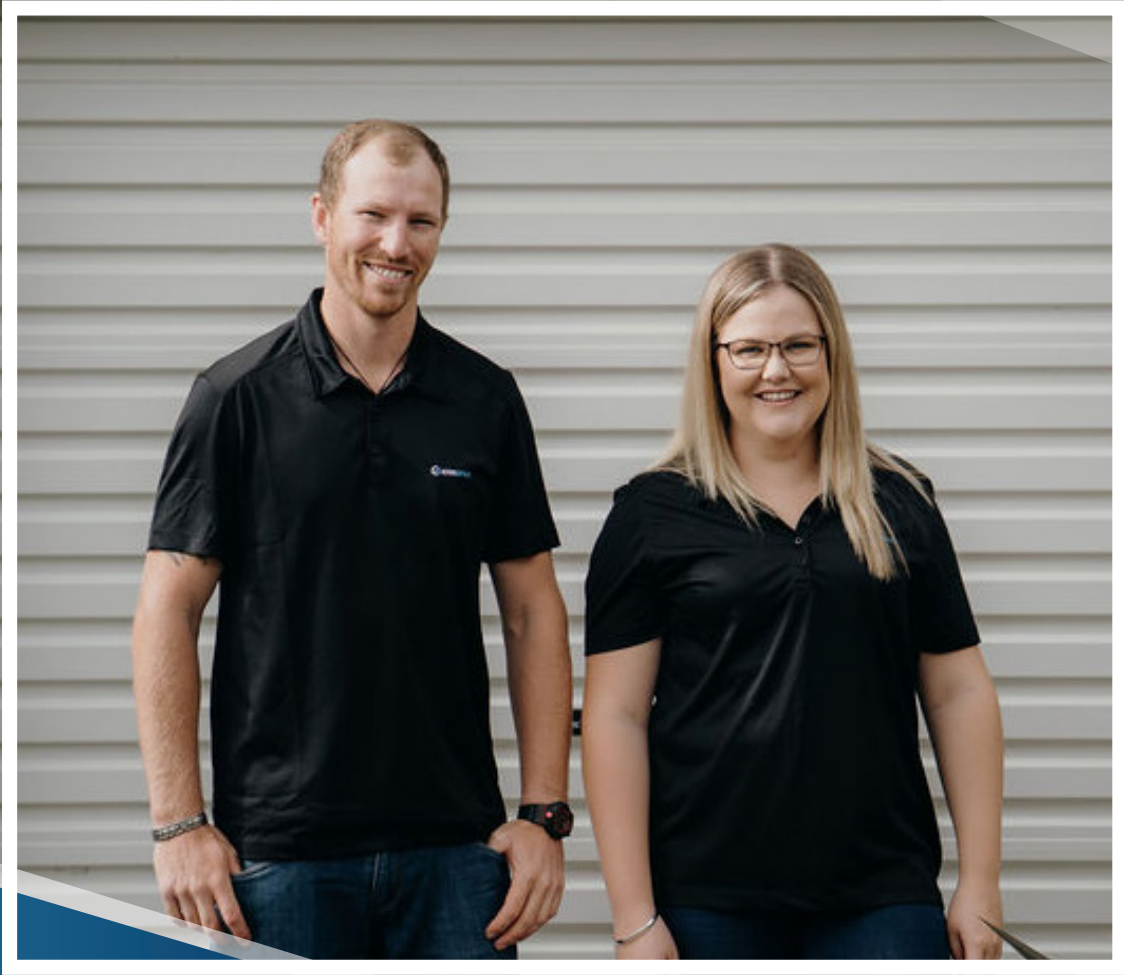




LICENSEE PROSPECTUS

www.kiwispanspan.co.nz | 0800 870 078



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FAQS

Welcome

Thank you for taking the time to consider joining the KiwiSpan licensee network.

KiwiSpan has a network of licensees across the country, and offers you the opportunity to manage and grow your own business. If you have construction industry experience or have managed a successful business, then this could be the opportunity you have been waiting for.

We are market leaders in the design and construction of steel frame sheds and buildings. Since 2002 we have built a reputation for designing and constructing buildings that are not only strong and cost-effective, but aesthetically pleasing as well. The combination of our system designed specifically by Kiwis for Kiwi conditions, plus our high-quality manufactured components, ensures we offer our customers an outstanding KiwiSpan product.



Backed by the Donovan Group

A Successful History in Innovation & Licensee Networks

Established in 1969, the Donovan Group has become renowned as leaders in innovation and design, developing world-firsts in construction software, systems, and materials.

Donovan Group is the name behind some of New Zealand's most innovative companies and technologies, including KiwiSpan, Coresteel Buildings, Buildings, Modern Building Product, Donobeam, Donobrace, and Utecture Software.

The business is driven forward by Kyle and Brett Donovan. Brett brings a wealth of engineering knowledge, forming the foundations for several innovations including the company's pre-engineering building system and software platform, and the DonoBeam system. Kyle has strong banking and financial sector experience, and is focused on driving business growth, strategy, and manufacturing, including patenting the Bracketless Portal System.

The Donovan Group is focused on maintaining a strategic edge through innovation. This ambition is delivered by developing well-engineered and original steel buildings to the New Zealand market. These structures are sold by national teams of franchisees and licensees, who have a passion and belief in the products, brands, and building systems. The group strives to be environmentally, socially, and economically responsible and values the benefits of doing big business in regional NZ.

Donovan Group Business Units

KiwiSpan

KiwiSpan has been operating in NZ for over 20 years, having been purchased by the Donovan Group in 2017. The network focuses on supplying quality steel sheds, tailored to each client's requirements. KiwiSpan builds sheds across a number of sectors, including Lifestyle & Residential, Farm, and Commercial & Industrial.

Coresteel Buildings

Coresteel specialises in large scale custom-designed commercial and industrial steel frame buildings, with two unique structural systems, the patented DonoBeam and the Bracketless Portal Systems. Both structures offer unlimited design possibilities, bird and vermin-resistant properties, and truly outstanding span capabilities, with the DonoBeam reaching spans of up to 75m.

Modern Building Product

Modern Building Product delivers essential steel bracing, cladding and complimentary products required for steel building construction. Fundamental to the collection is DonoBrace. Designed for New Zealand's earthquake and wind-prone environment, the DonoBrace system pushes the boundaries of roof and wall bracing for lightweight structures. DonoBrace is New Zealand's only rod-bracing system to be dynamically tested to simulate behaviour in earthquakes. Providing protection from the elements is ModnColour, a pre-coated metal roof and wall cladding solution available for all Donovan Group's distributors. Personal access doors and a unique vermin-proof bottom girt complete the suite of available products.

Design Station

At the heart of Donovan Group is the Design Station team. From offices in New Zealand and the Philippines, expert structural engineers and structural and architectural detailers provide complete support for each of Donovan Group's distribution channels.

Together with a fresh approach and expert technical skill, the team utilises a specialised engineering system and custom-designed software to engineer and detail standard pre-engineered and specifically designed steel buildings.



Benefits of a Licensee Network

Buying a KiwiSpan license is a great way to drive your own business, while benefiting from the experience and resources provided by the others in our network.

Owning your own business and running it well is not for the passive. It requires motivated individuals who have good organisational skills. In return, you gain the opportunity to get a step ahead, turning your business into a wealth-creating asset of value.

A KiwiSpan license is a wealth-creating asset as it:

- Generates a reliable revenue stream
- Has continuity (i.e. it can keep on going even if you are not working)
- Is highly resaleable if you choose to leave the team in future.

KiwiSpan License Benefits

- Proven business concept and operating model. The Donovan Group has a proven track record of developing strong license systems, and licensing has a lower statistical risk of failure.
- National pricing agreements, strengthened by KiwiSpan and Coresteel group buying power under the Donovan Group.
- Established national brand with operating policies, procedures, and standards.
- Sales CRM Pipeline Management tool.
- Internal national marketing team, partnered with a leading marketing agency, delivering cutting edge exposure for the KiwiSpan brand.
- Immediate business momentum on launch through established brand equity.
- Experienced KiwiSpan Support Office team delivering training and ongoing support.
- On-going product and service innovation.
- Annual licensee conference and ongoing licensee support and networking.





Established Business Operating Systems

KiwiSpan has proven and established sales and construction systems, which you will gain access to when buying into the network.

We offer a suite of software platforms and business templates which guide you through the process, ensuring from day one you are set up to succeed.

Our buildings are designed specifically for our customer requirements. We deliver this via a customised steel framing software package, which enables you as the licensee to independently design and quote client requests. This software package also produces council consented drawings, delivering an efficient process for you and your customer.

We also have a specific systems team based in the KiwiSpan Support Office who can support you with any IT questions.



Backed By Experienced Professionals

Our team of in-house engineers and Donovan Group Advanced Manufacturing team are experts in the steel framing industry. Once a project estimate has been accepted by the customer, our in-house engineers review and approve every structure, ensuring you have the confidence that your building is engineered to standard. Once a job is approved for manufacture, the manufacturing files are automatically delivered to the manufacturing team. You are kept informed of progress via a specific KiwiSpan Account Manager within the Donovan Group Advanced Manufacturing business, who also confirms the on-site delivery date for your steel structure.



Take Advantage of our National Buying Power

Your business will benefit from the collective buying power of the Donovan Group, which passes on the savings to KiwiSpan licensees. This means inventory and supplies will cost less than for an independent company.

KiwiSpan has long standing relationships with a number of suppliers:

Donovan Group Advanced Manufacturing

This expert team are crucial to Donovan Group's integrated and efficient file-to-factory workflow. Cutting, rolling, fabricating, welding, blasting and painting are completed to the highest standards, using high-quality New Zealand steel and the latest manufacturing technology. Spanning 50 years in manufacturing, and having grown to 50+ employees, Donovan Group Advanced Manufacturing now pumps out the components for nearly 150,000sqm of steel buildings per year.

Roofing Industries

New Zealand's only 100% nationally NZ owned and operated metal roof and cladding manufacturing business, which is staffed by experienced and passionate roofing professionals. The result is a close-knit and passionate team delivering superior roll-formed solutions.

B&D and Windsor Doors

A long-standing New Zealand manufacturer & supplier of sectional and roller doors and automatic openers.

FMI - Building Innovation & Altus

FMI is a family-owned business who has been supplying joinery to the New Zealand market for over 50 years. Both FMI and Altus joinery products are designed and tested for New Zealand's unique conditions. They also offer an extensive network of independent fabricators who have a deep understanding of their local markets.

Modern Building Product

Modern Building Product delivers innovative construction industry products, including steel bracing, cladding, and complimentary products required for steel building construction.



Technical Support

Each licensee is supported by a network of highly skilled professionals. With a long history in the commercial construction industry, we have the expertise, resources and capacity to ensure any issues you have are resolved quickly, ensuring the best outcome for you and your client.



Annual Conference

Our annual national conference is a time when licensees from across the country come together to discuss sales, marketing, business strategy, software updates and more. They are also a great time to get to know your fellow licensees and to expand your support network.

National and Regional Marketing Programme

Marketing is essential to create and maintain demand, relevance, and reputation for KiwiSpan across New Zealand. Purchasing a new shed or commercial building is one of the largest decisions a consumer will undertake. Our marketing activity ensures Kiwis make KiwiSpan their first choice.

To set us apart from competitors, we promote three key benefits:

DESIGNED FOR YOU



All KiwiSpan sheds are fully customisable. Unlike our competitors, we don't stick to standard plans. Thanks to our flexible system, we tailor our buildings to suit our customer's needs.

BUILT TO LAST



With KiwiSpan, you're guaranteed a shed that will last. Proudly made with New Zealand steel, they're built to the highest standard and made to withstand the harshest conditions. Our customers can rest easy, knowing they're getting a strong and reliable shed that won't let them down.

TRUSTWORTHY



Our licensees are backed by years of experience in the steel shed industry. In that time, we've learnt a lot about what our fellow Kiwis like in a shed. We use this experience and knowledge to deliver great sheds on time, on spec and on budget.



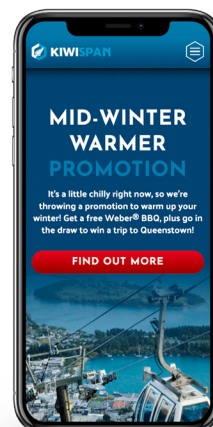
BRAND ADVERTISING

To ensure Kiwis know about the KiwiSpan brand, investment is put into brand awareness activity such as National Sponsorship and/or National Advertising on channels including radio and national websites.



NATIONAL WEBSITE

The recently refreshed KiwiSpan website acts as the central hub for all our lead generation and marketing activity. The site has been designed to clearly show what sets KiwiSpan apart from competitors, our range of sheds and buildings, and offers a simple way to either contact the local KiwiSpan team or submit a sales enquiry online. Our website is our greatest sales lead generator, with leads specific to your region being delivered to your team automatically by email and/or our CRM Project Management platform.





DIGITAL MARKETING

KiwiSpan is promoted through several Digital Marketing channels, including Paid Google Ads, Organic Search activity, and remarketing. Over 90% of traffic to a website is via either Paid Google Ads or Organic Search Google listings, so these are crucial channels the national marketing team focuses on to secure a regular pipeline of sales leads.



SOCIAL MEDIA

There are national KiwiSpan Facebook and LinkedIn pages which are updated regularly by the national marketing team. Crucial for lead generation and brand awareness, thousands of visits to our national Facebook page, generates leads and drives inquiry via the national webpage.



REGIONAL MARKETING

A critical component in the marketing machine is the activity undertaken by licensees within their territory. These efforts grow the profile of their team members and business with the local community. KiwiSpan teams are required to fund local advertising such as billboards and/or radio, attend local events such as A&P shows, fund and attend regional Field Day events, sponsor local community or sports groups, and manage any regional Facebook pages. The national marketing team works with you to ensure your regional marketing is aligned with national branding, and offer training, advertising templates, and general support for your regional marketing activities.



Proudly Locally
Owned & Operated.
Support Local Business

KiwiSpan Rotorua is Under New Management.

QUALITY STEEL SHEDS, DESIGNED FOR YOU.



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QUALITY STEEL SHEDS, DESIGNED FOR YOU



PROUDLY LOCALLY
OWNED & OPERATED



Who We're Looking For

Licensee Selection

We have the best steel framing business in New Zealand, and only want the very best people to join our team. The potential for our regional licensees to experience strong business growth is real, and this will take skill, dedication, and experience to manage.

Our ideal licensee will possess the following attributes:

- Have experience in the building industry.
- Ability to work within a licensee network.
- Proven business acumen and computer literacy.
- Financially secure/working capital.
- A strong team to help drive their business.
- Experience providing fixed price full contract new builds.
- Experience and proven success in a sales role.

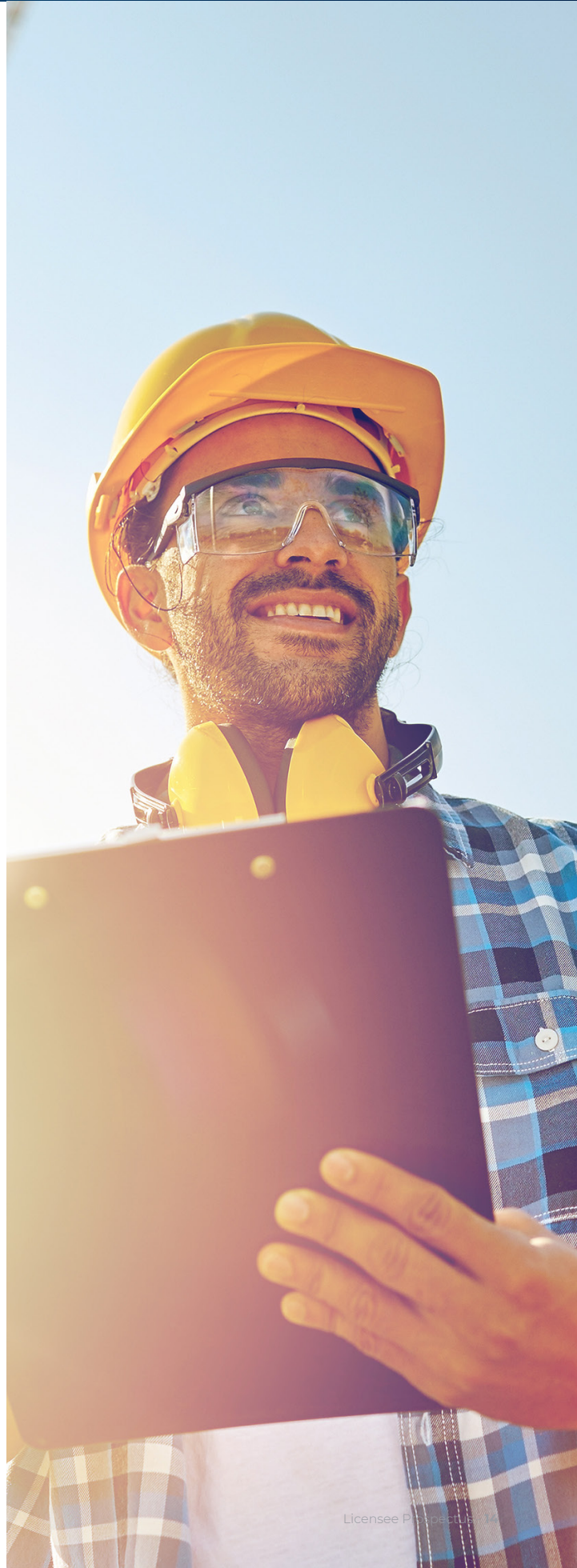
Selection Process

We want to ensure your KiwiSpan licensee relationship is built-to-last, and we have a rigorous selection and induction process to ensure this happens.

1. You make contact with the KiwiSpan team.
2. Information Request and Non-Disclosure Agreement completed.
3. Further suitability assessment and discussion with the Commercial Manager to answer all your questions.
4. Should both parties wish to proceed further, deposit is paid, draft Licensee Agreement is issued and formal Due Diligence commences including police and credit checks.
5. On site tour and final approval process is scheduled and undertaken in Whangarei – licensee agreement signed and License purchase completed.
6. Training and on boarding.

Suitability Check

As a prospective license owner, you are required to undergo an initial credit check. A report will be generated and provided to KiwiSpan. At a minimum, the report will outline your financial position, criminal record, history of insolvency and current business interests.



FAQs

Here are the answers to our most frequently asked questions from potential KiwiSpan licensees.

What are the main duties of a KiwiSpan licensee?

The role involves lead management, sales, construction, project management, council liaison, and managing any commercial accounts. We recommend that you hire/contract staff to assist with different aspects of the business. The number of people you hire is up to you, based on how much support you believe you need to run your business well.

Am I required to operate a premises?

Everyone who starts with KiwiSpan will be expected to transition to an office premises. To be successful, you require a space where you can talk with clients in person. However, we are flexible with how you would like to set that up.

Do you have minimum performance levels?

Yes, these are assessed differently depending on your territory's size, location, and growth opportunity. We'll work with you to make sure you achieve these.

What ongoing support do you provide?

The KiwiSpan Commercial Manager will work closely with you to help set goals and targets, monitor your progress, address any issues, and make recommendations on any improvements you could make.

How do I get leads?

Our national website is designed to drive quality leads towards your region and we heavily invest in a range of marketing activity and promotion to ensure this. It is also a requirement for licensees to invest in marketing at a regional level, which the national team can provide guidance for and set minimum activity levels based on your goals.

How do you use social media?

While we regularly post from our national social media channels, local pages are an excellent way to connect with your local community. We'll provide you with social media guidelines and any other support to get you set up.

What happens when I want to sell?

Your license is yours to sell. Your license agreement outlines the requirements for a sale, and the prospective buyer will need to go through our standard recruitment and selection process.

How much does it cost to purchase and operate a KiwiSpan license?

The initial investment for a license depends on a range of factors, including your territory's location and size. This will be discussed during your assessment as well as any other on-going license fees.

How long does your recruitment on-boarding process take?

Once approved, you could be operational in as little as a month. During that time, you will visit our Support Offices and tour our manufacturing factory, meet key contacts, and start your online training. You will also be introduced to other licensees near you.

