

A Proposed Study of The 2024 US Exterior Trim Market

Builder/Remodeler Decision Analysis for Exterior Residential Trim

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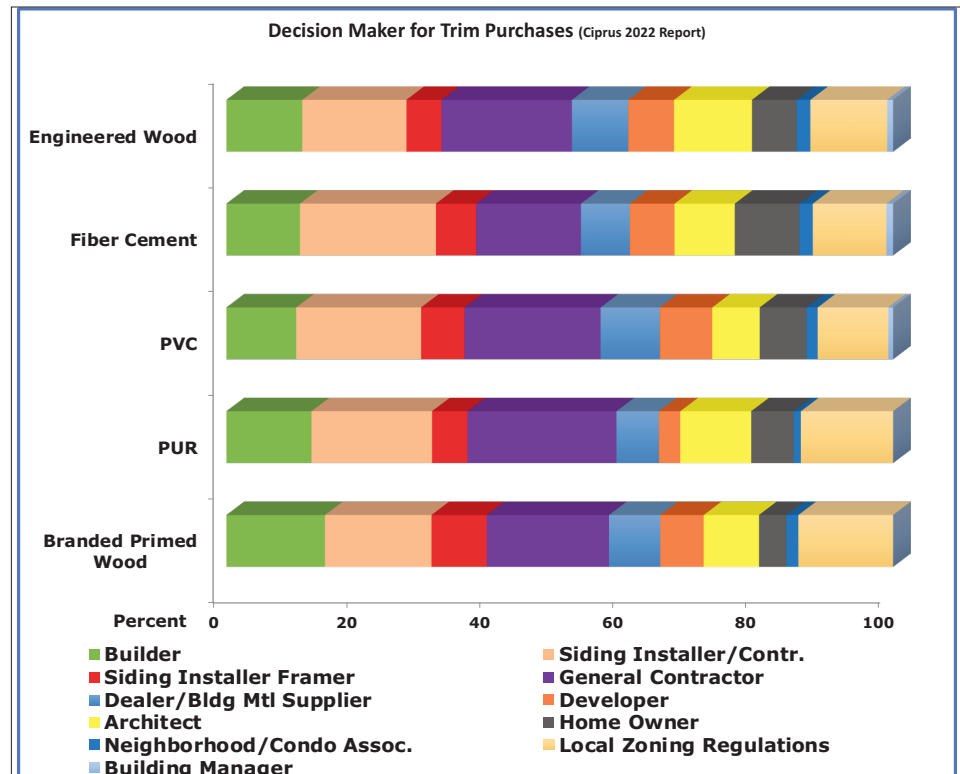
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Introduction

Since our 5th Edition, the exterior trim market has seen brands consolidating under single ownership including VersaTex and Azek, Boral and KLEER under Royal Building Products to name a few. How have these changes impacted builders and remodelers brand choices in exterior trim?

Trim products have been in use and installed for a longer period of time. How have they held up? How well have they weathered the environment? Have they stood the test of time? How has this affected brand choices?

Post Covid, building supply shortages impacted the industry. How did these shortages impact builders and remodelers brand choices? These are just some of the questions the 6th Edition will address in our upcoming research. This proposed research will analyze the decision process to provide insights into how that choice is arrived at, what are the sources of information used by builders as well as other valuable information.



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What the Study will Cover

Brand Choice-Decision Analysis After making the decision on a type of trim, builders/remodelers must also make a decision on specific brands of trim. This proposed research will also probe brand decision process in-depth as well.

This study will document several aspects surrounding trim decisions by type and brand summarized in the table below:

As a Charter Subscriber you will have the added benefit of actually designing some of your own research objectives into the study to meet your specific needs.

Research Issues and Study Direction
Determine who is the ultimate decision maker and who are the influencers in making the choice for residential trim products.
Where do builders look for information in making their choices of residential trim.
What factors are important to builders in making the decision to use a particular type of trim.
What is the builders usage history with particular types of trim and brands of trim.
On what types of projects and with what cladding types are brands of trim being used.
Have trim types and brands been used continuously or has their usage been interrupted?
Are multiple types or brands of trim used and if so which ones?
How many lineal feet of trim are used by type of trim, brands of trim and by type of construction?
What role does geography play in the types of trim used or brands of trim used?
What are the perceived strengths of each type and brand of trim used?
POST COVID-19 Shortages What has the impact of Post COVID-19 shortages been on builder and remodeler selection of the types of trim and brands?
Market Size and Share From a sample of manufacturers, what is the market size and share by type and brand of trim. 2024 vs 21', '19, '16, '12, '10, '08, '04.

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Study Objectives

To take advantage of opportunities in the industry, accurate planning information is needed. Data will be obtained from builders in 4 size categories, small, medium and large and very large. Most importantly, data will be obtained using sufficient sample sizes and in such a manner that the data is projectable to the industry as a whole. We utilize the widely accepted small sample size theory of 30 interviews per cell.

This study will focus upon capturing market back information from a combination of personal and telephone interviews. Below are the detailed objectives of the research:

Trim Type & Brand Decision

How does a builder/remodeler chose among the 6 key types of trim that are available?

- | | |
|---------------------------|--------------------|
| A. Branded Primed Wood | B. Engineered Wood |
| C. Fiber Cement | D. Poly-Ash |
| E. PVC | F. Polyurethane |
| G. Un-Primed SPF or Cedar | |

1. **Market Size and Share** What is the overall market size by type of trim and what is the share of key producers. What is the size of the new residential, new commercial and repair & remodel segments. What is the size of the key channels to market - Builder Direct, 2-Step, 1-Step and Dealer/Retailer.,

2. **Decision Maker** Who is the decision maker and who are the influencers in the choice to determine the type of trim being used. To what degree do each contribute to the ultimate decision over what type of trim to use?

- | | |
|----------------------------|-----------------------------|
| - Builder/remodeler | - Sub-contractor |
| - Developer | - Architect |
| - Owner | - Neighborhood/condo Assns. |
| - Local zoning regulations | |

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3. **Information Sources** Where do builder look for information regarding types of trim?

- Fellow builders
- Suppliers - contractor supply houses
- Trim manufacturer' sales personnel
- Customers
- Advertising (Internet, print, direct mail, other)
- Manufacturer product seminars
- Sub-contractors
- Sweets - McGraw-Hill

4. **Factors Important to Decision Process** What factors were important in aiding the builder to reach a decision to utilize a particular type of trim? What factors had the greatest influence for each type of trim?

- Source of supply (does the builder's normal source of supply offer the product)
- Price
- Warranty
- Ease of installation
- Call-back experience/history
- Appearance of finished project
- Configurations offered (size, shapes, etc)
- How well the trim works with the cladding types they install
- National programs, rebates etc.

5. **Usage History** What is the builder's experience with the product and brand?

- How long has each type/brand of trim been utilized?
- Describe the projects on which trim is used
 - Geography
 - By cost range (starter, move-up, luxury)
 - New construction vs remodeling
- What the type used continuously or was usage interrupted
 - Why was usage interrupted/reinstituted?

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- Are multiple trim types used?
 - What types of projects are each used for?
 - What is the reasoning between using multiple types of trim?

6. Usage Quantification Although the key reason for completing this research concerns the type and brand decision process, we will quantify the usage of trim by type, manufacturer/brand, geographic location, housing type (starter, move-up, luxury) or other factor. We will also capture their projections of future usage by type and manufacturer/brand on a surface square footage basis or other measurement.

7. Geography/Location - What role does geography or location play in the decision to use each type of trim.

What are the geographic differences?

- Humid climates
- Harsh environments (ie coastal area)
- High heat/high sunshine (UV issues)
- Others found important

Countries and Regions
United States
Northeast
South
Mid-Central
West

8. Strengths and Weaknesses What are the strengths and weaknesses of each type of trim that the builder uses or has used on important factors? See question #3 for a listing of the factors.

9. Role of Supplier Did the builder switch suppliers or use multiple suppliers to complete the total project i.e. does the builder get his trim from the same source as his other building

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materials. If not, would the builder like to obtain his trim from the same supplier as his basic materials.

10. By builder size, small, medium and large:

Builder Sizes	Homes Completed per Year
Small	1 - 19 Units
Medium	20 - 99 Units
Large	100 - 300 Units
Mega	300+ Units

Brand/Manufacturer - Brand Specific Data Once the decision has been made to use a particular type of trim other than primed wood trim, what is the process to decide upon a particular manufacturer or brand of trim ie fiber cement, hardboard, PVC or engineered wood trim. The same series of questions outlined for the type decision can be repeated for the manufacturer/brand decision. These questions would include the following among others:

- How long have they been using a particular manufacturer/brand?
- Has the usage been continuous or have they switched brands?
- What are the strengths and weaknesses of each brand they are familiar with?
 - Product related attributes
 - Sales & Marketing, technical service, distribution, customer service attributes
- Do they use multiple manufacturer/brands?
- Where do they buy the particular manufacturer/brands? Does it differ from where they buy their typical supplies?
- What are the un-met needs of the manufacturer/ brand? What would they like to change?
- What factors would cause them to try a new manufacturer/ brand they haven't used before?

POST COVID-19 Materials Shortages What is the impact of Post Covid shortages on brand selection?

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Research Methods

Methodology & Scope

The usage of trim differs by geographic region and will include 4 U.S. regions. It will also address different builder sizes; small, medium and large. Using small sample size theory, we employ a minimum sample size per cell of 30 completed interviews. Therefore the minimum sample size for this research should be 4 regions at 30 interviews per region times 4 size categories for a total of 480 interviews. Depending on the number of subscribers, the number of regions could be expanded, enhancing the value of the research.

All interviewing will be conducted by telephone using a structured telephone questionnaire. The questionnaire will encompass the information objectives from this proposal and will be submitted to subscribers for approval in the start-up package prior to commencing any fieldwork.

Builder & Remodeler Sample

One of the keys to this research will be finding those builders who are already using one or more the three types of trim included; fiber cement, engineered wood, branded primed wood, PVC, poly-ash or polyurethane. However, with the adoption of non-wood trims, this task is being made easier.

Region	Homes Completed per Year				Total Interviews
	Small 1 - 19	Medium 20-99	Large 100-300	Mega 300+	
Interviews	120	120	120	120	480
Northeast	30	30	30	30	120
South	30	30	30	30	120
Mid-Central	30	30	30	30	120
West	30	30	30	30	120

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Research Components of the Study

Sample Specifics From our quality list broker, we will pull a random sample of builders by size and region to ensure we have a representative mix of builders without adding any bias in to the sample. To complete 480 interviews we will pull a sample of 4,800+ builders who use one or more types of non-wood trim. Keep in mind that most builders also complete remodeling work, thus providing a remodeling component.

We envision the study to proceed as follows:

1. Start Up Package A start up package will be sent to subscribers. Their input will fine tune the objectives of the study and finalize any additional builder/remodeler firms to include in the research.

2. Project Planning This stage will entail several activities prior to commencing the actual interviewing, such as designing and testing interview forms and developing respondent lists.

3. Telephone Interviewing Telephone interviews will be conducted with builder. The study team will be those professionals with prior training and experience in obtaining information in the building products industry.

4. Analysis This stage entails analyzing the information gathered as well as tabulating and charting the facts and statistics obtained and planning the final report.

5. Report All pertinent facts and information will be presented in chart and table format that will be tied back to the issues and goals of the study. The lead chapter will give a summary of findings and conclusions.

6. Optional Presentation As desired, individual subscribers can schedule a final presentation at their specific locations to review the results of the research. There is no additional fee, however, out-of-pocket travel costs are expected to be reimbursed.

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Capabilities & Qualifications

Ciprus Limited, LLC is a recognized leader in providing marketing research and consulting assistance to the Building Products and Interior Furnishings and Finishes Industries. Over the past 25+ years, clients have ranged from leading producers of building materials, contract furnishings, interior building and design products, as well as decorative surface and raw materials producers. In addition, the firm has extensive experience with exterior building products including trim, siding, cladding, shutters, architectural millwork, doors, windows and other products.

This proposed 6th update of this research provides Ciprus Limited a unique perspective on the exterior trim market. In addition, our past experience in successfully completing numerous multi-sponsored research studies will also be of benefit to this undertaking. Past studies have been conducted in Exterior Residential Cladding, Light Gage Steel Construction, Commercial Flooring, Commercial Flooring Maintenance, Commercial and Residential Upholstery Fabrics, Solid Surface Materials, Interior Building Products in Healthcare and others.

Partial Client Listing - Siding, Building & Related Products

3M	Chelsea Building Products	Mastic
Alcoa Home Exteriors	Dow Chemical	Milliken
Armstrong World Industries	DuPont	Mitsui Plastics
Ashland Chemical	Formica	NEMA
Asphalt Roofing Mfr. Assn.	Graham Partners	Owens Corning
Azek	Hilti North America	Plygem
BAIN & Company	Irwin	Price Pfister
Belco Forest Products	James Hardie	Saint Gobain
BASF	Jeld-Wen	Stanley Black & Decker
Black & Decker	Kohler Company	Triangle Pacific
Boral America	Kwikset	Universal Forest Products
Robert Bosch Tool Corp	Lenox	Vinyl Siding Institute
Cellwood	Louisiana Pacific	Versatex
CertainTeed	Mannington	Weyerhaeuser

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Report Format

The Principals of Ciprus Limited, LLC are dedicated to providing the highest quality of in-depth market research and consultative information enabling our clients to make informed business decisions.

Due to the complexity and size of this research project, a significant amount of planning has gone into organizing the report format. Subscribers will find that the statistical charts and graphs will interrelate by chapter heading and will be cross-referenced for easy access. In addition, we will also include relevant market size and share data from the firm's other

The significant findings of each individual chapter will be brought together in an executive summary section. Trim usage by builder size, region, brands and cladding types will be presented in matrix format and organized in separate chapters for easy reference.

Price, Terms & Delivery

The PDF report will be delivered by download and will contain over 990+ pages of text, charts, tables and other visual information.

This study is being offered for \$18,000. The project will begin on August 1, 2024 and the reports will be issued during the 1st quarter of 2025. *Completion timing is dependent upon the timely input from subscribers and upon receiving an adequate number of sponsors to initiate the research.*

Charter subscribers will have the ability to add topics or modify the research approach at no extra cost where it is believed beneficial to all parties.

Terms One-half the total fee (\$9,000) must be made in August 1 of 2024, and the balance upon receipt of the final report. The total price of \$18,000 includes consultation after the final report is delivered for discussion and review of the findings. When the finished reports are issued, the post subscription price will rise to \$22,000.