

Thermawood®

double glazing systems



Confidential Franchise Overview - Australia

www.Thermawood.com.au

Thermawood® Double Glazing Systems

Energy Efficient, Retain Character and Reduce Noise



Benefits of Double Glazing:

- Improved Insulation.
- Lower Energy Costs.
- Reduce Noise.
- Retain Character.
- Enhanced Security.
- Cost Effective.
- Less Condensation for Healthy Living.
- UV Protection.
- Added Value.



Thank You For Your Interest in a Thermawood® Franchise

We are pleased to provide this Franchise Overview which will give you further information about the Thermawood® Franchise System and will help you to decide whether this unique business opportunity is right for you.

Thermawood® is a brand and unique system owned by Thermawood® Limited Partnership a company owned and based in New Zealand.

Thermawood® LP has over a number of years developed the Thermawood® double glazing and draft sealing system for timber windows, which is widely used in New Zealand. The Thermawood® system has been developed and designed to rebate existing wooden sashes to accommodate double glazing and the Thermawood® system.

Thermawood® LP has taken a disciplined approach to its development of Thermawood®. Research and development has been accompanied by rigorous independent testing through UNITEC Institute of Technology and Fletcher Building, a leading building products company.

Complementing the Thermawood® System, Thermawood® LP has designed and developed specialist components and removal of old windows, and installation of double glazing whilst retaining the structural integrity of the window frames and sashes. The partnering with industry specialists and compliance with regulatory bodies, the development of efficient installation systems have created a double glazing solution for wooden sash windows with widespread market acceptance.

The Thermawood® story is one of innovative hands on research and development by people who are highly experienced in the glazing, joinery and building trades.

This has delivered a quality world class product and installation system.

The principal application of the Thermawood® System has been in residential housing, where it's use is creating a dry glazed, complete drainage system for double glazing into wooden frames and also creates a warm drier living environment in homes with wooden sash windows.

Testing has also been conducted in a school environment where the use of the Thermawood® System has been shown to significantly change and improve the conditions within classrooms by stabilising the temperature to optimal comfort levels as well as reducing humidity, creating a better learning environment.

The Thermawood® Key Customer Benefits

The key customer benefits of the Thermawood® System can be summarised as:

- Functional Benefits
- The system provides improved thermal and acoustic insulation.
- Complete dry glazed drainage system with a peace of mind warranty.
- It creates a warmer, drier, healthier indoor living and working environment.
- There are a range of glazing options to optimize performance for individual customer needs including, reduction of heat loss, UV, heat and light damage, reduced heat gain, Draft Sealing, condensation, and noise control.
- Aesthetically pleasing solution.

Financial Benefits:

- Competitive pricing of a proven solution.
- Reductions in ongoing energy usage for heating and cooling providing lifetime financial cost savings.
- Adding value to the home.

Emotional Benefits:

- The certainty of knowing you have chosen a first class solution backed by a business committed to 1st class service
- A quick and efficient installation process creating minimal disruption.
- A system designed to incorporate a number of elements including products using recycled material and responsible reuse and disposal of waste.

The Thermawood® double glazing system is recognised as the industry leader in NZ with strong growth and extended lead times for our installers nationwide.

You will see photographs of some of our projects in this booklet and on our web site and our licensees' business' are growing quickly with an exceptional number of satisfied customers spreading the word.

With a nationwide presence in New Zealand Thermawood® have successfully launched into the Australian market. Now is the time to join the Thermawood® Franchise Network with your own franchise territory and grow your own business with the help supplied from Thermawood®.

By using our established and proven systems, techniques, and products we have established franchisees proving the Thermawood® Systems and processes work and that all the systems are in place to create opportunities to establish successful Franchise Business's in Australia.

As a Franchisee:

- We will teach you all you need to know about the important techniques required to commence a Thermawood® retro-fit double glazing business.
- From our experience in the industry, we will also pass on everything we know about avoiding the costly mistakes that inexperienced people can make.
- We will show you how to identify and market to target customer groups in your territory.
- You will receive a fully documented franchise manual and other support services to help you to run a successful Thermawood® franchise business.

This booklet provides more information about the company, explains how the Thermawood® franchise system works, and outlines the opportunities available to you as a franchisee.

The Thermawood® Franchise System

“We share the same goal as you – to build a successful future with a solid business.”

The Thermawood® Business System has been developed following our years of practical experience with the techniques of double-glazing & Draft Sealing on projects large and small throughout New Zealand.

This knowledge and experience has been adapted to Australian market conditions. We have negotiated exclusive product agreements with leading industry suppliers – for instance, leading Australian glass suppliers.

The specialised tools and equipment, that are unique to Thermawood® and subject to patent protection, are subject to exclusive supply arrangements with Thermawood® LP. This specialised equipment is a vital component in the effectiveness of the Thermawood® System and available only to franchisees.

With franchising in mind, we have also developed and documented comprehensive management and operating systems. These are designed to help franchisees quickly learn our systems and techniques.

Safety is a key priority on every project we undertake. Our teams are working in environments that on occasions pose risks to them, our customers and the public. Strict work place safety procedures are used by Thermawood®. We will teach you our safe and efficient practices to maintain our impressive safety record.

New franchisees joining the network will receive comprehensive induction and training in work place safety requirements. This will include both Operational and Practical training.

Under the franchise agreement, you will be required to follow our systems and procedures to ensure consistent quality and delivery of our services.

We aim to deliver outstanding solutions, achieve high levels of customer satisfaction and run an enjoyable and profitable business.

Thermawood® will provide franchisees with comprehensive support and on-going assistance, including technical advice and a well structured field support programme.

We will work closely with you to assist the development of your franchise business. In your interests, we will ask you to produce annual Business and Marketing Plans for your business and we will regularly monitor your progress and results to help keep you on track.

To be successful, the Thermawood® Franchise System has been designed to deliver winning results. If our franchisees are successful, our business will be too.

Recent work undertaken by a Melbourne Thermawood® franchisee includes the historic St George Hotel in St Kilda.



Your Thermawood® Franchise Business

“We want team players who share our vision and our passion.”

Under the franchise arrangement, you will be provided with the right to use the Thermawood® System, operating methods, brand name, and other intellectual property to operate a successful Thermawood® Franchise business in your local territory.

By being part of the growing Thermawood® network, you will benefit from group promotional activity, work referrals and support resources, and you will also be responsible for optimising your sales in your franchise territory. This will involve local area marketing, sales processes and presentations and the provision of advice and assistance to prospective customers. You will need to build and maintain a network of satisfied clients local contractors and business relationships to help you build your business by reputation and referral.

You can choose to run your franchise business from commercial premises or from home. All you will need is sufficient clean storage space for a vehicle, a small amount of stock tools and equipment.

Additionally, standard office equipment, including a telephone, computer, printer, fax capabilities and internet access are required.

We have packaged the Thermawood® business into a trailer equipped with a glass frail for transporting glass and all the tooling needed for the Thermawood® Business, this negates the need for a special purpose vehicle, but a suitable vehicle to tow the Thermawood® trailer would be required.

In the first instance, you will be an owner/operator and will be involved in all aspects of the business.

With our advice, you will need to employ installers. These roles can be expanded as the business grows together with any administrative or sales roles required to support the growth of your business.

Thermawood® is looking for team players who share our vision and our passion.

We seek colleagues who have experience in consultative selling and the ability to build and maintain strong customer and business relationships:

- Previous experience in a traditional residential trade or good handy man skills are a desirable advantage but not essential.
- Previous business and staff management experience is an advantage.

We are seeking people with the necessary skill to run their own business and are willing to follow a proven system of success. In turn, you must train and manage your own staff to follow the Thermawood® Systems, processes and principles.

Successful franchisees will be well presented, fit, energetic, innovative and passionate about our Thermawood® Franchise Network. You will be determined to achieve excellent results and high levels of customer satisfaction with every project. We take pride in our work and value the satisfaction from achieving effective results.

Thermawood® Market Opportunities

Thermawood operates in a market of growing demand where our innovative and proven services and systems provide high quality solutions for our customers.

Potential business will vary in local markets, but the versatility of our product and service will provide our franchisees with an abundance of opportunities.

Consider some of these examples of opportunities in your area:

- Standalone residential dwellings requiring an energy efficient home insulation system.
- Multi-unit residential complexes requiring a cost effective solution for commercial owners.
- Commercial buildings under renovation or re-fit.
- Historic buildings requiring energy efficiency and restoration.

You will receive a great deal of support from the franchisor and the franchise support team. However, your success depends on your own commitment and your passion for business growth and results. Our franchise system will give you many unique advantages, but it is over to you to optimize them.

The benefits you enjoy as a Thermawood® Franchisee:

- A rewarding business with sound financial potential
- Running your own business with our support and expertise
- An exclusive assigned marketing territory
- A variety of market opportunities
- Thermawood®'s experience

The use of the Thermawood® brand name and the following exclusive benefits:

- Supply and training in use of all equipment and operational procedures
- Efficient and reliable supply of glass and specialised components
- Competitive pricing structure
- Full training and detailed set of manuals – everything you need to know to run your business successfully
- Being part of our well-known brand, sound reputation and proven track record
- Comprehensive local marketing toolbox
- Benefits of national marketing and brand development
- On-going business advice and assistance from our supportive Franchise Support Office

The Thermawood® Franchise Relationship

Buying a franchise is an excellent way to go into business for yourself with the knowledge, support and experience of your franchisor.

Business format franchising is an internationally recognised business model with clearly developed guidelines. It is a unique and special relationship which is entered into with true spirit of cooperation and teamwork.

Here are some of the goals and values we would like to share with you as a potential franchisee:

- Building a successful business by optimising market opportunities and profit potential.
- Working together and with other franchisees co-operatively.
- Protecting the integrity and goodwill of our company, our brand and our franchise network
- Proactively finding innovative solutions for our customers
- Maintaining a consistent high level of service and customer satisfaction
- Observing all industry standards and conventions, including Australian Franchise Law
- Operating ethically and strictly within the law
- Sharing information and ideas and being receptive to constructive feedback
- Being proactive about continuous improvement and developing your franchise business, and helping other Thermawood® franchisees with ideas to help build theirs.

Is franchising right for you?

Buying a franchise is an excellent way to go into business for yourself, with the added knowledge, experience and support of your franchisor.

Thermawood has proven systems and a team of people in place to help you succeed in building your business.

From the outset, it is important for you to understand a number of key points that are common to all franchise networks, and to be able to fully grasp the nature of a franchise relationship. Firstly, you will own and operate your own independent business. As a franchisee, you are neither a partner nor involved in a joint venture with the franchisor;

Thermawood® NZ GP Limited 4849819 as general partner of Thermawood® Limited Partnership 2596922 (Thermawood®).

We do not guarantee or underwrite your results – we will give you assistance and, support but you are

ultimately responsible for your own results and your own success.

It is also important to realise that although you are the owner of your own business, you must operate it within a clearly defined set of procedures and codes of practice outlined in our Thermawood® franchise agreement and franchise manual.

Our Thermawood® Franchise System is based on our experience and knowledge, and is designed to help you maximise the potential of your business whilst avoiding mistakes.

It is in the best interests of you and all of our franchisees to follow our proven systems, ensuring that there is national consistency in the delivery of Thermawood® services to all of our customers.

“We encourage feedback and are always receptive to new ideas that may benefit the entire franchise network.”

Key Roles and Responsibilities

All successful franchise relationships are built on mutual understanding.

Both the franchisee and the franchisor must perform the specific roles and obligations set out in the Thermawood® Franchise Agreement and in the operating manuals. The following is a summary of our key obligations, and what we expect from you in return:

Key Obligations of the Franchisor (Us)	Key Obligations of the Franchisee (You)
<p>Provide initial Franchisee Training</p> <ul style="list-style-type: none"> • A mix of classroom education and on-the job practical training experience. • Administrative training will include a briefing on franchise related obligations; sales and marketing techniques, accounting procedures, health and safety requirements, our customer service requirements, product knowledge, business planning, finance and other general administrative practices 	<p>Prior to Training</p> <ul style="list-style-type: none"> • Complete and pass the initial training • Complete all pre-commencement activities as specified in the Thermawood® Franchise agreement and Thermawood® Franchise manual
<p>Provide Franchisee Start-Up Assistance</p> <ul style="list-style-type: none"> • A mix of classroom education and on-the job practical training experience. • Assist in the set up and launch of your business and provide on-site assistance and monitoring during launch/early period ongoing support • Provide On-going Training as required and agreed to. • Protect and Develop the Thermawood® brand & Corporate Identity • Administer the Marketing Programme • Ensure national brand development and provide guidance, advice and evaluation of local area marketing and promotions • Plan and Coordinate Supply of Products and Services • Organise and Maintain Communication and information flow within the Thermawood® Franchise Network 	<p>After Commencing Training</p> <ul style="list-style-type: none"> • Complete and pass the initial training • Adhere to, and operate in accordance with the franchise manual and training • Consistently ensure all staff and contractors adhere to franchise system policies & standards • Provide all customer details to franchisor • Maintain service delivery standards • Market your Thermawood® business within your local area to develop your full sales potential • Participate in, and support all national promotions and marketing initiatives • Effectively manage key relationships, including customers, contractors, franchisor & local media • Submit annual Business Plans for franchisor endorsement

What Level of Investment is Required?

The total investment required to establish your Thermawood® franchise business will depend on your particular circumstances.

Costs will include the initial franchise fee, vehicle, tools and equipment, initial stock, office set up, initial launch, marketing costs, and an allowance for initial working capital.

We will discuss your investment options in more detail as your application proceeds.

Franchise Fees

Once your franchise business commences trading, it will pay a monthly franchise royalty plus a national marketing contribution levy. Both of these fees will be based on a percentage of your total sales.

In summary, we believe there is a fantastic potential to generate a sound income and return on your financial investment. We encourage approved applicants to take professional advice and prepare their own business plans and forecasts before entering into any franchise agreement with us.



What Are the Next Steps?

Franchise marketing territories are currently available in locations throughout Australia.



We recommend that you consider thoroughly the information you have read so far, and address any further questions to Graeme Clarke by email: info@Thermawood.com.au or phone: **0455 555 330**

If you are excited and enthusiastic about becoming part of our Thermawood® Franchise Network, and would like to proceed with your application, please complete the enclosed Thermawood® Franchise Application Booklet and return to:

**Thermawood,
Po Box 1007
South Melbourne
Vic 3205**

All information supplied by you to Thermawood® will be treated in the strictest confidence. We will assess your application and credentials. If your supplied information matches our franchisee criteria, we will contact you to arrange a meeting.

If there is mutual compatibility and an agreement to proceed, we will then provide you with confidential detailed information that will allow you to prepare your own plans and take the necessary professional advice to help you make your final decision on whether to become a Thermawood® Franchisee.

We thank you for your consideration of owning and running a Thermawood® franchise and look forward to hearing from you soon.



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