreement. Please note that receiving this FDD does not place any obligation on you nor indicate any commitment from Postal Connections.

### **4. Talk to People About Our Opportunity**

We are happy to answer any questions. Our Franchise Development Vice President is available. Evaluate our documents with family, your business and/or legal advisor, accountant, or any other person whose opinion you value.

### **5. When You Are Ready ...**

Our franchise owner will come to visit with you to answer any remaining questions and meet to determine if we are a match for this very important business decision. When this is a "go", we ask that you sign our agreement and pay the initial franchise fee. You are then on your way as a Postal Connections business owner!

# Frequently Asked Questions

## What is the initial investment cost?

The estimated initial investment range is \$130,350 to \$155,650 for Postal Connections Store and \$59,600 to \$103,100 for Postal Connections Express Service Center. This includes the franchise fee, start-up costs, architectural plan, store assembly, equipment, software, supplies, training and working capital. Actual costs vary depending on individual locations and other circumstances.

Veterans discounts apply to the franchise fees – for a Postal Connections Store, the fee is reduced by 50% or \$12,450 off and for Postal Connections Express, the fee is reduced by 25% or \$2,500.

## Does Postal Connections offer financing assistance?

Yes. Postal Connections has an arrangement with several well-known, reputable commercial loan brokers who act as your agent to find funding sources. They provide a quick-qualification analysis for Small Business Administration (SBA) loans, lending through your 401K or IRA, secured and unsecured lines of credit and many more options. We also have years of experience in this area and are happy to offer guidance.

For more details, contact us at [info@postalconnections.com](mailto:info@postalconnections.com) or 1-800-767-8257 or (1-800-POSTALS).

## Will I get protected territory for my store?

Yes. Each Postal Connections Store has a protected territory in the franchise agreement that ensures no other Postal Connections store will be placed in that territory without your approval. This also is provided in the Postal Connections Express agreement.

## Will Postal Connections help with the design and build-out of my store?

Yes. Postal Connections helps you through every step of this process. We provide personal attention to your questions and assist as your new store is installed. Both Postal Connections company owners will be available to you when you need help. For more details, please contact us at [info@postalconnections.com](mailto:info@postalconnections.com) or 1-800-767-8257 or (1-800-POSTALS).

## How long does it take to get open for business?

Your new store can be open within 45 to 90 days, in most cases, from the time you sign a location lease. This timing applies to both Postal Connections Stores and Postal Connections Express Stores.



# Frequently Asked Questions

## What does my training include?

Postal Connections training begins when you receive our manuals for business development, opening, operating and marketing your store. Once you are a franchisee, our franchisor/owner will work with you on a business plan including a 5-year Pro Forma Profit & Loss statement using historical cost and revenue numbers.

For a Postal Connections Store, a total of nine days of comprehensive training is provided. This includes a five-day “live action” training session in one of our regional training stores working with customers, operating the business management system and learning how the equipment works. You will learn how the POS software operates, customer services skills and methods from a top-performing Postal Connections franchisee. Your comprehensive training continues with a four-day session in your new store when it opens. During this time, your trainer will check your store to be sure all is set up properly, accounts are open, supplies have arrived and retail items are in place. The trainer assists with equipment and software to be sure you know how to operate it.

For Postal Connections Express you have a four-day “live action” session in our regional training store and a three-day session in your new service center. This training includes most of the same materials and objectives as the Postal Connections Store training. The reduced schedule takes into account that some services and retail items for sale are not included in the Express locations.

When our Postal Connections trainer leaves, you are ready to serve your customers, operate the store or Postal Connections Express service center and set up marketing tactics. The trainer is then available as your mentor for the next three months.

## What support will I receive after training?

Postal Connections provides ongoing support from our Headquarters Office and personal visits to your store or service center. This includes direct access to our company owners and all key company personnel via telephone, fax, email and our private franchisee internet site [www.franconxtions.net](http://www.franconxtions.net). On [www.franconxtions.net](http://www.franconxtions.net), you'll find most everything you need for the business, from tools to operate the profit-planning, hiring, marketing, webinars and tutorials and far more. [Franconxtions.net](http://Franconxtions.net) is a private intranet for franchisees only.

## How easy is it to own multiple Stores or multiple Express service centers?

Postal Connections encourages multi-store ownership, and several of our franchisees own more than one Store. In fact, we have financial incentives for you and/or your family to own multiple Stores. Our franchise fee is discounted for the second Store and succeeding Stores. We assist our franchisees by reducing the new Store franchise fee and installation costs of the next unit. For both Stores and Express service centers, we have a multi-unit discount if bought at the same time and a significant discount when you're ready as a franchisee to open your next Store. For more details, please contact us at [info@postalconnections.com](mailto:info@postalconnections.com) or 1-800-767-8257 or (1-800-POSTALS).

# Frequently Asked Questions

## What is Postal Connections' vision for the future?

Postal Connections plans to grow to several hundred locations in the U.S. and become a nationally recognized brand name. We see our opportunity to be tremendous, with millions of potential customers still under-served. Postal Connections Express service centers each will present the brand to thousands of shoppers daily in the host store. For more details and discussion of our plans, please contact us at [info@postalconnections.com](mailto:info@postalconnections.com) or 1-800-767-8257 or (1-800-POSTALS).

## How do I get started?

It's easy! Just call us at 1-800-767-8257 or (800)-POSTALS or email us at [devin@postalconnections.com](mailto:devin@postalconnections.com). The fastest way to get started is to apply online at [www.postalconnections.com/apply-now](http://www.postalconnections.com/apply-now). There's no obligation. It's simple, 100% confidential, and we have added security software on our website to protect your privacy. However you choose to reach us, we will respond promptly.