



BetR-blok®, LLC

EXECUTIVE SUMMARY

CORPORATE INFORMATION

Founded:	Tempe, AZ, April 2010
Industry:	Construction
Product:	Unique zero waste, energy-efficient, eco-friendly construction block made of recycled paper




KEY STATISTICS

Initial target market / size:	U.S. - 2.5B
Total addressable market /size:	Outside U.S. - 944B



THE COMPETITION

		Other Blocks/ICFs
Zero Waste	Yes	No
Energy Efficient	Yes	Not unless concrete + foam
Load Bearing	Yes	Many not w/o concrete
Pre-fab	Yes	Usually not
Cost	\$5.50 sq ft	\$11-15 sq ft

OTHER USEFUL INFORMATION

IP / Patents	Provisional Utility Patent Application filed - More planned
Testing	Structural Engineering completed by CTS
Corp Structure	LLC



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PROBLEM: BetR-blok addresses three problems: Rising Energy Costs, Rising Construction Costs and Diminishing Landfill Space. Energy Costs are increasing for everyone, but the impact is greatest on low income households – more than 28K in Arizona alone - who apply for government assistance to pay their utility bills, which costs about two billion dollars a year. The costs of building materials are up sharply - with a 15 percent increase in wood and insulation since 2016. Builders also lose thousands of dollars in construction waste, waste hauling and landfill fees, all of which they have to offset by increasing home prices. Landfill space is quickly disappearing nationwide- construction waste and demolition material occupy about 25% of landfills.

SOLUTION: BetR-blok is made from recycled paper and other cellulose. Its high insulation quality or “R- value” lowers home energy costs up to 50 percent. BetR-blok replaces higher-priced construction methods, by lowering overall costs. Construction waste is reduced by our “zero waste take back” policy. We will take back blocks and block debris to make new blocks with. “Zero waste” savings can be passed on to the home buyer in a reduced purchase price and it also guarantees that BetR-blok will never reach a landfill. BetR-blok actually saves landfill space, since about 50 percent of everything in landfills is paper and cardboard, which can be used to make BetR-blok .

MARKET: Our business model is a hybrid between product and service- based. BetR-blok customers include homeowners, designers, architects, builders & developers. Homes built from various kinds of block comprised about 56 billion dollars of the 502 billion dollar U.S residential housing construction market in 2017-18. That market is projected to increase by at least 6 percent per year for the next several years. Since BetR-blok can be used for commercial as well as residential construction, the actual market for BetR-blok is projected to be 72 billion in the U.S alone. BetR-blok has over a dozen purchase commitments, and a letter of interest from the Phoenix Catholic Diocese, which recently announced a \$100million dollar capital improvement plan.

COMPETITION: BetR-blok is cost competitive with wood-frame/stucco and is significantly cheaper than walls made of concrete block or insulated concrete forms - ICFs. It is load bearing and self-insulated - rated R-36 - which exceeds the rating of most new construction. It can be built on-site or pre-fabricated in a factory and shipped as completed walls.

THE SECRET SAUCE: BetR-blok has a dual manufacturing capability – mobile and fixed. Our mobile system can be moved to rural areas - or any construction or recycling location to make blocks - reducing transportation costs and producing jobs in rural areas. There is a pending patent on the mobile block making machine.

PARTNERS: Currently in talks with a consortium of developers, and a major recycler.

FUND RAISING: Raised over \$200 thousand in grants, competitions and private contributions. At a retail price of \$3.50/block, our current unfilled orders are estimated to be worth over \$350,000. Once in full operation, we’ll be in the black in Year 2 and near 12 million by Year 5.

TEAM:

Chris Frettoloso-has a Masters in Real Estate Development (Focused MBA) from Arizona State University and is a LEED Green Associate with a background in Architectural design. He has been a Board Member of the Center for Alternative Building Studies (CABS) since 2007. He has designed BetR-blok homes, developed general design standards & structural construction details for BetR-blok and has organized grass root fundraising, marketing & sales activities for BetR-blok in Florida & Arizona

Barry J. Fuller- is an ASU alumnus, Executive Director of the Center for Alternative Building Studies (CABS), and an Alternative Building Materials Specialist with over 16 years of experience with paper & cellulose materials and in the research and development of BetR-blok manufacturing and construction of BetR-blok structures.

Skip Schulte –With 24 years in Engineering & Equipment Fabrication, Skip is an expert in industrial design & fabrication, welding and hydraulic systems. He comes to BetR-blok by way of Empire Fabrication, an affiliate of Caterpillar, Inc. Empire is one of the largest fabrication companies in the Southwest. He has done an impressive amount of work for CABS and built or modified almost every component of the BetR-blok Manufacturing System.

Advisors & Consultants: Caruso Turley Scott Inc. Structural Engineers – Have extensive experience with sustainable green building materials and concepts. Will work with BetR-blok to complete the ICC-ES or UL compliance process and provide structural engineering for BetR-blok homes