

Kitchen Renovation General Contractor: KitchenContractor

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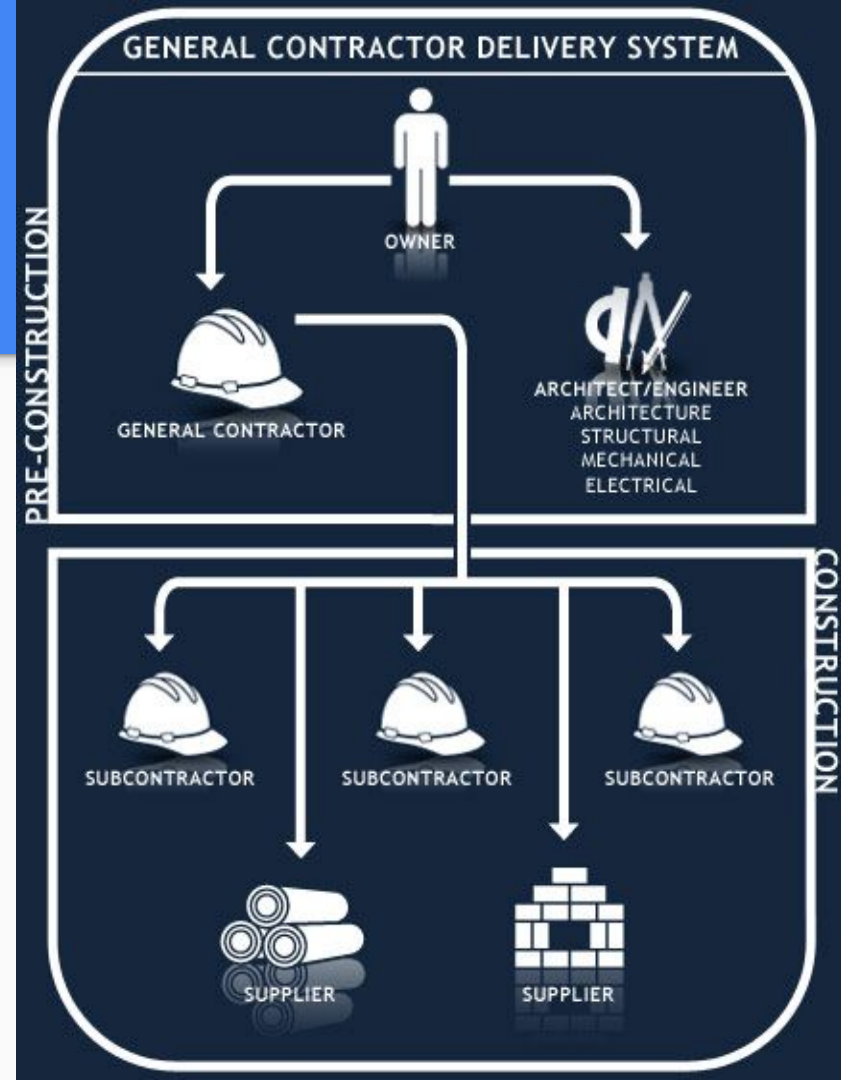


Motivation

- Two summers of construction experience
 - Many organizational inefficiencies
- Consistent steps in construction
- Smaller projects can be managed by anyone

Residential Construction

- General Contractor
 - Management skills
 - 10-20% fee
- Subcontractor
 - Technical skills
 - Specific job



Goal

Give homeowners the ability to fulfill the role of General Contractor on kitchen renovation projects, allowing for greater control and monetary savings

Similar Products

- Angie's List
- Home Advisor
- Houzz
- Reliably connect homeowners to subcontractors
- No tools to plan/manage projects

Customers and Market

- \$18.2 billion on kitchen renovations last year
- Average cost of remodel : \$17,000 - \$37,000

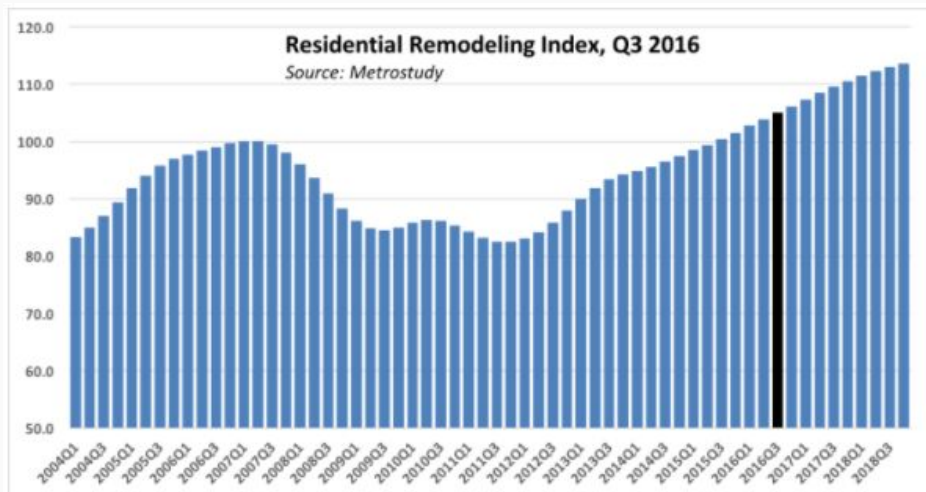
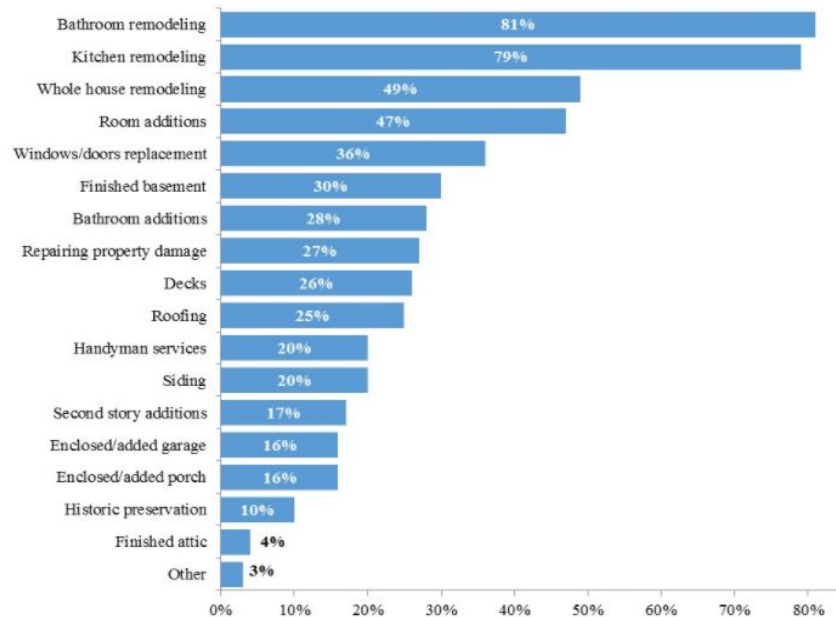


Exhibit 1: Most Common Remodeling Jobs Performed in 2015 (Share of remodelers reporting job as common)



Approach

- Capture the scope and specifics of a construction project
- Translate into building plan
 - Outline steps
 - Needed contractor types
- Source contractors on the platform
 - Ratings - reliability

Implementation

- Python-based Flask Framework (Python 3)
- SQLAlchemy
- HTML
- Javascript
- CSS - Bootstrap
- WTForms

Describe your project:

Project Name:

Are you replacing your cabinets?

- ☒ Yes
- ☐ No

Are you refacing your cabinets?

- ☒ Yes
- ☐ No

Are you adding any walls?

- ☒ Yes
- ☐ No

Are you removing any walls?

- ☒ Yes
- ☐ No

Are you changing the placement of any appliances or sinks?

- ☒ Yes
- ☐ No

Are you purchasing any new appliances?

- ☒ Yes
- ☐ No

Select all appliances that will be in your renovated kitchen

Oven : ☐

Refrigerator : ☐

Freezer : ☐

Dishwasher : ☐

Garbage Disposer : ☐

Trash Compactor : ☐

Range : ☐

Wall Oven : ☐

Range Hood/Vent : ☐

Cooktop : ☐

Microwave : ☐

Warming Drawer : ☐

- ☒ Yes
- ☐ No

Are you making changes to lighting fixture type/position?

Project Overview:

Project status: In progress

Project owner: Adam

Mark project as in progress: In progress

Delete project : Delete

Search for Contractors: Find contractors

Demolition

Framing

Plumbing

Electrical

Drywall

Painting

Flooring

Cabinets

Countertops

Tiles

Demolition

- Tear out cabinets
- Remove appliances - store those to be reused
- Remove old floors
- Remove old countertops
- Remove old windows

Contractor: Bob_everything

Remove

Revenue and Pricing

- Business Model
 - Homeowners
 - Free
 - Contractors
 - Monthly subscription - \$10
 - Growth first
 - Ads
 - Sponsorships - feature products
- Revenue:
 - Initially low - focus on high quality tools
 - Reduce variable costs - referral rewards/raffles

Financial Predictions

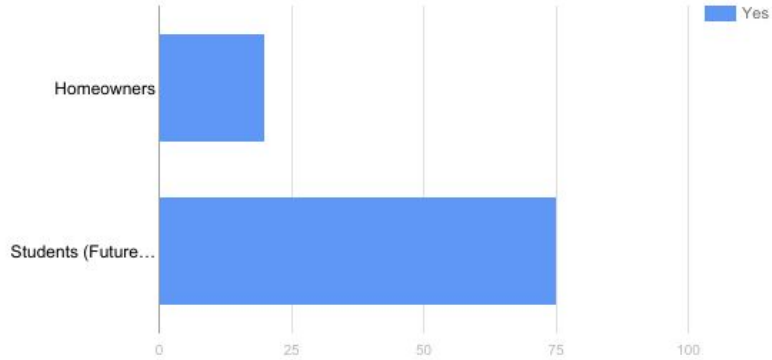
A	B	C	D	E	F	G	H
		2017	2017	2018	2018	2018	2018
		Q3	Q4	Q1	Q2	Q3	Q4
Revenue		0	0	800	2600	5200	9450
Homeowner count		10	100	200	400	800	1200
Contractor count		50	200	400	800	1600	1700
Subscription sales		0	0	500	2000	4000	8000
Advertising		0	0	300	600	1200	1450
Cost of goods sold		50	500	800	1000	1500	3000
Hosting		50	500	800	1000	1500	3000
Gross margin		N/A	N/A	0	62%	72%	68%
"below the line" expenses		500	45,000	97,500	150,000	180,000	180,000
Employee count		1	2	5	8	10	10
Salaries		0	17,500	17,500	17500	17500	17500
Marketing/Promotions		500	10,000	10,000	10,000	5,000	5,000
Operating Margin		N/A	N/A	-12100%	-5700%	-3300%	-1800%
Cash flow		-550	-45,500	-97,500	-148400	-176300	-173550

Financial Predictions

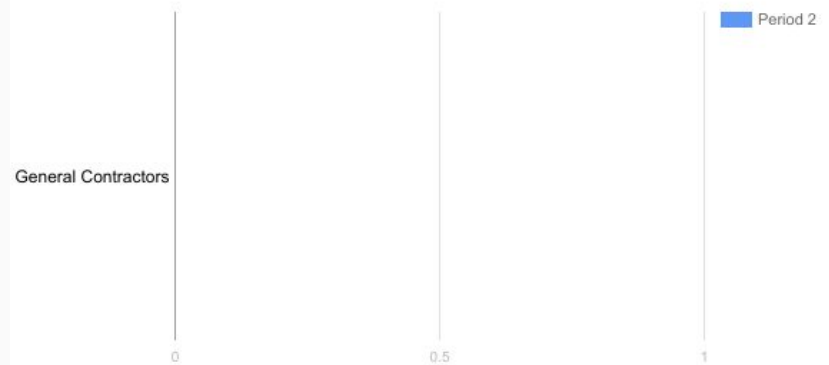
A	B	C	D	E	F	G	H
		2019	2019	2019	2019	2020	2020
		Q1	Q2	Q3	Q4	Q1	Q2
Revenue		17650	18900	20300	24500	28700	30800
Homeowner count		1500	1600	2000	2200	2400	2500
Contractor count		1800	2200	2600	2800	3000	3100
Subscription sales		16000	17000	18000	22000	26000	28000
Advertising		1650	1900	2300	2500	2700	2800
Cost of goods sold		6000	7000	9000	10000	12000	14000
Hosting		6000	7000	9000	10000	12000	14000
Gross margin		66%	63%	56%	59%	51%	55%
"below the line" expenses		180,000	180,000	190,000	190000	190000	190000
Employee count		10	10	10	10	10	10
Salaries		17500	17500	17500	17500	17500	17500
Marketing/Promotions		5,000	5,000	15,000	15,000	15000	15000
Operating Margin		-950%	-890%	-880%	-720%	-600%	-560%
Cash flow		-168350	-168100	-178700	-175500	-173300	-173200

Results

Would you be willing to use
KitchenContractor?



Is KitchenContractor ready to oversee Kitchen
renovations?



Selected Feedback Responses:

- Homeowner/future homeowners
 - "I'm not sure how reliable the plan is in its current state"
 - "Seems like a great way to cut down on renovation costs"
- General Contractors
 - "The plan has the main points, but there's a lot of other details to consider"
 - "Certain steps can take place simultaneously, depending on the situation"
 - "You have to take into account the necessary permits and inspections"

Conclusions

- Platform has potential to attract homeowners
 - Younger, less affluent - greater savings appeal
- Current trustworthiness and reliability questions
- Plans should be refined with input from experienced general contractor

Future Work:

- Improve plan quality with input from General Contractor
- Add features
 - Estimate management
 - Expand project types
 - Integrate local building codes, inspections