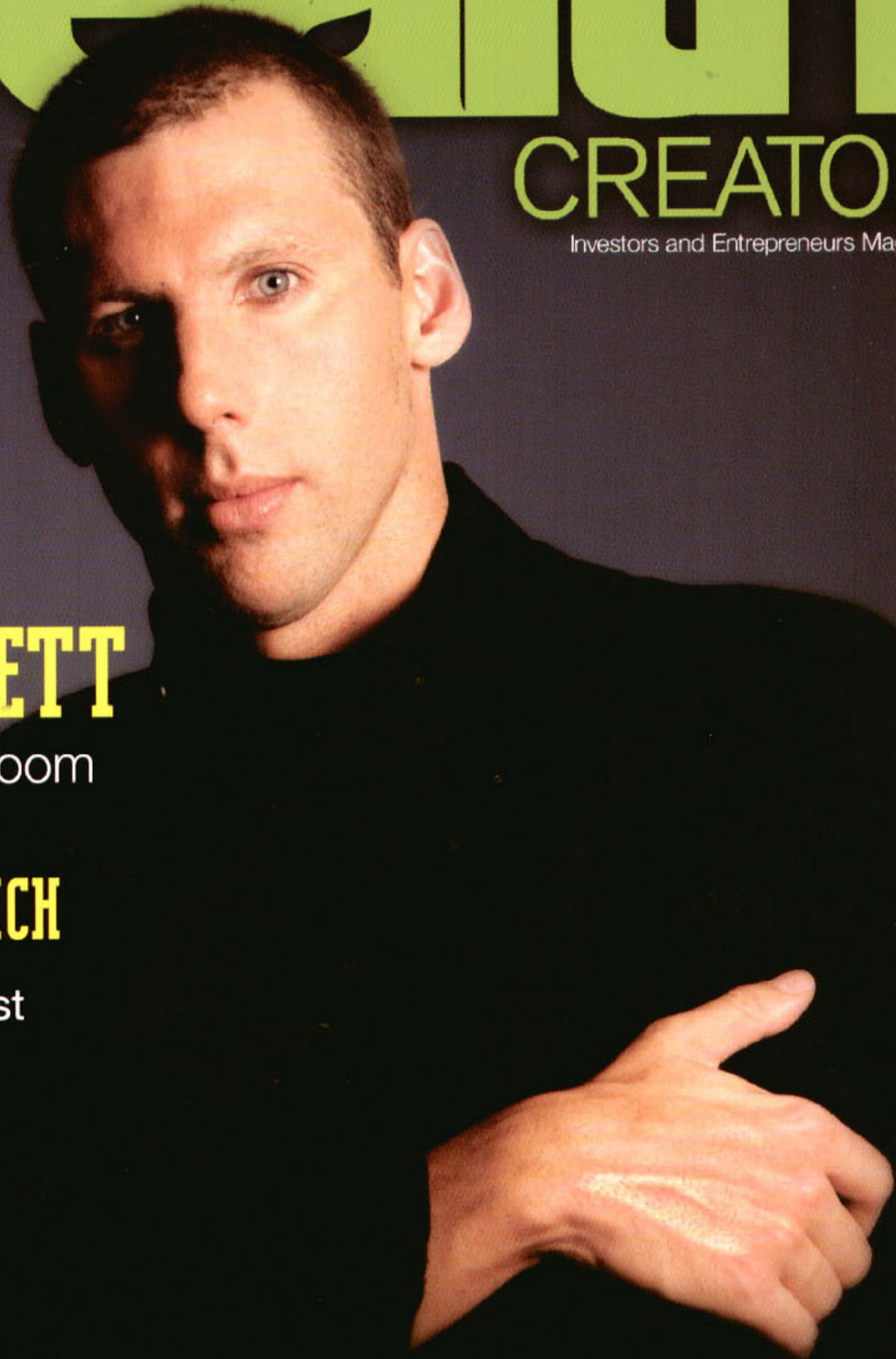


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January/February 2008
\$7.95 AUD \$9.00 NZ (inc GST)

ISSN 977-144730301-6



PACKING A PUNCH

Michael Paul - the founder of packaging franchise Pack & Send - has gone from selling a \$2.90 box to building a \$30m a year company. But as Tim Dohrmann found, he's only just getting started.

A FRAMED receipt for \$2.90 takes pride of place on the wall in Michael Paul's New South Wales office. It was his company Pack & Send's first ever sale - for a cardboard box - and the beginning of its journey to success. Today the business, which Paul established in the Sydney suburb of Parramatta in 1993, turns over around \$30m a year and has 85 stores across all Australian states.

"It took a little while initially for things to kick off," he says. "We came from very humble beginnings, but after wearing a lot of shoe leather and getting out there into the marketplace and explaining to people the value of our service, we started to build some momentum. The model has proven itself to be a successful one."

Paul, 46, decided to set up the company after discovering a gap in the market for fast, convenient packaging solutions. After one particularly frustrating experience - where it took him two days to send an unpacked computer from Sydney to Melbourne because few companies were prepared to handle such a fragile item - he decided enough was enough. His vision was to create a string of conveniently located retail service centres where people could drop off their delivery item and have a company sort the entire process out for them on the spot.

"I thought, wouldn't it be great if I could just drop off a computer at a Pack & Send store, where someone could take over the total service of packaging it up, address-labelling it, doing all the paperwork and arranging the delivery," Paul says. "That's how the concept was born."

And it seems others agree with him. Some 14 years later the company has gone from strength to strength, recently winning the 2007 PricewaterhouseCoopers Franchisor of the Year award for its innovative franchise system. To win the award, it beat franchising rivals such as Just Cuts, Gloria Jeans, Bakers Delight, Boost Juice, and Fernwood Womens Health Clubs. Pack & Send is growing at around 20 per cent a year, has a stranglehold on the total service packaging market and is eyeing expansion into New Zealand, the UK, China, Singapore and India.

Paul - who before setting up the company worked in various logistics roles for multinational corporations including Esselte-Dymo and Amotts Snack Foods - says growth is likely to accelerate as more consumers become familiar with the company and as demand continues to rise. It is targeting not only individuals and businesses direct, but those using online auction sites such as Ebay.

"We do a lot of work for tourists, backpackers and antique dealers as well as small and large business," Paul says. "But in particular we do a lot of work for Ebay buyers and sellers. Today one in three adult Australians use Ebay and all those people require a packaging and freight-forwarding service. Our network has been perfectly positioned to service that growing demand."

Within the next five years Paul expects to have 150 stores in Australia and expand into lucrative overseas markets. In somewhere like the UK he would expect to open around 350 stores in due course.

"We've done some fairly significant research and found that there's just as strong a demand in other parts of the world as Australia," Paul says. "Ebay is one example of where it's a global phenomenon and the real advantage Pack & Send has is that we've developed over the last 14 years very significant intellectual property governing how to build our brand and our system in a market from scratch. We are in a position to go to these markets and very quickly and rapidly build a network based on our experience." [www](#)

By Tim Dohrmann and Joanne McCulloch