



## Matchbox - The Business

Matchbox is a family owned and operated business specialising in kitchen and homeware accessories.

Starting with stores at High Street Armadale and Chadstone Shopping Centre, Matchbox has grown to be recognised as one of Melbourne's leading brands.

Matchbox provides its customers with a simple formula – famous brand name products at the right price and customer service standards to ensure any specialist needs and wants are met. Product selection is critical, with Matchbox buyers constantly searching for that something different to complement the stores. Whether it's a Scanpan Wok, Wusthof knife or even beach umbrellas with a difference, it will be at Matchbox.



## Succession Planning

Any business needs a succession plan at some time if it is to embrace the future challenges of what it takes to make a business successful

## The Challenge

Matchbox had grown from a two-store operation in 1996 to a network with a well-recognised brand within Victoria, Australia. The founders of the business were Ross and Fran Cohen and the cross roads that the business had reached presented two primary challenges:

- The market was increasingly competitive and Matchbox had an opportunity to expand nationally to leverage its intellectual property and existing best practice operations as a means of capturing greater market share.
- The business needed growth to enable the succession plan to eventuate which would see the family of Ross and Fran Cohen assume the management of the business to drive the future growth. In the absence of growth the business would struggle to provide the necessary future opportunities for all family members.

**Is structure the enemy of growth?**

All successful businesses reach a point where an entrepreneurial approach will benefit from a structured corporate governance process where everyone is clearly accountable for results

**The Solution**

Matchbox understood the challenges and DC Strategy (DCS) was engaged in recognition of its specialist retail and network development expertise.

The project tackled the succession strategy head on by focusing on the future opportunities for the business and the potential growth strategies that would achieve the ambitions of all the Cohen family members.

The foundation of the project was the consideration of the per store performance of the existing network and the competitive dynamics of the industry. The results pointed to the real value of a great brand with the best service.

The dual strategies of franchised and company store growth were identified in recognition of the need to provide, on a daily basis, the highest levels of service at the coalface of the business. A franchise program was developed and the company moved towards more structured corporate governance. This allowed the family to benefit from the combined styles of entrepreneurialism and structured management.


**A National Opportunity**

The foundation is created by the founder and only the very best understand when and how to surround themselves with the people to continue and take a business onto new horizons

**The Outcomes**

DCS worked very closely with the family to overcome the challenges and create the following outcomes:

- The head office team had identified roles and responsibilities within the group that could be communicated and understood by the network.
- The franchise program was developed including the commercial and economic model, a strategy and process to recruit, screen and select franchisees, and a complete operations manual for the operation of a Matchbox store.
- A board of management was created which facilitated the new communication and reporting structure within the group.
- The franchising strategy created a platform for future growth to a national chain that would consequently create future opportunities for all the family members, which in turn allowed a succession plan for the next generation to take up the challenge of driving growth.

Matchbox has a solid foundation of people, brand and systems combined with a franchised and company owned business model to drive the growth of the network across Australia.

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