

# LICENSING OPPORTUNITIES

Frequently Asked Questions

#### **BOMANITE LICENSING OPPORTUNITIES QUESTIONS:**

#### Why Bomanite?

Ask an architect and they will tell you we are a "premium" architectural decorative concrete company. The Bomanite brand of architectural, cast-in-place decorative concrete has been leading the industry for more than 50 years. Today, The Bomanite Company is more than stamped concrete and continues to lead by introducing new and exciting systems as we did in 2007 with our proprietary Exposed Aggregate Systems program.

#### What makes a successful Bomanite Licensed Contractor?

Our Licensed Contractors have diverse backgrounds and experiences, but they all share many valuable traits: successful business people experienced in construction, concrete, coatings, or landscaping. They also have the entrepreneurial drive and desire to excel at creating and delivering unique works of art while leaving a legacy of excellence in their finished product.

#### o How big is the decorative concrete industry?

Industry sources estimate it to be between \$3-5 billion annually.

### o Does Bomanite provide me with leads?

Yes. The Bomanite Company spends a considerable amount of resources generating leads and specifications for our Licensed Contractors.

# • Where is the training held?

Bomanite typically holds its initial technical training sessions in Denver, Colorado. Other advanced training sessions are held during the year, typically in conjunction with other Bomanite related meetings in various parts of the country.

#### How long is the training?

Depending on whether it's an introductory or advanced training and which system; most sessions last about three full days.

# What does training cost?

The initial training cost is part of the Initial License Fee and there is no additional cost to you except your travel and meal expenses. Bomanite conducts additional optional training sessions during the year exclusively for our Licensed Contractors and we typically charge a moderate attendance fee to help offset some of the expense of conducting these additional optional training sessions.

## What's included with the license fee?

An extensive sales package to assist you with starting your new Bomanite branded company, everything you need to successfully market and begin work as a Bomanite Licensed Contractor and generate sales!

# o Do I have to carry inventory?

No. The Bomanite Company does not require you to inventory any materials. You buy materials as you need them from any one of our approved vendors.

## I already own stamping tools. Do I have to replace them with Bomanite tools?

While over time our Licensed Contractors choose to replace all their tools with ours, your only requirement is to prosecute Bomanite specified work with Bomanite approved materials and tools. While Bomanite enhances and complements your business growth, it does not replace it. You may keep your stamps and tools acquired through your experience in the industry.

# How can Bomanite provide more commercial business for me?

One of the many strengths of The Bomanite Company is our ability to market ourselves as the premium provider of decorative concrete systems. We aggressively drive national, regional and local specifications through the architectural and design community. This places you at the initiation of a project well ahead of the bidding stage. Bomanite encourages and supports our Licensed Contractors in developing strong relationships in the local community with all entities involved in the specification of architectural concrete projects.

## How many licenses are offered by Bomanite?

Bomanite offers five different licenses as defined in detail in the license section: Imprint Systems, Toppings Systems, Custom Polishing Systems, Grasscrete Systems and Exposed Aggregate Systems. To learn more about our individual systems visit the "Bomanite Systems" section of our website.

## I believe there's a growing decorative market in my area. How can Bomanite help me reach that market?

Through the power of the "Brand" and aggressive specification and marketing campaigns, Bomanite opens markets and opportunities for you that otherwise might not be available or would take substantially longer to penetrate.

# What are the benefits of becoming a Bomanite Licensed Contractor?

There are key advantages to owning a Bomanite License. These include brand name association and recognition, access to Bomanite brand products, tools and proven systems, peer support and assistance, support at the corporate level, national marketing and business development efforts, specification assistance, product research and development, and systems training.

#### o How much do the licenses cost?

The initial license fee ranges from \$2,500 to \$5,000 depending on the exact Bomanite System and the configuration of your Initial Licensing Package.

# o Can I finance the license package fee?

No. The Bomanite Company does not provide financing. We believe the initial license fees are modest and we expect that they be paid in full at the time the license agreements are signed.

#### Are there other fees or costs associated with a Bomanite License?

There is an ongoing royalty fee that is due each month for each system license that you hold. The monthly royalties typically include a monthly minimum plus a percentage of the value of the work you install under each system each month. The monthly minimums are typically modest, in the range of \$100 to \$300 per month per system license, depending on the size and location of the territory you are in. The additional percentage royalty is due each month on all projects installed during the month and typically is 3% of the contract value. A certain volume of work is typically exempt from the additional percentage royalty as a result of the monthly minimum royalty. The exempt volume will be determined prior to the execution of the license agreement(s). The royalties collected each month help us to provide you with ongoing service and support.

# • What is my total start up cost?

Generally our Licensed Contractors are already experienced business people in construction, concrete, coatings or landscape industries. They typically experience minimal costs above and beyond the license package fees such as those associated with marketing themselves as Bomanite Licensed Contractors in their community. Additional equipment initial investment fees may range from \$5,000 - \$50,000 plus depending on the individual needs of each company. While some companies might already have the necessary equipment, others may need to purchase additional tools and or supplies. Fees do not include working capital, insurance, real estate costs as those figures vary depending on your company size, structure, location and expenses.

## o How do I become a Bomanite Licensed Contractor?

Apply Online at our website. Upon review of your preliminary application, you will be contacted by our General Manager to lay out the timeline, process and answer any questions you may have.

## o Do I need decorative concrete experience?

Yes, we prefer that our Licensed Contractors begin their relationship with Bomanite by having some decorative concrete experience in the type of Bomanite system they desire to participate in. For example, a Bomanite Custom Polishing Licensed Contractor would have prior concrete polishing experience. We provide initial training for all of our Bomanite Systems, however, our training programs assume a certain level of decorative and general concrete knowledge, experience and expertise by the Licensed Contractor prior to his affiliation with Bomanite.

# What are the requirements of becoming a Bomanite Licensed Contractor?

You must be a results-oriented individual with the desire to provide quality workmanship and meet our standards for installations. You must be willing to extend yourself to the architectural and design community as their local Bomanite Licensed Contractor, informing and educating them through our AIA registered presentations. You must have a passion for decorative concrete and possess a vision for success.

# I saw Bomanite specified on a project and want to purchase your products. How do I go about doing it?

Bomanite materials and tools are available only to our exclusive network of Licensed Contractors. The Bomanite Company does not sell or distribute Bomanite products outside of this network.

# o How will The Bomanite Company increase my business?

You will benefit from 60 years of proven experience and brand name recognition. You will grow your business through the power of associating yourself with our brand and capitalizing on all of the advantages and benefits The Bomanite Company offers our Licensed Contractors. You will network your business to a prestigious level not typically associated with independent businesses. You will be part of a peer network of valued industry professionals.

# • May I purchase one system or do I have to commit to several?

We prefer the best fit for your business, which might be one system or could be a combination of several.