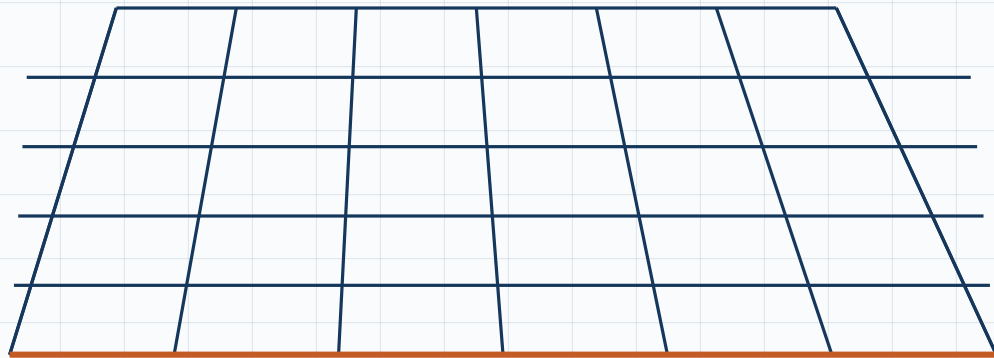


BOOK ONE

THE OPPORTUNITY

How to Build America's Homes - and a Business - One Frame at a Time



The business case, product system, market, and path to partnership

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A NOTE BEFORE YOU BEGIN

This is a book about a material, and about a moment. The material is light gauge steel - the strong, lightweight, non-combustible framing that is quietly replacing wood in homes, ADUs, and commercial buildings across the country. The moment is the one happening right now in American construction, as builders, developers, and entrepreneurs discover that the way we have framed buildings for two centuries is no longer the only way, or the best way.

Steel Building USA was founded to organize that moment into a system - a repeatable, brandable, nationwide way of designing, marketing, manufacturing, and delivering light gauge steel buildings. We are a service-disabled veteran-owned company, and we believe the future of housing in America will be built one frame at a time, by a network of local producers and partners who share a single standard of quality. That standard is what this book is about.

Whether you are a homeowner curious about a steel ADU, a developer weighing your next project, or an entrepreneur looking at the single best opportunity in modern construction, there is a place for you in what follows - and a clear path to join us. Welcome to the Steel Building USA Standard.

PART ONE / The Opportunity

CHAPTER 01 - The Problem America Can't Build Its Way Out Of

The light gauge steel advantage, at a glance

Start with a number that should bother anyone who cares about how Americans live: in 2024, the United States consumed enough lumber for residential construction that roughly 41 million trees per day were being cut down worldwide to feed the building industry. A large share of those trees - by some estimates 35 to 45 percent - are immature, harvested before they were ever ready, because demand outruns the forest. That is the wood-framing status quo.

It is the way nearly every home in America has been built for two hundred years, and for most of that time there was no serious alternative. Wood was abundant, cheap, and familiar. But the cracks in that model are now impossible to ignore, and they show up in four places at once: cost, labor, waste, and risk.

Cost that no one can predict

Lumber pricing is notoriously volatile. A builder who bids a job in spring can watch the framing package swing by thousands of dollars before the slab is poured. On top of that volatility sits waste: 10 to 15 percent of the lumber delivered to a typical jobsite ends up in a dumpster - culled for warping, cut short, or simply damaged.

On a \$200,000 framing package, that is roughly \$30,000 worth of trees going to a landfill. The customer pays for every board, including the ones that never make it into the wall.

A labor force that is shrinking

The skilled-trades shortage is one of the defining constraints on American homebuilding. Framing crews are aging out faster than they are being replaced, and every project competes for the same scarce carpenters. Any building method that depends on an ever-larger supply of skilled framers is building on sand.

Risk that arrives without warning

Wood burns. Wood rots. Wood feeds termites and grows mold.

In an era of intensifying wildfires, floods, and storms, the material we frame with has become a liability - to homeowners, to insurers, and to the communities that have to rebuild again and again after each disaster. Federal studies of disaster mitigation have repeatedly found that the cost of building more resilient structures up front is a fraction of the cost of repairing or replacing fragile ones after the fact. The takeaway: The way America frames buildings is expensive, fragile, wasteful, and dependent on a labor pool that is disappearing.

The question is not whether the industry will change - it is who will lead the change. The rest of this book is about the answer to that problem, and about the company organizing that answer into a system you can be part of.

PART ONE / The Opportunity

CHAPTER 02 - The Answer: Light Gauge Steel

Cold-formed steel is steel that is shaped at room temperature - rolled and pressed into precise structural shapes rather than melted and poured. Light gauge steel, or LGS, is the thin-gauge framing family within that category: the studs, tracks, joists, and trusses a building is actually framed from. You will see both terms used, sometimes interchangeably.

Throughout this book we will mostly say light gauge steel, because that is the material your walls and roof are made of; just know that LGS is a type of cold-formed steel, or CFS, and the two names point at the same strong, lightweight, non-combustible product. What makes it the answer to every problem in Chapter 1 is that it inverts each weakness of wood:

- **Cost predictability.** Steel is engineered and cut to exact length. There is no warping, no culling, and waste falls below 2 percent. The price is stable and the usable yield is near total.
- **Labor leverage.** Panelized, pre-punched steel framing is assembled with the same basic tools a carpenter already owns, and training takes days rather than years - easing the dependence on scarce skilled framers.
- **Near-zero waste.** Cut-to-length manufacturing means almost nothing goes to the landfill, and what little does is 100 percent recyclable.
- **Built-in resilience.** Steel is non-combustible, inorganic, and dimensionally stable. It will not burn, rot, warp, crack, or feed termites and mold.

The company organizing it

Steel Building USA exists to turn that material advantage into a national system. We are a light gauge steel company - service-disabled veteran-owned - built to serve single-family homes, accessory dwelling units, tiny homes, modular structures, and commercial and industrial buildings. But more than a manufacturer, we are a marketing, design, and network engine: we bring the customer, the plans, the engineering, and the brand, and we work with regional production partners who roll the steel and deliver it.

We call the system the Steel Building USA Standard. It is a single, repeatable way of doing everything from a customer's first inquiry to the frame standing on the lot - and it is designed from the ground up to be duplicated, market by market, by partners across the country. The vision: To be the number-one light gauge steel kit supplier in the United States - a brand that markets and sells the package nationally, and a network of regional partners who produce and deliver it locally.

That network is not a someday idea. It already runs. You will meet our production partners in Chapter 10.

PART ONE / The Opportunity

CHAPTER 03 - Which Reader Are You?

This book is written for three different people, and the fastest way to get value from it is to know which one you are. You may be more than one.

"I want to own one."

You are a homeowner, a property owner, or someone who needs a building fast - an ADU in the backyard, a studio, a storage structure, or emergency shelter. Your path runs through the product chapters, especially the FlexyFort story in Chapter 9, and continues in Book Two of this series, the Homeowner's Guide.

"I'm building a project."

You are a developer, general contractor, or architect evaluating steel for your next build. You care about specs, schedule, insurance, and the bottom line. The case in Part Two and the demand picture in Part Four are written for you, and Book Three, the Developer & Builder Playbook, goes deeper still.

"I want to build the business in my region."

You are an entrepreneur, an existing manufacturer, or a builder who sees where this is going and wants in. You are the reason Parts Five and Six exist. This is the heart of the book - the opportunity to become a Steel Building USA production partner or franchise partner, and to build a business on the back of a national brand and a proven system.

Wherever you start, read on. The case for steel is the same case whether you are buying one building or building a company around it.

PART TWO / Why Steel Wins

CHAPTER 04 - The Head-to-Head: Steel vs. Wood

LIGHT GAUGE STEEL VS. WOOD - SOURCE FIGURES FROM THIS BOOK

FRAMING WASTE

< 2%

Steel

10-20%

Wood

BUILD TIME

152 days

Steel

180 days

Wood

YEARLY MAINT.

\$1,109

Steel

\$2,096

Wood

Arguments about building materials are won with numbers, not adjectives. Here is the head-to-head on a 2,000-square-foot home - the figures a production partner can repeat to close a skeptical customer. Steel vs. wood across the measures that matter (2,000 sq ft home)

Measure (2,000 sq ft home) Light Gauge Steel Wood

Framing waste 2% 20%

Yearly maintenance \$1,109 \$2,096

Annual energy use \$2,040 \$2,400

Build time 152 days 180 days

Builder's risk insurance Up to ~77% lower Baseline

Rot / warp / termite / mold None (inorganic) Vulnerable

Waste

Light gauge steel produces roughly 90 percent less framing waste than traditional materials. Where a wood job sends 10 to 20 percent of its material to the dumpster, a steel job comes in under 2 percent - and that 2 percent is fully recyclable. The savings are real money, in both material cost and disposal.

Fire, and the insurance that follows

Steel does not burn. It will not contribute fuel to the spread of a fire, and fire-rated steel assemblies are routinely built to withstand fires for hours. Insurers notice.

Non-combustible construction earns better risk ratings, which can translate into property-insurance savings of up to roughly 75 percent compared to wood, and builder's-risk savings that can reach the high-70- percent range over the course of construction. Lower risk is not a soft benefit - it shows up as lower premiums and stronger collateral.

Dimensional stability

Wood is organic. It warps, shrinks, swells, splits, and creeps as it absorbs and releases moisture. Light gauge steel is inorganic and dimensionally stable: it holds its shape and size for the life of the building.

That means permanently straight walls, far fewer drywall nail-pops and cracks, and a structure that simply stays put. One private owner of a cold-formed steel home put it plainly: "Four years in, there's still no movement - not one drywall or framing-related issue and no cracks or pops. The overall performance of the cold-formed steel framing is huge." - Private homeowner, Burgundy Drive

PART TWO / Why Steel Wins

CHAPTER 05 - The Insurance Problem Wood Can't Solve

Every other advantage in this book is about building a better home. This one is different. It is about whether a home can be insured - and therefore financed, sold, and owned - at all.

For a growing number of Americans, that is no longer a given, and it is the single most urgent reason the country is turning to steel. The numbers behind a crisis - and the federal case for building to resist it

A market in retreat

The home-insurance market is under extraordinary strain, and nowhere more visibly than in the wildfire-exposed West. In California alone, roughly 400,000 home-insurance policies were canceled or non-renewed between 2021 and recent reporting, and enrollment in the state's FAIR Plan - the insurer of last resort - grew by about 43 percent in just fifteen months. Seven of California's twelve largest insurers have limited new policies or pulled back from renewals.

The January 2025 Palisades and Eaton fires destroyed more than 16,000 structures and generated on the order of \$40 billion in insured losses - the costliest wildfire disaster in U.S. history. And the problem is no longer California's alone: Colorado launched its own FAIR Plan in 2025 after premiums there rose roughly 58 percent in five years.

Why this is a building-material problem

Here is the chain that makes this a steel story. When a home cannot be insured, it usually cannot be mortgaged - lenders require coverage. When it cannot be mortgaged, the pool of buyers collapses to cash only.

In the highest-risk areas, that chain has begun to turn fragile homes into unsellable, and ultimately unaffordable, assets. The material a home is framed from is now part of its insurability and its long-term value. Insurers price risk, and combustible construction is a risk they increasingly decline.

A non-combustible structure changes the picture. Steel does not burn or contribute fuel to a fire; it does not feed the loss the way a wood frame does. Insurers already rate non-combustible construction as lower risk, which is why builder's-risk savings during construction can run dramatically lower for steel, and why fire-resistant construction is central to the mitigation credits insurers now offer.

IMPORTANT Steel improves a building's risk profile and resilience; it is not a guarantee of lower premiums or of coverage. Carriers weigh many factors - location, defensible space, roofing, water supply, and more. The honest claim is that non-combustible construction strengthens the case for insurability, not that it assures it.

The federal math agrees

This is not just an insurance-industry view. FEMA's research is blunt about it: building to modern, hazard-resistant codes returns about \$11 for every \$1 invested compared with older standards, and adds only around 1 percent to construction cost. FEMA's "Building Codes Save" work documents billions in avoided losses where modern codes are adopted - and notes that roughly two-thirds of U.S. jurisdictions still have not adopted them.

Resilient construction is the most cost-effective protection a community can buy, and steel framing is resilient construction by default.

PART TWO / Why Steel Wins

WHAT THIS MEANS FOR A PARTNER

If you are weighing a territory - especially in the West - the insurance crisis is not a headwind, it is the tailwind. In regions where wood homes are becoming difficult to insure, a non-combustible steel home is not a luxury; it is fast becoming the rational choice for any buyer who wants to protect, finance, and resell their property. You would be selling the building that stays insurable when the alternative does not.

Looking ahead: Steel Building USA has built a hazard-resistant building program and an insurance/hazard calculator to help owners and partners understand their regional risk. The full case - disaster economics, the insurance crisis, and resilient design region by region - is the subject of a forthcoming volume in this series, Book Four: The Resilience Case.

*THE CHAIN DESCRIBED IN THIS CHAPTER***RISK PROFILE**

what the carrier evaluates

**COVERAGE**

what makes financing possible

**MORTGAGE**

what expands the buyer pool

**RESALE**

what protects long-term value

NON-COMBUSTIBLE FRAMING

strengthens the risk conversation

PART TWO / Why Steel Wins

CHAPTER 06 - Built to Last, Built Green

Durability and sustainability are usually treated as a trade-off. With light gauge steel they are the same property viewed from two angles: a building that lasts longer and needs fewer repairs is, by definition, the greener building over its life.

The circular material

Steel is the rare building material that is genuinely circular. Modern structural steel carries a high recycled content and is produced increasingly in electric-arc furnaces. At the end of a building's life, the steel is not waste - it is feedstock for the next building, recyclable again and again without losing its strength.

The Steel Framing Industry Association has described steel as the only true cradle-to-grave building material. Wood, by contrast, is part of a linear story: clearcut, treated with chemicals, shipped, and eventually landfilled.

Green programs and energy codes

Choosing light gauge steel is not a compromise on green certification - it is a path to it. Steel framing earns LEED credits for recycled content, durability, and regional sourcing, and supports programs from LEED to WELL to the Living Building Challenge. On energy, the old objection was thermal bridging - the idea that steel conducts heat and undermines efficiency.

Modern practice answers it completely: continuous insulation, thermal breaks, and insulated sheathing let steel assemblies meet or exceed IECC and California Title 24 requirements.

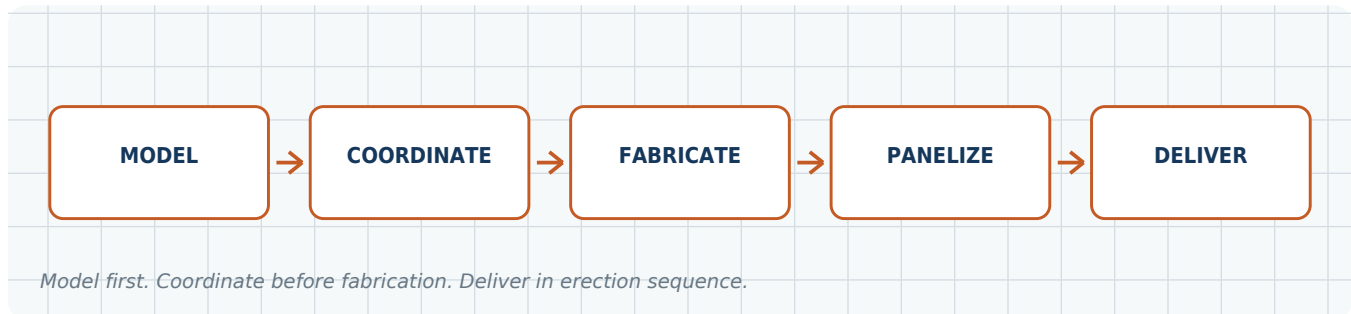
A healthier building

Steel is inorganic and emits no volatile organic compounds. It provides no food for mold and no home for termites, and it requires none of the adhesives, resins, or pesticide treatments common in other framing materials. The result is a healthier indoor substrate and a building that ages without the slow chemistry of decay.

The lifecycle argument: Less waste, fewer chemicals, fewer repairs, and a fully recyclable structure add up to a lower environmental impact across the entire life of the building - not just on opening day.

PART TWO / Why Steel Wins

CHAPTER 07 - How It's Made: From Model to Frame



One reason steel can feel intimidating is that people picture heavy industrial ironwork. The reality of light gauge steel is closer to precision manufacturing - and, on the jobsite, closer to assembling a kit. The process has four steps.

The Steel Building USA model-to-frame workflow

Step 1 - Design

Every project begins as a detailed three-dimensional Building Information Model (BIM) - a digital twin of the structure showing every stud, track, joist, and beam. BIM lets the design be optimized, coordinated across trades, and checked for clashes with plumbing, electrical, and HVAC before a single piece of steel is cut. Errors are caught on the screen, where they are cheap, instead of in the field, where they are expensive.

Step 2 - Manufacture

The approved model drives the roll-forming equipment directly. Members are produced cut-to-length, with pre-punched service holes for plumbing and wiring already in place, and labeled to match the drawings. This is where steel's precision advantage is born: every part is exact, with none of the knots, crowns, or inconsistencies of dimensional lumber.

Step 3 - Assemble

Components are pre-fabricated into panelized sections - walls, trusses, and floor systems - in a controlled factory setting rather than improvised in the weather on site. Offsite panelization reduces onsite labor, compresses the schedule, and raises quality. It is, deliberately, a LEGOlike system: parts that are designed to go together one correct way.

Step 4 - Deliver

Material is delivered in sequence, timed to the construction schedule, so the jobsite is not buried in steel that sits and takes up space. This just-in-time, sequenced delivery keeps the site organized and lets the crew focus on installation. Across the whole process, the field-time savings can reach roughly 75 percent compared with stick-framing in place.

Why this matters to a partner: The model-to-frame workflow is exactly what Steel Building USA provides as a system. A production partner does not have to invent any of it - the design, engineering, and plans come from us.

PART THREE / The Product Line You Would Produce

CHAPTER 08 - Three Tiers, One System

The Steel Building USA catalog spans three tiers. They share one engineering system and one brand, but they serve very different buyers - which is part of what makes the opportunity so durable. A production partner is not betting on a single product; they are plugged into a full line that reaches from a single homeowner to a federal disaster-relief contract.

When residential softens, relief and commercial can carry the load - and vice versa. The three tiers: FlexyFort, a steel-framed ADU, and a commercial steel building

Tier 1 - Grab-and-go

Compact, fast-deploy structures that ship flat and set up in about an hour, with little or no contractor involvement. The flagship is FlexyFort, covered in the next chapter. These products serve disaster relief, emergency and on-demand storage, studios, and offices, and they can be sold direct to consumers and even flat-packed for retail.

Tier 2 - Kits

Engineered framing kits for residential homes, ADUs, RTA (ready-to-assemble) structures, and affordable housing. This is the core of the business and the tier most like the model throughout this book: a buyer chooses a plan, Steel Building USA engineers and markets it, and a production partner manufactures and delivers the steel - and erects it, if the customer wants. An example is our Temecula one-bed, one-bath 625-square-foot ADU.

Tier 3 - Projects

Larger commercial, industrial, and agricultural buildings, multifamily structures, and engineered disaster-relief facilities - BIM-integrated from the start. Here the partner is a regional manufacturing and teaming partner on bigger jobs, often working alongside general contractors and developers. The point: Three tiers means three demand streams feeding one production line.

PART THREE / The Product Line You Would Produce

CHAPTER 09 - FlexyFort in Depth

FlexyFort is the most immediately demonstrable product in the line, and the easiest way to show a skeptic what light gauge steel can do. It is a 10-foot by 10-foot by 8-foot quick-deployment steel structure with a pitched roof, wrapped in 7-mil industrial shrink film. It sleeps four - or up to eight with the optional bunk system - and it goes up in under an hour.

What it is for

- Disaster-relief shelter
- Emergency and on-demand storage
- Studio or office
- Expandable, modular footprint - add units to grow the space

Why it sells itself

FlexyFort is weather-resistant and modular. It deploys in under an hour and takes down and repackages in under an hour. The bottom plate is pre-drilled for ground attachment, and there are 20 possible door locations - one between each stud bay - so it configures to almost any site.

The kit ships with everything needed: 20-gauge framing studs and roof joists, a lockable door, the shrink film for walls, roof, and door, corner protectors, vents, hinges, fasteners, and Lego-like instructions for a one-hour build.

Options that grow the sale

FlexyFort is a platform, not just a product. Options include a floor system or an elevated groundscrew floor, the bunk system, partition walls for privacy, a rechargeable motion-sensing security device, solar power, and water filtration - each one an add-on that increases the value of the sale and the usefulness of the unit. FlexyFort construction detail: 10' x 10' footprint, 2.5" wall thickness, 24" stud spacing (engineering view)

Honest about the engineering

A book that recruits partners has to be straight about where a product is on its journey. FlexyFort's current build comes in around 300 pounds, and its longest single piece is 10 feet - both of which affect packaging and shipping. The product roadmap addresses these directly: splitting members and adding splice studs to bring the longest piece down to 8 feet, multipackage kits to manage weight, and telescoping-wall and panelized options.

We would rather a partner know exactly what arrives on the truck than be surprised by it. That honesty is part of the Standard.

PART THREE / The Product Line You Would Produce

CHAPTER 10 - Proof It Works: A Two-Region Network, Today

Everything in this book would be theory without a plant. It is not theory. Steel Building USA's products are produced today through established cold-formed steel manufacturing partners in two regions of the country - one serving the Southeast from Georgia, and one serving the West from Riverside, California.

The model in this book is not an idea being tested on you. It is already running, on two coasts. Two active regions today - and open territory for the next partner

Real plants, already producing

Our Georgia partner is an established custom manufacturer of light gauge cold-formed steel components - trusses, joists, and wall panels - serving residential, commercial, and agricultural customers across the Southeast, with engineered, code-stamped products including trusses rated for high-wind exposure. Our Riverside, California partner anchors the West, putting production close to one of the largest and most demanding construction markets in the country. Both operate the model-to-frame workflow described in Chapter 7: design, 3D model, engineering and structural stamping, then panelized sections delivered to the jobsite for rapid erection.

A Steel Building USA engineered framing set - the light gauge steel skeleton our production partners build from

(representative sample; project details modified)

How the partnership works

In each region, Steel Building USA is the engine and the partner is the plant. We bring the brand, the marketing, the lead generation, the design and engineering workflow, the order intake, and the customer relationship from first call to finished frame. The partner produces the steel, delivers it, and can erect it.

We pay a negotiated price per pound against agreed volume. Each side does what it does best - we own the customer and the system; the partner owns the steel. Why this matters to you: Two active regions is proof of a network, not an experiment.

The model already produces real buildings on both coasts. A new partner would be the next region in a proven system - not the first to try it. And the relationship is built to grow.

As Steel Building USA scales national demand - and as its certifications open government, municipal, and disaster contracts (Chapter 11) - partners grow with it: more volume, more product lines, and the option to take on the Steel Building USA brand directly under the franchise path in Part Five.

PART FOUR / The Demand That Feeds You

CHAPTER 11 - Who's Buying, and Why

A production partner does not have to find demand from scratch - that is Steel Building USA's job. But it helps to understand who the customers are, because the breadth of the buyer base is itself a reason the opportunity is sound. Demand comes from four directions at once.

Homeowners and DIY buyers

Backyard ADUs for rental income or aging parents, downsizing retirees, tiny-home buyers, and people who simply want a building that will not burn or rot. This is the most emotional sale and the most volume-rich over time.

Developers, GCs, and architects

Professionals buy on math: faster shell completion, near-zero waste, fewer callbacks, straighter framing, and lower insurance. Steel's structural flexibility - long clear spans, fewer load-bearing walls - also unlocks designs that are difficult in wood. For a developer, steel shows up where it matters: in net operating income and in the resilience of the asset.

Municipalities and stormwater compliance

Steel Building USA's broader portfolio reaches into municipal and ESG-driven demand - including dumpster-enclosure retrofits that address stormwater (MS4) compliance and EPA enforcement. As enforcement increases, covered, compliant structures become an easy, visible win for property owners and cities alike, and another product stream for the network.

Federal, disaster, and the certification advantage

Disaster relief and federal contracting represent enormous, steady demand for resilient structures - and Steel Building USA's certifications open doors here that most competitors cannot. As a service-disabled veteran-owned enterprise, the company qualifies for set-aside programs that route contracts to qualified businesses: (Small Business), (Economically Disadvantaged), SDVOSB (Service-Disabled Veteran-Owned Small Business), DVBE (Disabled Veteran Business Enterprise), and DIR Public Works registration for California public projects.

How certifications become regional leads - and reach the partner who owns the territory Here is the part that matters to a partner: those certifications are not just a corporate credential - they are a lead-generation engine, and the leads are regional. When SBUSA's certifications surface a government, municipal, or disaster opportunity in a given state, that lead lands in a territory. The partner who owns that territory is the one positioned to produce and deliver it.

In other words, buying into a region does not just give you the right to manufacture - it plugs you into a pipeline of certified-advantage demand that a non-certified competitor simply cannot bid on. The territory advantage: Own a region, inherit the leads. SBUSA's set-aside certifications generate government, municipal, and disaster opportunities by geography - and they flow to the partner who holds that territory.

PART FOUR / The Demand That Feeds You

CHAPTER 12 - The Market, By the Numbers

How big is the opportunity? Big, and growing - and you do not have to take our word for it. Independent market researchers tell a consistent story.

- The U.S. steel-framing market was valued at roughly \$24.6 billion in 2024 and is projected to grow to about \$35.7 billion by 2032 (P&S Intelligence).
- The U.S. cold-formed steel segment specifically is projected by one researcher (6Wresearch) to grow at a compound annual rate above 11 percent through 2031.
- Globally, building and construction is the dominant application for cold-formed steel - around half of the entire market - and the prefabrication and modular trend is repeatedly named as a primary growth driver (Grand View Research and others). The forces behind those numbers are exactly the ones in Chapter 1: a housing shortage, a skilled-labor crunch, rising demand for resilient and sustainable buildings, and a construction industry shifting decisively toward prefabrication. Light gauge steel sits at the intersection of all four. This is not a niche riding a fad; it is a large, established market with a structural tailwind.

Permitting has grown by roughly 42 to 76 percent in nearly every year since 2016. The states leading that surge - California, Washington, Oregon, Massachusetts, and Hawaii - are precisely the land-constrained, high-cost markets where ADUs are one of the only practical ways to add housing. For a production partner, that is a concentrated, fast-growing, geographically clear demand signal: own a territory in one of these states, and you are positioned in the middle of the ADU wave - driven by both multigenerational families and homeowners seeking rental income.

IMPORTANT ADU figures are drawn from public reports (California HCD data, Casita Coalition, California YIMBY, and others) and illustrate a trend; shares vary by metric, city, and year. Not a guarantee of demand or results in any territory. IMPORTANT Market figures above are drawn from third-party research reports and are cited for context. They describe the overall market, not the results of any particular Steel Building USA partner.

The ADU surge: where the demand is concentrated

One demand stream deserves special attention for a partner choosing a territory: accessory dwelling units. In the most populated, most expensive states, the backyard home has become a primary way new housing gets built. In California, more than 100,000 ADUs have been permitted over the past seven years, and ADUs now account for close to one in five of all new homes permitted statewide - and 30 percent or more in some cities.

PART FIVE / The Business Model & the Numbers

CHAPTER 13 - How the Partnership Works

Steel Building USA runs on a simple division of labor: we do everything except produce the actual steel. We are the marketing engine and the workflow - brand, lead generation, design, engineering, plan conversion, order intake, and the customer relationship from first call to finished frame. Our partner produces the steel, delivers it, and erects it if the customer wants that service.

There are two ways to plug in, at two levels of commitment. Two ways to partner - start at Tier 1, step up to Tier 2

Tier 1 - Producer Partner

This is the low-friction entry point, and it is exactly how our Georgia partnership works today. If you already run - or are ready to run - a cold-formed steel production line, Steel Building USA becomes your marketing and order engine. We send you engineered, production-ready orders; you roll the steel, deliver it, and optionally build it.

We pay you a negotiated price per pound against an agreed volume. What that means for you: you focus on what a manufacturer does best - producing precise steel efficiently - while someone else fills your order book. You are not buying a franchise or a brand.

You are gaining a demand partner.

Tier 2 - Steel Building USA Franchise Partner

When a partner is ready to go further, they can license the Steel Building USA name for a franchise fee and operate under the brand directly. At that level, the relationship expands well beyond orders and price-per-pound: you receive the full standard operating procedures, the systems, the hands-on growth support to scale a branded Steel Building USA operation - and, critically, access to the regional leads that SBUSA's certifications generate in your territory. The set-aside and public-works contracts described in Chapter 11 flow to the partner who owns the region.

Think of it as a ladder. You can step on at Tier 1 - produce steel, get paid per pound, let us drive demand - and prove the relationship with real volume. When it is working and you want the brand, the leads, and the playbook behind your own growth, you step up to Tier 2.

What Steel Building USA provides: Brand and marketing · lead generation · certification-driven regional leads (government, municipal, disaster) · engineered plan library · plan conversion and BIM/detailing workflow · order intake and customer management · SOPs and training · (at Tier 2) brand license and growth support. What the partner provides: Manufacturing facility and equipment · capital · production labor · steel, delivery, and optional erection · local market presence.

PART FIVE / The Business Model & the Numbers

CHAPTER 14 - The Numbers: A Market-Based Model

This chapter shows how the economics can work. Every figure here is an illustrative market estimate, built from publicly observable industry ranges - not a quote, not a promise, and not Steel Building USA's internal pricing. Your real numbers will depend on your market, your costs, your volume, and how you choose to run your business.

Read this as a way to understand the shape of the opportunity, then build your own plan.

IMPORTANT The following are illustrative estimates for planning and education only. They are not guarantees of revenue or profit. Localize every figure to your market and your cost structure before relying on it.

The six inputs that drive the model

A light gauge steel production business turns on roughly six numbers. Using conservative, illustrative market ranges:

- Revenue per square foot. Engineered framing packages sell in the range of roughly \$15 - \$18 per square foot under roof for direct/DIY-style sales, and around \$13 - \$14 per square foot for higher-volume production-builder sales.
- Material cost. Steel, fasteners, hardware, and labels run on the order of \$4.50 - \$5.00 per pound, which works out to roughly \$0.75 per square foot of building in typical framing.
- Average project size. A representative kit might average around 4,000 square feet under roof across a mixed book of homes, ADUs, and small commercial work.
- Contribution margin. After variable costs, a contribution margin in the range of roughly 25 - 35 percent is a reasonable planning band.

- Volume ramp. A new territory might begin near 18 units in year one and grow toward 150 - 250 units a year by year five as marketing, reputation, and crews mature.
- Fixed costs. Facility, equipment financing, core labor, insurance, and software - the overhead that a growing unit count spreads across more revenue each year.

What the shape looks like

Put those together and a familiar pattern emerges. Year one, while volume is low and fixed costs are being absorbed, a new operation may run near break-even or a modest loss - the investment phase. As the volume ramp takes hold, the same fixed costs spread across far more units, contribution margin compounds, and the business moves into meaningful profitability by years three through five.

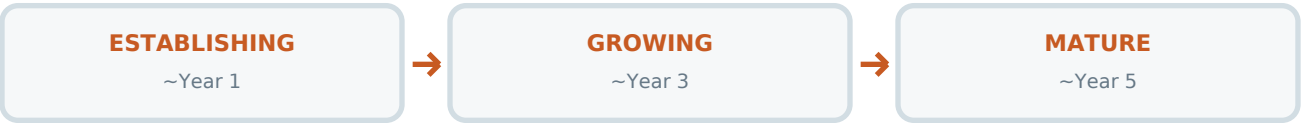
The exact figures are yours to model; the shape - invest early, scale into strong margins - is the consistent story of a well-run production territory. The single most important lever is the volume ramp, and that is precisely the lever Steel Building USA exists to pull. Demand is what turns a steel line from a cost center into a profit engine, and demand is what the marketing engine delivers.

Three stages of a territory

To make the shape concrete, here are three illustrative stages of a single territory, pegged to the same five-year ramp and the same conservative inputs used above (roughly \$15 per square foot blended revenue, about 4,000 square feet per average project, and a contribution margin near 30 percent). These are not three different partners or three levels of ambition - they are one territory at three points in its growth.

PART FIVE / The Business Model & the Numbers

THREE STAGES OF A TERRITORY



PER YEAR	ESTABLISHING	GROWING	MATURE
Stage (vs. 5-yr ramp)	~Year 1	~Year 3	~Year 5
Kits / units	~18	~100	~200
Sq ft under roof	~72,000	~400,000	~800,000
Illustrative revenue	~\$1.1M	~\$6.0M	~\$12.0M
Contribution before overhead*	~\$0.3M	~\$1.8M	~\$3.6M

* "Contribution before overhead" is revenue minus variable costs (steel, hardware, variable labor). It is not net profit - facility, equipment financing, fixed labor, insurance, and other overhead are paid out of it.

One territory, three stages - illustrative revenue and pre-overhead contribution. Read across the stages and the logic of the business is visible: an Establishing territory is finding its feet, a Growing territory is hitting its stride as marketing and reputation compound, and a Mature territory is operating at the volume a developed region can support.

How fast a real territory moves through these stages - and the exact figures at each - depends entirely on the market and the operator. The point is the trajectory, not any single number.

IMPORTANT These three stages are illustrative planning scenarios built from public market ranges - not earnings claims, projections, or guarantees, and not a representation of what any Steel Building USA partner has earned or will earn. Any actual partner opportunity would be accompanied by its own formal disclosure documents. Build your own model with your real market, costs, and volume before relying on any figure here. IMPORTANT Again: illustrative only. Build your own pro forma with your real costs, your local pricing, and your own risk tolerance before making any investment decision.

PART FIVE / The Business Model & the Numbers

CHAPTER 15 - Straight Answers to the Hard Questions

Every good opportunity attracts good questions. Here are the objections we hear most often - from customers, from trades, and from prospective partners - and the straight answers. If you become a partner, these answers become your toolkit; we maintain a full library of them, by category, as part of the system.

On cost

"Steel costs more than wood."

Upfront material can be higher, but total installed cost is lower: prefabrication, near-zero waste, fewer callbacks, and faster inspections more than close the gap. Over the life of the building, with reduced insurance, no termite or rot repair, and minimal maintenance, steel is the cheaper building.

"Wood is cheaper and always available."

Volatile lumber pricing, 10 - 15 percent scrap, and warped or culled studs are real, hidden costs. Steel is cut-to-length with under 2 percent waste and stable, predictable pricing.

On labor

"My crews don't know steel."

Steel framing uses the same basic tools, and onboarding takes days, not months. Lighter members reduce fatigue, and standard operating procedures and field guides make the transition straightforward. The one-time training cost is recouped quickly in fewer rework hours.

"Steel installs slower than wood."

Pre-punched holes, dead-straight members, no culling, and panelization increase throughput. Crews stop losing time sorting and replacing warped studs, and consistent fastening improves productivity.

On supply

"Steel has longer lead times than lumber."

Members are roll-formed to order and shipped cut-to-length with accessories in the same drop, eliminating reorders and jobsite culling. The net effect is a shorter critical path, not a longer one.

"Your profiles are proprietary - what if I need a substitute?"

We use standard light-gauge profiles with published section properties, and provide equivalency tables and engineer's letters for substitution. You are not locked into a single source.

On codes and compliance

"Steel isn't in our local code."

Light gauge steel framing is recognized in the IBC and IRC and governed by AISI standards. We submit sealed calculations and shop drawings mapped to your local code cycle, with UL-listed assemblies for fire, sound, and energy ratings. We are not asking an inspector to make an exception - we are delivering code-listed assemblies with a clean inspection path.

PART FIVE / The Business Model & the Numbers

STRAIGHT ANSWERS - CONTINUED

“Steel won't pass seismic or wind requirements.”

Light gauge steel excels under seismic and wind loads, with ductile detailing, engineered bracing, and PE-stamped designs tailored to the site - including the 160 mph engineered trusses our Georgia partner already produces.

On the opportunity itself

“If steel were better, everyone would already use it.”

Adoption follows data, and the data is now decisively in. Steel is already proven in multifamily, schools, ADUs, and commercial work, and the market is growing double digits. Early movers in a region capture the brand and the relationships before the crowd arrives.

“Can I really produce this profitably?”

That is exactly what the model is built to make possible - and what our Georgia partner is doing today. Steel Building USA removes the hardest part of a manufacturing business, which is filling the order book. You focus on producing steel well; we focus on demand.

PERFORMANCE QUESTIONS BECOME ENGINEERING INPUTS; MARKET QUESTIONS BECOME OPERATING INPUTS.

DESIGN

VERIFY

PRODUCE

DEMAND

PART SIX / How to Join

CHAPTER 16 - The Path to Becoming a Partner

Becoming a Steel Building USA partner is a deliberate process, designed so that both sides know the fit is right before anyone commits capital.

1. Inquiry.

You reach out and we share the detailed partner package, including territory considerations and the current terms for both partnership tiers. 2.

Qualification.

We discuss your market, your facility or plans for one, your capital position, and your goals - and which tier fits: Producer Partner or Franchise Partner. 3. Equipment and financing.

A cold-formed steel production line is a real investment. Equipment-financing options exist specifically for this kind of roll-forming equipment and steel inventory, and we help you understand the path. (We describe the concept here; specific terms are handled in the partner package.) 4.

Training.

Partners are trained in manufacturing, order entry, field assembly, and the standard operating procedures that make output consistent across the network. 5. First production.

You begin producing real orders, with our support, and grow from there.

What a great partner looks like

The best partners are not necessarily the biggest. They are operators who take quality and follow-through seriously, who want to own a region rather than chase one-off jobs, and who see where construction is heading. If you already manufacture steel, Tier 1 can begin quickly.

If you are an entrepreneur building from the ground up, the franchise path gives you a brand and a system instead of a blank page.

PART SIX / How to Join

CHAPTER 17 - Your Next Step

You have seen the problem with how America builds, the case for light gauge steel, the product line, the demand, the model, and the numbers. You have met a real plant already producing under this model in Georgia. The only thing left is the decision to find out what your region could look like.

Here is the single next step: request the Steel Building USA partner package. We will walk you through territories, tiers, terms, and the path from first conversation to first production.

Steel Building USA

steelbuildingusa.com • (833) 77-STEEL

The bigger picture

This book is the first volume of the Steel Building USA Standard series. The volumes that follow go deeper for the homeowner, for the developer and builder, and for the case that steel is the resilient, responsible way to build in an age of fire, flood, and rising cost. Together they describe not just a product, but a movement - and a national network being built one region, and one frame, at a time.

We would be glad to build it with you.

REFERENCE

GLOSSARY & SOURCES

Glossary

- Light gauge steel (LGS). Thin-gauge structural steel framing members - studs, tracks, joists, trusses - used to frame buildings.
- Cold-formed steel (CFS). Steel shaped at room temperature by roll-forming or pressbraking, rather than melted. LGS is the framing subset of CFS.
- BIM. Building Information Modeling - a detailed 3D digital model of a structure used for design, coordination, and manufacturing.
- Panelization. Pre-fabricating wall, floor, and roof sections in a factory for rapid assembly on site.
- AISI S240. The American Iron and Steel Institute standard governing cold-formed steel structural framing.
- IBC / IRC. International Building Code and International Residential Code - the model codes that recognize steel framing.
- LEED. Leadership in Energy and Environmental Design - the leading green-building certification system.
- MS4. Municipal Separate Storm Sewer System - the stormwater-compliance framework relevant to enclosure retrofits.
- ADU. Accessory Dwelling Unit - a secondary home on a residential lot.

Sources & citations

Market data in Chapter 11 is drawn from publicly available industry research, including reports by P&S Intelligence (U.S. steel-framing market), 6Wresearch (U.S. cold-formed steel), and Grand View Research (global cold-formed steel applications). Steel performance, sustainability, and process claims draw on Steel Building USA materials and public sources including the Steel Framing Industry Association (SFIA), BuildSteel.org, and FEMA disaster-mitigation publications. Code references follow the IBC, IRC, and AISI S240.

Certification references (SDVOSB, DVBE, DIR Public Works) reflect Steel Building USA's qualifications. Production capability reflects Steel Building USA's active manufacturing partners in the Southeast and West. No copyrighted text from any third-party book has been reproduced.

Appendix - Coming in the Series: Book Four, The Resilience

Case

This appendix is a planning outline, not finished text - a preview of the series volume that turns the insurance and disaster argument (Chapter 5) into a full institutional case. Where Book One recruits partners, Book Four is built for a different reader: municipalities, planners, insurers, emergency managers, and policymakers. It is the volume that positions Steel Building USA as a resilience authority alongside organizations like BuildSteel.org.

Intended reader

- City and county officials weighing building-code adoption and resilience policy.
- Insurers, lenders, and risk managers evaluating non-combustible construction.
- Emergency managers, FEMA-aligned planners, and disaster-recovery agencies.
- Developers and institutions building in wildfire, flood, and high-wind zones.

Proposed structure

Part 1 - The Crisis

- The insurance retreat: non-renewals, FAIR plans, the uninsurability-to-unsellability chain (expanded from Ch. 5).
- The disaster-loss curve: wildfire, flood, wind - why losses keep compounding.
- Sources: current CDI/FAIR Plan data, Yale Law Journal "Uninsurable Future," industry reporting.

Part 2 - The Economics of Resilience

- FEMA "\$11 saved per \$1 invested" and "Building Codes Save" in depth.
- Mitigation Saves (NIBS) benefit-cost ratios by hazard and region.

- Lifecycle and insurance math for non-combustible construction.
- Sources: project files - mitigationsaves2019, fema_buildingcodessave_brochure, fema_buildingcodestoolkit; FEMA Building Science.

Part 3 - Steel as the Resilient Standard

- Non-combustibility, dimensional stability, and engineered wind/seismic performance.
- Code recognition (IBC/IRC, AISI S240) and UL-listed assemblies as the compliance path.
- Region-by-region: what to build for fire (West), wind (Gulf/Southeast), seismic (West).

Part 4 - The Tools & The Policy Case

- The Steel Building USA hazard-resistant building program and hazard/insurance calculator.
- A policy argument for resilient-construction incentives - building on advocacy materials (e.g., the Governor petition).
- How municipalities and the SBUSA partner network work together on resilient public projects.

Back matter

- Regional risk reference, glossary, citations, and a call to action for institutional readers. Why it matters: Book One sells the opportunity. Book Four makes Steel Building USA a name policymakers and insurers cite - the resilience standard. Together they build both the business and the brand authority behind it.