

Amy Brabec
IRLS 564
Reading Responses

Reading: Package Deal: UPS's Purchase of Mail Boxes Etc. Looked Great on Paper. Then Came the Culture Clash

Though UPS had high expectations when they acquired Mail Boxed Etc, there was disappointment for all involved. The franchisees were 'promised' large increases of volume which did not come, though it was also expected by UPS. There were issues with expectations and communication. For example, the franchisee could not use other shipping companies which was competitively harmful.

I do wonder if UPS's CLIC could have been more proactive in this venture if there was more research taking place. For example, the librarian could have informed UPS about the issue with different prices for services from store to store. The librarian could have also prepared information about the 'basics' of retail, which UPS is now learning along the way.

This situation is be a 'teaching case' for CLIC of how important the 30% reactive and 70% proactive is when information is so important to business decisions. If the CLIC were more proactive, the acquisition of Mail Boxes Inc. by UPS could have been more productive for both UPS and the franchisees involved.

Gibson, Richard. (2006, May 6). Package deal: UPS's purchase of Mail Boxes Etc. looked great on paper. Then came the culture clash. *Wall Street Journal*. p. R 13.