

To: The UPS Store Franchise Network August 10th, 2007

Please take the time to read this message. The future of our Network is at stake.

For several years now the BBOA has attempted to open a dialogue with our Franchisor(s) in order to make known to them our concerns and the plight of the majority of the stores (60% of the stores are still below break-even). From the very beginning these attempts were met with derisive statements issued by MBE and all initiatives on our part were totally ignored. It would appear that **contrary to the wording** of our FOC, MBE felt that we did not have the right to form an Independent Owners Association. They insisted that only FAC would be recognized as the unified voice of the store owners. Unfortunately FAC at the time was nothing more than a “rubber stamp” committee for MBE and entirely under its control. These actions on the part of MBE and UPS frustrated and angered a large percentage of the store owners that had joined the BBOA. The result was that approximately half of the BBOA membership broke off and formed their own association and named it the Brown Shield Association in order to pursue legal remedies through a class-action lawsuit. The remainder of the BBOA membership and almost its entire Board of Directors remained true to the organization’s goals, namely change through negotiation. Although we wish our brothers and sisters in the BSA success, we are not affiliated with them in any way. Much has changed since those early days. The newly elected FAC is dedicated to truly represent the interests of the store owners but unfortunately remains impeded by the restrictions imposed on it by the agreements that every member of FAC must sign. The BBOA has finally convinced the majority of store owners (not all store owners and certainly MBE is still doubtful) that we are not interested in litigation at this time and remain true to our original goals, namely negotiation rather than litigation.

It was to clarify our position once and for all that motivated us to prepare the lengthy Position Letter and we encourage all to logon to our Website at www.thebrownboard.com and read the Position Letter in its entirety.

You will discover that we have not only stated our concerns but also have offered some possible solutions.

We have also stated our desire to work closely with FAC now that our goals are almost identical. We recognize that FAC has the “in” with MBE/UPS but the BBOA has the resources to support FAC and allow it to become more independent of MBE and together with the BBOA, truly represent the interests of the Franchisees.

Although we will continue to pursue relentlessly our common goals we also recognize that every store owner must do their part so that MBE/UPS can no longer blame store failures on the lack of competence on the part of the owners rather than on the true causes:

- **A seriously flawed business plan** and
- **Competition from our own franchisor (UPS).**

We urge every store owner to adopt the following excellent suggestions (although it is most likely that you are already doing what is suggested here) which were included in a recent communiqué from an Area Franchisee:

- Learn your customers' names and use them
- Follow up with a phone call to ask customers if they were pleased with the product and service.
- Notify your customers whenever they receive a package.
- Open your doors and offer curbside assistance without being asked! Even for drop-off customers
- Exceed promised delivery of projects whenever possible - under promise and over deliver!
- Make customers aware of any changes in your business hours, holidays, new products and services
- Always express appreciation for your customer’s business!
- A Pleasant smile goes a long way
- Never allow your customers to feel that they are interrupting you, even if it is true
- Make every customer feel that they are your most important customer

In spite of the opinion of some skeptics, who believe that our franchisor(s) will never agree to negotiate, we have good reasons to be optimistic and with the cooperation of FAC and your continued support we will overcome. The most important fact that will convince our franchisor(s) that we mean business is a large percentage of the stores acting as a unified voice through an **Independent Owner’s Association spearheaded by FAC**

Cordially,
Michael J. Rodriguez, PhD
Chairman & CEO
BBOA

