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Media Release

Trac Group welcomes Elon Musk to roof party

Building products company Trac Group Holdings has welcomed billionaire Elon Musk's planned expansion into the global solar roof tile market.

Trac Group managing director Jason Perkins said the high-profile entrepreneur's foray into the solar roof tile business will enhance the industry and raise awareness among consumers.

"During the past eight years we have developed, product tested and refined our Tractile Solar Roof tiles and we are now preparing to start a global roll-out of our products," said Mr Perkins.

"Tractile was one of the first companies to offer solar roof tiles, and the only one in the world that offers both electricity and heated water from a solar roof tile. We are technology leaders with a strong focus on design. Mr Musk has done the industry and our company a huge favour by highlighting the opportunity for the solar roof tile sector. It is forecast that the Building Integrated Photovoltaic (BIPV) market will grow from about \$3 billion in 2015 to over \$9 billion in 2019, and surge to \$26 billion by 2022. Like electric cars, and battery storage, when Musk moves into an industry it is because he sees opportunity."

Mr Musk on Friday unveiled prototypes of a new roof combining roof shingles and solar cells and announced his Tesla and SolarCity businesses were expanding into the industry.

Trac Group, which is the designer and manufacturer of award-winning roofing products, attempted an Australian Stock Exchange listing earlier this year to raise funds for the international expansion but it was withdrawn.

"One the issues we encountered during the listing process was that large investors were wary of the technology and unaware of the potential of the market," said Mr Perkins.

"Elon Musk's announcement has lifted global awareness of the opportunity almost overnight and we are pleased that a visionary business leader such as Mr Musk realises the potential for these products around the world. It validates the opportunity for Tractile to be a key player in this growing market, as well as a potential takeover target.

"At present we have requests for quotes from literally hundreds of potential customers and we are excited about the prospects for the future.



“Mr Musk’s announcement will help us to attract additional capital, which we need to fund our planned global roll-out, and attract large developers who are looking for innovative products to integrate into their projects.”

The US market requires 5 million new roofs every year while the Australian market builds approximately 100,000 roof every year.

Mr Musk’s company plans to enter the US market next year.

Trac Group Holdings director Bertio Terpstra said he believed Mr Musk’s company would help Trac Group’s efforts.

“Our focus at this stage is on niche markets rather than the mass consumer market,” he said.

“We are marketing our products to eco-villages, 50-plus developments, high-end architect-designed homes and off-grid projects.

“Developments that involve bodies corporate are attracted to our products because they should pay for themselves within six years of construction and can be fully financed for retrofit projects.”

Mr Terpstra said he welcomed Mr Musk’s planned entry into the market.

“I recently attended the Solar Power International exhibition in Las Vegas and there were no building integrated roofing systems on show,” said Mr Terpstra.

“The products on display were 10 years behind where we are now and as a result we have appointed an agent in California to sign up distributors in the USA.”

Mr Terpstra said the exclusive distribution licences would be initially priced at \$200,000 for every million people in the distributor’s target area.

“The research shows that for every one million people, there are approximately 4000 new roofs required every year, so our distribution licences have been priced to take that into account,” said Mr Perkins.

“In exchange our distributors will have exclusive territory access to a variety of Trac Group’s product lines, trademarks and intellectual property.”

“For each territory of one million people or more, the distributor will receive \$35,000 worth of stock to establish demonstration homes.”

Mr Perkins said the company had received more than 2200 business leads since its attempted stock exchange listing.



“Trac Group Holdings has been approached by 64 potential distributors interested in arrangements in 12 different countries,” said Mr Perkins.

“We also have had requests for product information from 200 retail customers in five different countries for new construction projects and renovations.

For further information, contact public relations consultant Marshall Hall on 0404 195 896 or via email on marshall@consultinghall.com