



NATURAL - ENERGY EFFICIENT - SUSTAINABLE

Natural, Energy Efficient and Sustainable, Products and Services

Case Study - Company B



Product

Company B designs and manufactures High performance timber frame buildings.

Advantages of using this product and service when compared to others

- Is breathable, rather than airtight
- Lower energy requirements to heat the building
- There is less damp and mould which ensures a healthier building.

Advantages using this company compared to others

- Innovative construction
- Staff expertise
- Staff experience
- Knowledge of high performance construction and how materials interact with each other

Disadvantages of this type of product and service when compared to others

- Can be more expensive

All material used by the firm is bought from local producers or importers. Where possible the material comes from the Republic of Ireland, however most material comes from Scandinavia.

The product is installed by Company B's own network of sub-contractors and has a lifespan of over 50 years.

The Industry

Company B estimates that the market for high performance buildings should completely replace existing construction methods. In anticipation of this market shift, Company B is working with a number of developers that aim to take advantage.

In order for company B to maximise its market share it is:

- Working to increase the manufacturing speed
- Keeping track of technology changes
- Increasing economies of scale

The industry has been changing:

- Better insulation standards being adopted
- A trend towards higher air tightness



- Rising energy prices and a greater awareness of climate change leading to consumers expecting lower running costs
- Consumers are commonly adopting renewable energy technologies to lower energy bills

Research and Investment

Company B has been investing in new computer software and hardware to increase the quality of their work, ensure better customer management and increase the efficiency of their offices. In addition, the company has also been investing in training of their staff and promoting knowledge transfer to stakeholders. This training is often performed on site by the senior staff members.

Unfortunately, due to the economic climate, the company has recently been unable to invest in R&D to improve their existing products. To get round this, the company has been looking at alternative means of funding R&D, such as The Technology Strategy Board's national Innovation Voucher scheme.

SWOT ANALYSIS

Strengths	<ul style="list-style-type: none"> • Knowledge • Experience • Quality of end product
Weaknesses	<ul style="list-style-type: none"> • Marketing • Factory capacity • Continuity of work
Opportunities	<ul style="list-style-type: none"> • Changes in legislation to demand more efficient buildings • Clients becoming more educated on the potential benefits
Threats	<ul style="list-style-type: none"> • Conventional construction has declined in recent years • Poor lending facilities • Low cost competition

Marketing

The company uses a variety of mediums to advertise its product and services:

- Attending trade shows on a regular basis, such as the Self Build Show which is held every year in Belfast and Dublin
- Magazine advertisements such as Self Build (which is published once a month) and Passive House Plus (which is published on a bimonthly basis)

In addition, potential consumers are encouraged to visit the company's offices to discuss the product and services offered.



Pricing

A Timberframe building, that is designed manufactured, erected, air tightened and insulated costs between £18 and £25 per square foot.

The initial quote is composed directly from architect drawings / sketches. Then, a more detailed quote is composed in conjunction with the architect to calculate the different permutations and ensure accuracy. This allows the consumer to adjust the building to suit their budget.

Financing

Generally Company B request a 15% deposit with an additional 25% paid prior to manufacture. Another 25% will be paid before delivery, and the rest can be paid in monthly instalments. This payment schedule is flexible, and can be negotiated with the company before making a decision.

Generally, the cost of this investment can be covered in a typical mortgage but it is imperative to check with the providers to ensure they will provide a loan for new builds.

Quality

Using bespoke software, the company cuts the timbre at its own manufacturing facility using circular saws. The equipment has a tolerance of 0.3mm and is checked and signed off by the fitter to ensure it is in compliance with the building design. The company is also in the process of purchasing and installing a new timbre frame mechanical manufacturing line to increase production levels.

There is feedback loop used to ensure the client is happy with the installation and to allow them to make changes if necessary.

All technical documents are written in house by the specialist staff members. In addition, all abnormal materials have specification sheets which can be downloaded from the company's web site.

Timbre used by the company is environmentally certified by the Forest Stewardship Council® and all other materials have Agreement certificates which can be produced on request.

Legislation

Company B fully comply with all building legislation and is fully insured.