

ConstructionSiteTools

Construction/Business (Canada)

Managing third party tools used on construction sites.



Advisors:

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www.constructionsitetools.ca

Company Summary

ConstructionSiteTools creates a convenient and innovative algorithm for construction site workers to register their personal tools and equipment for use on a construction site. Only tools properly registered on a site are covered by insurance – unregistered tools that are lost or stolen cannot be replaced by the construction management firm.

Executive Summary

Management

- General Manager/CMO – Cal Harrison BA, MBA, CMC Senior sales and marketing and start-up executive.
- CIO – Heather Surzyshyn BA, Dipl. IST Senior IT professional.
- Other - TBD

Customer Problem

- According to Hitachi Capital Canada “South of the border it's estimated anywhere from \$500 million to \$1 billion in equipment and materials are stolen from construction sites every year, while in Canada that figure is closer to \$45 million.”
- One recent survey of 100 Canadian construction companies revealed that on average each one of those companies was victimized by this type of theft twice a year, with losses averaging \$25,900 for licensed vehicles and \$1,600 for tools. To make matters worse, less than 25% of stolen equipment is ever recovered.
- There's also lost productivity to consider, time wasted having to file police reports and insurance claims, the cost of renting or financing replacement equipment, higher insurance premiums, and the hefty fines construction firms can be saddled with when deadlines aren't met as a result of these delays. While there are no absolute numbers available, it's estimated that in the United States losses due to construction site theft exceed \$1 billion annually.

Product / Services

- Cloud hosted software, including web and mobile versions for site staff

Target Market

- Construction companies in Canada and the United States.

Business Model

- Recurring revenue construction company license fees starting at \$750/year to provide an analytics dashboard for users and management and mobile site for staff

Customers

- The customer is the finance department or operations department responsible for streamlining site operating expenses while improving property protection.
- The end users are the site staff that are often overwhelmed with paper-based information.

Sales and Marketing Strategy

- Selling and promotion into construction industry groups
- Promotion to construction industry insurance companies
- Inbound content-based website marketing strategy
- Social media and online promotions

Competitors

- Pen and paper tracking processes
 - Geo-fencing and GPS tracking
 - Security cameras
 - RFID tracking
 - Security staff

Competitive Advantage

- Low-cost, early-to-market advantage, and ease of use

Financials / Forecasts

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Total Revenue	\$ -	\$ -	\$ 225,000	\$ 975,000	\$ 2,287,500
Tech Dev	\$ 72,500	\$ 92,500	\$ 92,500	\$ 92,500	\$ 92,500
Bus Dev	\$ 45,000	\$ 25,000	\$ 257,571	\$ 345,014	\$ 345,014
OpX	\$ 5,950	\$ 5,050	\$ 48,400	\$ 48,400	\$ 48,400
Total Expenses	\$ 123,450	\$ 122,550	\$ 398,471	\$ 485,914	\$ 485,914
Investment	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Net Cash Flow	\$ 126,550	\$ 4,000	-\$ 169,471	\$ 319,615	\$ 2,121,200

Based on 3,050 users by year 5.

Licensed Technology/Product

- Cloud hosted software and mobile site

Technology/Product – Current Status

- Technology Evaluation completed (TRL 2)