



Dear Prospective Distributor,

Thank you for your interest in becoming a distributor of Outback Buildings. We are excited about the development of our own local distributorships in Pennsylvania. The support we have received from the corporate office has been great, the suppliers have been reliable, and working with our customers has been enjoyable and rewarding. We believe that if you choose to join the Outback Buildings family, that you too will be encouraged and optimistic about the potential to build a solid and growing business in your area.

Enclosed with this letter you will find a CD that contains a sampling of our software program, *MultiBuild*. This innovative program is a highly effective tool that vastly facilitates the design process with the customer, provides instant pricing of buildings, and enables you to establish the markup rates you desire. It also provides you with a complete, detailed list of the bill of materials for any building you design.

While the building styles currently available are impressive, we want you to know that the company is not resting on its past successes. The company's engineering firm is constantly working to develop an even broader range of building options. Whether your customer's needs are residential, agricultural, commercial or industrial, there is an ongoing commitment to provide top quality products, at customer specifications, and.... at a very competitive price.

After you have reviewed the enclosed material, we hope that you will give us an opportunity to answer any questions you may have. Like any successful business, this is a business that requires commitment and dedication. But, if you enjoy working with people and believe in the future of the building industry, we believe you will be hard-pressed to find any better opportunity than this company offers. For a very modest investment compared to other full-time businesses, franchises, or distributorships, you have the opportunity to obtain a protected territory for your display-marketing purposes while still retaining the privilege to sell buildings throughout the country.

If what we have shared and what you read sounds interesting and geared for you, give us a Call toll-free, so any questions you may have can be answered. We look forward to talking with you soon.

Sincerely yours,

Sandy Larsen
American Outback Buildings



INTRODUCTION

American Outback Buildings is a USA company, acting as an agent for the corporate office of Hi-Tech Designs Pty Ltd, the largest steel building company in Australia and New Zealand. With approximately 70 distributorships already in place in the United States (generally in the western states), Hi-Tech has set an aggressive corporate goal of seeing at least 200 additional distributorships established in the next 2 years across the country. We believe this is the most advanced design steel building system in the world today. Hi-Tech has designed building systems that have incorporated the strength of steel with the versatility of wood. They are simplistic in design, easy to put together, and at the same time made of strong, durable, earth friendly material.

With this building and marketing system, **YOU** the distributor, **can buy better than most wholesalers**. It allows you to buy at a much lower price, thereby giving you higher profits with lower fixed costs. You will have no waste from manufacturing, no warehouse overhead, no depreciation, no inventory storage or flooring costs. You buy products made in the USA by Americans, with recyclable materials shipped to all the 48 mainland states.

Not only do you get the most competitive pricing, but you also get designs that are clean, simple, and easy to present to your customers. Small to moderately large buildings are priced, drawn, and amended by you in minutes. A quote and a complete bill of materials can be printed in seconds; and stamped engineering drawings are completed in days. Hi-Tech provides a computer-pricing package that allows you to price and deliver a building anywhere in the continental USA.

During times of uncertainty, the Hi-Tech building design system allows distributors to keep as many costs variable as possible. When you are an Outback distributor, you eliminate the need for expensive leases on large warehouse space. In addition, there is no need to hire your own engineer and incur high engineering costs that you or your customer would otherwise need to factor into the building price.

The Hi-Tech building design system allows you, the distributor, to:

- 1). Be more productive with fewer employees.
- 2). Have direct access to structural engineers only when you need them.
- 3). Eliminate the need to manufacture parts and maintain inventory items.
- 4). Eliminate expensive warehouse space.
- 5). Eliminate handling and delivering materials. (Orders are shipped direct to the job site if you choose.)
- 6). Participate in a buying group to get the best possible pricing, even when you purchase small quantities.

COMPANY PROFILE

Parent Company Profile (Australia)

HI-TECH DESIGNS

Dennis & Gai McFadden (AU)
Managing Directors
18 years in the building industry
Founder of AG&S (Hi-Tech Designs)

Phil Dorman (AU)
Designer of *MultiBuild*
Information & Technology Manager

Ashley Howell (AU)
Sales & Marketing Manager for Australia
& New Zealand
31 years experience

Andrew Matiukevitch (AU)
NPER-3 Civil & Structural Engineer
Full member of the American Society of Civil
Engineers (MASCE) since 1984
22 years experience

United States Company Profile

OUTBACK DISTRIBUTION USA
Dan Loftis (USA)
Managing Director of Sales & Marketing of
USA distributors
Distributorship Sales Representative of
Western USA
23 years experience

AMERICAN OUTBACK BUILDINGS, INC.
Sandy Larsen (USA)
Distributorship Sales Representative of Eastern USA
20 years experience

Phil Costar (AU)
Managing Director of Operations & Distributor
Support
16 years experience

Paul McLoughlin (AU)
Builder, Software & Technical Support
15 years experience

Strategic Partners

Hi-Tech has aligned itself with strategic suppliers who incorporate the same core values of high quality product control and customer satisfaction. These partners include the following companies:

Metal Sales Manufacturing Corporation is our supplier of roll formed steel products. Metal Sales is an American privately held company with a wide range of claddings in numerous product styles and designs. With sixteen manufacturing sites around the U.S., Metal Sales is able to meet the growing number of customer orders in a timely manner.

WDS Fasteners supplies all the bolts, screws, rivets, etc that are used in assembling the buildings.

Wattagan Innovations PTY. LTD. is the designer and gatekeeper of our state of the art integrated computer software package - MultiBuild™. The output from this software package only reflects what is possible from an engineering standpoint and in accordance with the Universal Building Code. The output is fast, versatile and very professional.

Clopay Door Company supplies our distributors with over-head and roll-up doors of all sizes.

A.J. Manufacturing Inc. is our supplier of personal access doors, as well as windows of many sizes.

ESP Inc. supplies our distributors with a specialty range of low-E insulation products.

Paragon Pacific Insulation supplies other insulation products, horse stall materials, cupolas, and sealants.

ASK4 Engineering have been retained by Hi-Tech as our structural engineers. They provide distributors with stamped structural drawings for all of the 48 mainland states. The engineered drawings, together with calculations, are mailed to the distributor or customer in the matter of a few days.

Bank of America provides excellent on line capabilities, loan programs and other banking services to assist in the distributor's day to-day sales transactions making the buying process convenient for the customer.

The Market

There will always be a need for shelters worldwide. Customers will need living areas for their families (principle home or vacation site), space for their cars, their animals, their vocational machinery (tractors, construction equipment, trailers), their toys, (boats, motorcycles, recreation vehicles, private aircraft, specialty cars, four-wheelers), or for workshop needs. It is not difficult to see where the US building market is a multi-billion dollar per year industry

Business Opportunity

Because of its uniquely designed engineering and simplicity of construction, this building system has successfully expanded into wider markets during its 15-year history. After becoming the largest building system of any kind (steel or otherwise) in Australia and New Zealand (with average weekly building sales of 275), the focus of Hi-Tech is now to continue its growth across the United States.

Hi-Tech, through OutBack Distribution USA and American Outback Buildings, Inc., is making available to selected geographical market regions, an integrated engineering and building product package to its distributors. American Outback Buildings and OutBack Distribution USA are marketing these distributorships across the USA. Hi-Tech plans to capture a strong share of the building market in the next 24 months. This will be accomplished by aggressive and strategic advertising, high quality products with competitive prices, strong and efficient engineering, and fast convenient delivery.

The Industry

The building shelter industry is quite multifaceted. There are many different materials available to build shelters: concrete block structures, wood structures, steel structures and composite structures. Hi-Tech has chosen steel as the primary structural material for their shelters. Hi-Tech has researched these various materials available and believe steel to be the most effective in these ways:

- a) Durability and life-span
- b) Consistency of quality
- c) Strength to weight ratio
- d) Flexibility of design
- e) Ease of engineering
- f) Availability of material
- g) Very little waste
- h) Earth friendly
- i) Ease of transporting
- j) Ease of handling
- k) Quick assembly of materials
- l) Stability of price

Competitive Advantages

Hi-Tech, through its integration of engineering design and building software, has allowed the entrepreneur and small businessman to attain a successful business as a buying group distributor. Providing engineering services, software support, and training only when the distributor requires it, allows the distributor to keep his/her fixed costs to a minimum, thereby limiting expenses and providing greater profitability.

1. Hi-Tech provides you, the distributor, access to materials at prices wholesalers and manufacturers pay.
2. Hi-Tech provides a proprietary building system to sell to the public.
3. Hi-Tech provides the distributor with access to structural engineering at rates much less than most companies with in-house engineers.
4. Hi-Tech provides the distributor with an integrated software system which allows more productivity with fewer personnel through:
 - a) Flexible shelter design programming
 - b) Easy point and click operation of software
 - c) Changes made in seconds to minutes
 - d) Printing of customized quotes and contracts
 - e) Complete material take-off (bill of materials) automatically created for each design

- f) Five-sided view of desired building shown to customer in his/her choices of colors
 - g) Automated ordering through the internet
 - h) Integrated engineering
 - i) Stamped drawings
5. The steel components provide more consistent quality benefiting both the distributor and the end user.
 6. Hi-Tech allows the distributor to shift most of his/her fixed costs to variable costs. This reduces the business risks and allows for greater profitability.
 7. Primary vendors deliver materials within two to three weeks from time of order.

Target Distribution Market

Hi-Tech has targeted these successful small businesses as prime potential distributors for their products:

1. Businesses that already have a quality reputation in their prospective markets
2. Businesses that are currently selling wood systems and would like to expand their product line
3. Businesses that are currently selling large red-iron buildings and want to reach the mid to small product market
4. Businesses that do not manufacture any of their products
5. Businesses that are committed to the industry

Hi-Tech is also targeting:

1. Men and women tired of spending their life working hard for somebody else's company, and not sharing in the profits of that company.
2. Successful businessmen who have lost their job through corporate downsizing and looking to begin anew.
3. Successful businessmen who are tired of the corporate life, looking for an opportunity that allows them to remain involved in their community, as well as being able to spend time with their family by creating a family business.

Target Consumer Market

Hi-Tech has targeted the small to moderately large sized shelter market because of the competitive advantage offered by their Hi-Tech system. Most steel building systems are not competitive until they get into the 50' wide clear span or above. The hightbred steel/wood engineered building systems have traditionally dominated the 36' to 60' clear span market. Hi-Tech's more efficient system is priced lower than the current building systems with the same or greater margins. More usable interior space, greater rust protection, and faster on site deliveries are all features important to today's consumer and provided by Hi-Tech. This unique integrated system has multi-tiered benefits for the retail customer, the erector, and the distributor.

A. "Retail Consumer" Product Benefits

1. Competitive pricing
2. All building designs are engineered to meet the current UBC and IBC requirements
3. Complete structural engineering package
4. Made from recyclable material
5. Fast on site delivery
6. Strong light-weight components
7. Instruction booklet
8. Simple bolt together erection system
9. Flexible material compatibility
10. Maximum usable interior space
11. More headroom clearance
12. No wood rotting in the ground
13. No termite protection needed
14. Low maintenance, long usable life span

B. “Erector” Product Benefits

1. Complete structural engineering
2. All recyclable materials
3. Consistent high quality material packages
4. Fast site delivery
5. Instruction booklet
6. All materials provided in building kit
7. Detailed material take-off sheet
8. Strong light-weight components
9. Simple bolt together erection process
10. Very little cutting of materials
11. Less on site material waste
12. Less workers needed on site for erection

C. “Distributor/Retailer” Product Benefits

1. Competitive pricing with manufacturers through buying group
2. Building design concept eliminates factory costs
3. Sales support material supplied by Hi-Tech at cost
4. Large amount of building designs priced in minutes with software package
5. Amend building design in seconds with changes integrated into engineering & material purchasing
6. Quotes and agreements completed in minutes
7. Order and receive stamped engineering drawings and calculations in seven to ten working days
8. Many costs normally associated with manufacturing eliminated or made variable
9. Order building kit in seconds
10. Two to four week delivery schedule
11. Software package maintained and updated by Hi-Tech every quarter
12. Software efficiencies eliminate people costs

Engineering Services

ASK4 Engineering, Inc. of Sandy, Oregon provides the engineering services. Hi-Tech has retained their services to supply two sets of stamped engineered drawings on 24”x 36” paper, two sets of calculations, and two sets of 11”x 17” drawings for the distributor. (Additional copies are available for a small fee.) Engineering is completed within ten working days and mailed to the distributor. Ask4 Engineering has the ability to provide stamps for each of the 48 lower states.

Other Support Materials

1. Installation guides for each of the different building designs is available to send to each customer from Hi-Tech’s website. (No charge to distributors)
2. An erection video is available.
3. Color brochures are available at \$140.00 per 300 ctn. (300 included with the distributorship purchase)
4. Building technical information is available for interested distributors.
5. Building instruction for dealer contractors available for \$300.00 per day
6. Supplier catalogs from the buying group vendors are free of charge.

Why would someone pay for this distributorship opportunity?

It is important to understand the scope of what a distributorship can offer. This is a business, which if viewed and approached in the proper way, will be both fulfilling and very profitable. It is not intended for the person looking for a hobby or limited, occasional work. Consequently, as with any substantive business, there is an investment of both money and effort. A great deal of time and money has already been invested by Hi-Tech to get the infrastructure of this building system to where it is today. Add to that *the ongoing research and development* that the company is providing for its distributors. In reality, compared to what most businesses, distributorships, and franchises cost, your investment into this business is indeed very modest. While business sales brokers often recommend four to five times a company's annual net earnings (profits) as a reasonable price for a business valuation, as a distributor with Hi-Tech, you could recover your investment in only a small fraction of that time – perhaps one to two months of activity. Consider also the following:

1. To purchase a software program which engineers, designs, and prices buildings along with the bill of materials, cost from \$10,000.00 to \$75,000.00. The cheapest software available must be programmed by the end user.
2. Companies pay \$60,000.00 to \$150,000.00 annually for the privilege of employing a structural engineer in house. Hi-Tech gives the distributor access to a whole engineering company on a variable cost basis. Any building designed through the program includes the stamped engineering of the structure and the foundation design.
3. Through the large volume of purchases through distributors, vendors give our Hi-Tech buying group members the best pricing possible, far beneath what the independent proprietor would have to pay its suppliers.
4. Hi-Tech provides national advertising (currently in major magazines) to supplement distributor's local advertising.
5. Hi-Tech is not like any other companies that offer distributorships. They also are not anything like a franchised company. Most other companies insist on taking a percentage of your sales, not just a flat transaction service fee. Look over the following fee schedule. You only pay the fee to Hi-Tech based on the overall size of the building you sell. You have the ability to mark-up the selling price to whatever you'd like, add as many windows, gutters, insulation, doors, or any other options, all without giving the parent company a single dime of it.

Building Size:

Transaction Service Fees:

1. Up to and inclusive of 25 Feet wide span	\$ 315.00
2. Up to and inclusive of 30 Feet wide span	\$ 480.00
3. Up to and inclusive of 40 Feet wide span	\$ 645.00
4. Up to and inclusive of 50 Feet wide span Per each additional bay in length	\$ 975.00 \$ 82.50
5. Lean To's equal to & less than 20 Feet span (per side)	\$ 165.00
6. Lean To's greater than 20 Feet span (per side)	\$ 315.00
7. Mansard Roof = Std shed Transaction Fee	\$ 750.00

Exclusive Distribution Control of the Hi-Tech Building Technology in the USA

You may already be in the industry struggling to compete with the big players, or you may be looking for something different to hang your hat on. In ten years using the MultiBuild™ software design system and developing the most advanced light gauge steel building system in the world, Hi-Tech has sold over 140,000 buildings throughout the southern hemisphere alone.

Hi-Tech spent two more years developing a program exclusively for the US market and having the designs engineered to the 97 UBC. Then they opened up 70 distributorships across the US starting in the west. Hi-Tech plans to open about 200 more distributorships across the US in the near future. Are you interested in becoming one of them?

What is Hi-Tech Designs selling to the US market?

Hi-Tech has developed a pre-engineered building system that requires no fabrication or manufacturing. To assist in the designing of given shelters, Hi-Tech developed a software system which designs various building configurations incorporating seismic loading, wind loading, and snow loading utilizing all structural materials available from McElroy Metals, Inc. This software allows the user to design, price, and optimize the structure for the customer in minutes. Changes are made in seconds, not minutes. Quotes and agreements are done in minutes, not hours. The combination of building design and great pricing (being associated with a large buying group) give the distributors a competitive advantage as well as a way to distinguish themselves from others in the industry. With competitive building pricing, great distributor support from Hi-Tech, and all the other vendors, (strategic partners), we have the ingredients to become a very successful business in a relatively short period of time.

Outback Steel Buildings Distributorship Opportunity

1. All distributorships have protected geographical areas. This limits the physical locations of distributors, however does not limit the advertising done by distributors. All advertising done by Hi-Tech will result in inquiries being diverted to the closest distributor via a phone latta system provided by Verizon. The cost to get registered into this latta system is included in your distributorship package.
2. All distributors become members of our buying group. This entitles member access to all vendors associated with Hi-Tech at best pricing.
3. Fees are only paid on building purchases and engineering. All parts orders made through the buying group are benefits to the distributor. We encourage all distributors to purchase from the group vendors to allow Hi-Tech more clout with distributor pricing.
4. All distributors receive rights to use the MultiBuild™ software system on multiple business PC's or laptops with free upgrades for the period of the distributor agreement, as well as design and market buildings of their choosing based on the MultiBuild™ system.
5. All distributors receive access to our structural engineering partners that are licensed in 48 states.
6. Pricing in the program includes delivery to the Distributor's yard. Delivery direct to the job site is at a nominal fee
7. Distributors buy at prices usually available only to manufacturers. Even small distributors are able to be competitive thanks to our marketing system.
8. Distributors receive marketing support at cost. Brochures, instruction manuals, website, toll free phone access, etc.
9. Hi-Tech is changing the way business will be done in the building industry. Entering the "new economy" with low overhead and no middlemen, keeping lean and mean. By utilizing high technology and the internet, Hi-Tech allows the distributor to sell and deliver anywhere in the country, 24/7.

Each distributorship includes the following:

1. A *protected* geographical area: This limits the physical location of each distributor's display, however it does not limit the advertising and selling done by distributors. We have the ability to market throughout the 48 mainland states.
2. Use of the *MultiBuild* software system: This custom design program provides for fast quotes of the exact specifications of the buyer in color-selected layouts. Updates to the software are free for the period of the distributor agreement.
3. *MultiBuild* tutorial disk, which walks a new distributor through the *MultiBuild* software building-quoting program.
4. Access to building construction manuals.
5. Access to our structural engineering group for standard and custom engineering needs: Their fees are included in the price of the buildings.
6. Delivery of the building components to the buyer's designated site: This cost is included in the selling price of the building.
7. Connection to a large buying group: This includes the corporate contract with a nation-wide steel manufacturer as well as group buying from other vendors. This enables even smaller distributorships to be very competitive in their pricing and thus more profitable.
8. Collateral benefit from occasional corporate-sponsored national advertising: Any national advertising arranged by Hi-Tech Designs uses a toll-free number with inquiries being diverted to the closest distributor from the caller's location. Local and regional ads are sometimes offered also. The cost of registration into the system is included in the distributorship.
9. Technical support from local, national, and corporate office staff.
10. Security key (dongle): This provides safety against an unauthorized person copying and using *MultiBuild* software.
11. 500 Brochures
12. A Getting Started guide
13. Opportunities for specialized training and networking
14. A 99 year lease with automatic renewal

TOTAL INVESTMENT: \$30,500 --- Per Distributorship; multiples can be purchased.