



Productivity & Safety Enhancement

# Trunk Tools White Paper 2022

## #AligningIncentives

Trunk Tools is a new performance management software company for hourly skilled laborers. We are the leader in solving the labor crisis in construction and in related industries by aligning incentives within the workforce.



# About Us

**We've created a simple, user-friendly interface that distributes bonus payments immediately in regular intervals to incentivize our craft labor to be productive, safe, and produce quality output.**

Trunk Tools was established in 2021 to solve the two systemic issues facing the construction industry. One, the skilled labor shortage that is expected to reach 1.5 million workers by 2025. And two, the lack of worker productivity—which can span between 30% to 50%—costing companies upwards of \$33m per \$100m project.

Since our inception, we've been able to create instant, and meaningful, impact with our construction partners. Recently, we implemented our system with a prominent US general contractor. During our 5-week pilot, the company was able to achieve a \$2.60-to-\$1 ROI—not including in-direct costs. Due to the resounding success of the Pilot, the company increased their personnel, managed by Trunk Tools, by 150%.

## Vision & Mission

Through our implementation, we are fundamentally making construction both safer and more desirable for skilled labor. As we continue to grow, we believe Trunk Tools will become the industry leader in worker productivity and we will close the gap in worker shortage.

# Our Focus



## We Specialize in 3 Areas

### Productivity:

Trunk Tools optimizes productivity by rewarding skilled laborers with tasked-based incentives. Our software offers workers greater transparency into critical tasks and offers them opportunities to outperform objectives. Companies not only stay on schedule, but also save on overall labor hours and overtime payments. Skilled laborers will experience more pay, feel valued, and receive instant cash awards.

### Safety:

First and foremost, we believe in safety. It is our number one priority. Superintendents can quickly reward workers who go above and beyond safety protocols, by awarding them "safety hero" bonuses. By doing so, safety becomes the focus for the workforce. Trunk Tools promotes the idea that safer behavior is a sustaining behavior. Fundamentally, it will lead to sustainable behavioral change on work sites.

### Quality:

Trunk Tools ensures quality is never sacrificed. We reward excellence. Skilled laborers that perform outstanding quality work are recognized for their efforts and expertise. Superintendents can recognize individuals with titles such as "crew of the day" or "out-performer of the day," as well as provide cash-bonuses for delivering exceptional work.

# Market Conditions

Currently, the US is facing the worst labor shortage in its history. For years, economists have warned about two major issues plaguing the industry. One, an ever-increasing rise in the level of open positions. And two, 1/5th of the construction industry is at risk of leaving over the next 6 years.

Over the past two years, these issues have only been exacerbated by the Covid-19 pandemic. All these compounding factors have led to project timelines increasing by 25%. Fundamentally, employees in the construction sector have 3 major complaints.

**Low Pay:** "I live far away, so Trunk Tool's incentives help pay for my gas" – Chase (Steel Worker)

**Lack of Advancement:** "I would 100% work for someone [who uses Trunk Tools]" – Jeff (Steel Worker)

**Disrespected:** "It's nice. Look at what [company] is doing, nobody else is doing it." – Jamie (Operator)

Trunk Tools is addressing all three of these major issues: we increase their overall pay (through task-based incentive payments), we offer them opportunities to improve themselves and get rewarded, and workers feel respected and valued through Trunk Tools.

**"The next six months will be like the last six months, only worse."**

**- Anirban Basu -**  
Chief Economist (AB&C)



## 2.2 million Additional Jobs

According to Business Insider the US construction industry is in need of an additional 2.2 million skilled laborers to meet growing demand. As of 2022, the industry has failed to be able to close that gap. In fact, currently, there are 500,000 job openings within the construction industry—based off data from the BLS. Job openings in 2022 have surpassed the previous high of 438,000 in April 2019.



## 1/5 Industry at Risk of Leaving

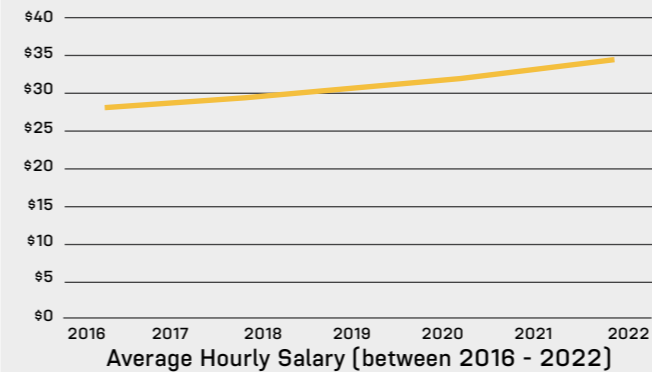
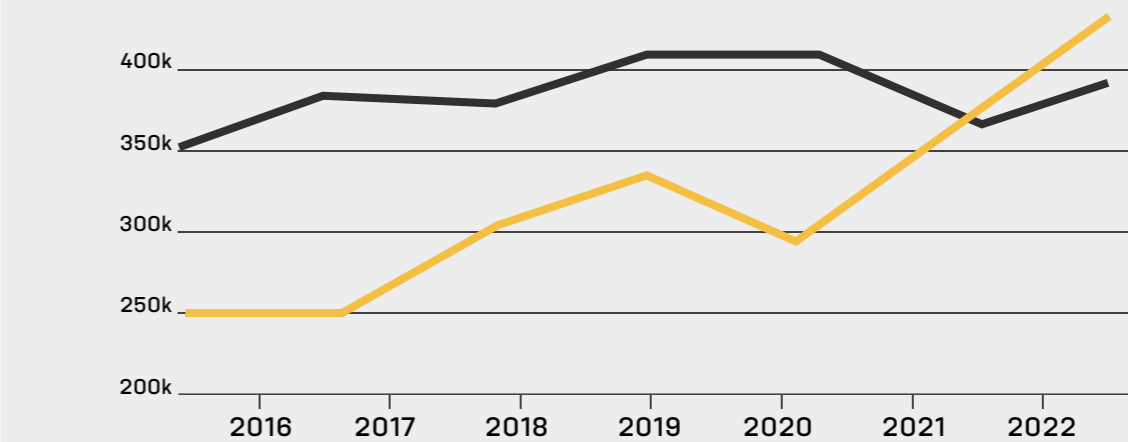
Skilled laborers aged 55 and over within the industry has risen to a staggering 20% of all employees—according to the Associated Builders and Contractors. With the average retirement age being just 61 years old, 1/5th of the industry is at risk of leaving within the next 6 years. For every 1 new trades person entering the field, 5 retire.

### Job Openings

Since 2020, construction related job openings have begun to skyrocket. According to most economists, this issue will continue to persist over the coming years.

### Job Hires

Unfortunately, hiring within the construction industry has not kept up with increase demand for skilled labor. Leading to understaffed crews and lost profits.



Although the construction industry is in desperate need of workers, salaries have only risen by a modest 4% over the last year. With US inflation rates hitting 8.5% during 2022, construction wages have been unable to keep up with growing living costs.



## Overview

### Inefficiency Cost

Inefficiencies within construction causes losses up to \$33m per \$100m project.

**-\$33M**

### Turnover Rate

Construction has one of the highest turnover rates within the US.

**~ 50%**

### Job Openings

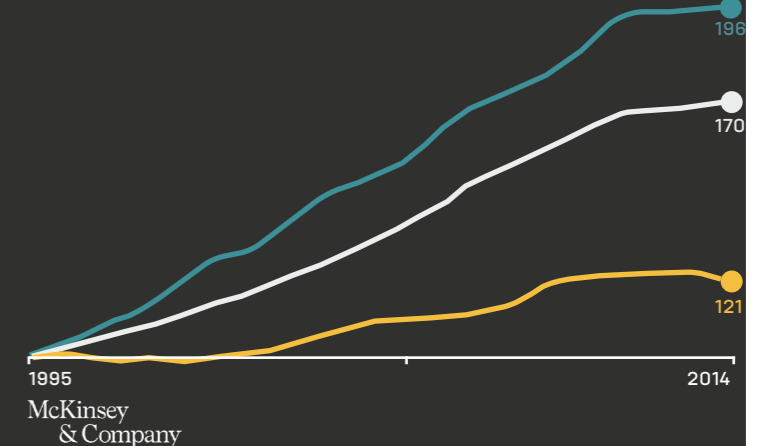
Between May, 2021 and May, 2022, job openings within the US has increased by over 30%.

**30%**

The construction industry is lagging way behind similar industries when it comes to productivity. A lack of adoption of digital tools and modernization of the work force has led to stagnation in productivity.

Globally, labor-productivity growth in **construction** lags far behind that of **manufacturing** or the total economy.

Real gross value added per hr. worked, index of 2005 \$: 100 = 1995



# 5-Week Pilot Program

Trunk Tools launched its first 5-week pilot program during the summer of 2022. In just 5-weeks, Trunk Tools implemented a system that brought about immediate and impactful changes to the worksite. During the pilot, 36 ambitious productivity goals were created to optimize worker output.



Of those goals, 33 were completed ahead of schedule—providing nearly \$2,400 in payouts to the 50 skilled labor participants. With Trunk Tools, the company saved over 50-hours in crew-hours resulting in ~\$6,000 in project savings.

## Video Testimony

**“To set the iron, it used to take 2 10-hour days. After Trunk Tools, we had the task almost completed in just 1 day.”**

**– Chase**  
*Steel Worker*

## Data Points

**92%**

During a 5-week pilot program, 92% of Trunk Tools goals created for the 54 skilled laborers were completed a head of schedule.

**\$33m**

After implementing Trunk Tools, companies can see upwards of \$33m in savings (\$100m project), due to increased labor efficiency.

## Foremen & PMs Love Trunk Tools

- “After implementing [Trunk Tools], this is the floor we got done the fastest.”
- “I live far away, so Trunk Tool’s incentives help pay for my gas.”
- “It’s nice. Look at what [company] is doing, nobody else is doing it.”
- “We’re getting rewarded for the hard-work we’re doing day in and day out.”

# Getting Paid Just Got a Lot Easier

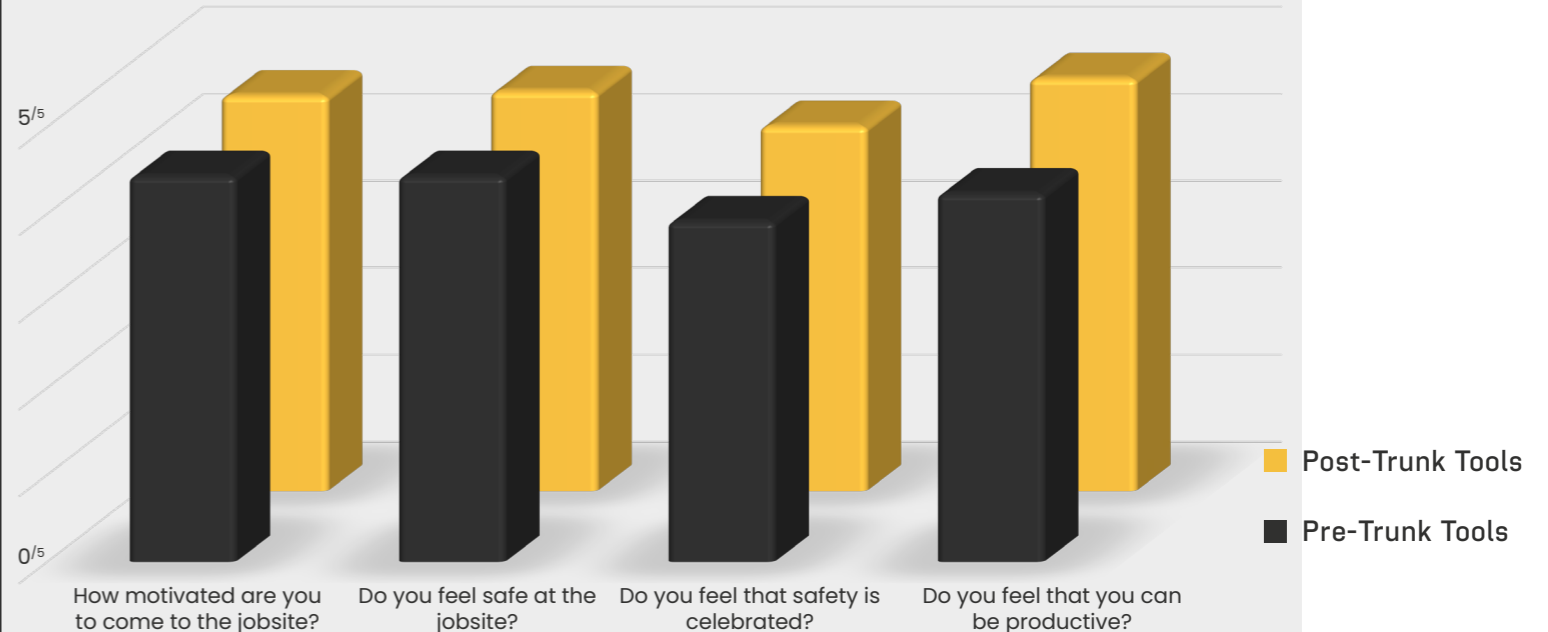
When we initially launched our product, we utilized PayPal for direct and instant payments to skilled laborers. That is to say, workers were receiving bonuses directly into their PayPal accounts.

Trunk Tools has since signed with an FDIC insured bank along with a dedicated payment processor. Therefore, over the next few weeks, we will be transitioning over to issuing our own personalized debit cards for each skilled laborer.

That means on-boarding for Trunk Tools will become even easier than before!

With this new feature, we’ll be able to provide:

- **Easier on-boarding for each worker**
- Quick and easy management of received bonuses
- **Cash Back on select purchases**
- And much more!



Trunk Tools Happiness Survey

# Solution

Trunks Tools provides companies, and unions, the means in which to properly incentivize workers to complete tasks as efficient and safe as possible. We are actively reducing turnover and closing the labor shortage.

- Trunk Tools creates efficient workflow.
- **Our dashboard tracks goals and gathers useful data on your workforce.**
- Machine learning algorithms allows us to create ambitious project goals that will save you labor hours.
- **Superintendents can create goals in seconds, right from their smartphone.**
- Our simple interface means no training is required for on-boarding.
- **We seamlessly integrate into existing accounting software.**



## Train

We help employers train new laborers to become efficient members of teams. With Trunk Tools, laborers hit the ground running by being incentivized to adopt safe behavior, have high performance, and achieve quality work with their teammates.



## Retain

Through incentivizing skilled laborers we see an increase in retention, worker satisfaction, and happiness. In the current tight labor market, retention is one of the biggest costs for construction companies.

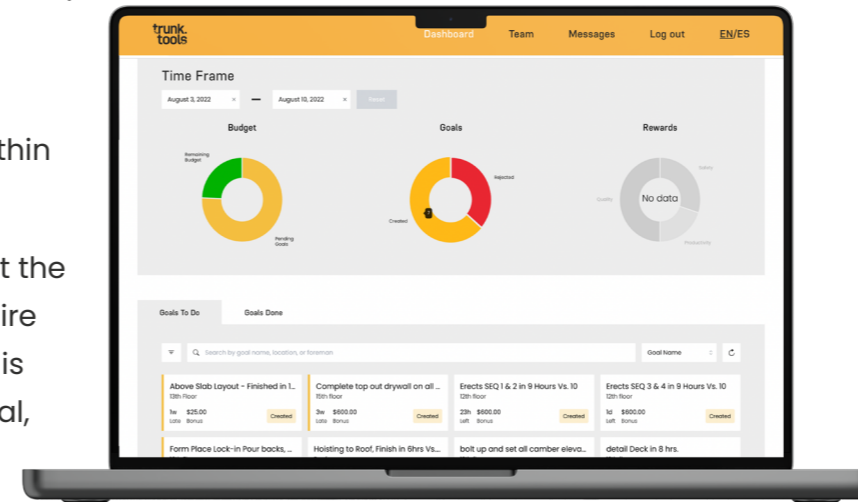


## Incentivize

With growing demand for better salary, Trunk Tools makes it easy for companies to reward hard work and dedication--based on real-performance and output. Instant payouts and performance reviews means laborers can easily track their progress.

## How Trunk Tools Works On-Site

1. Trunk Tools provides a free consultancy session with each trade, where goals are structured and the critical path is analyzed.
2. Superintendents and on-site management can easily set up (recurring) goals on trunk.tools within seconds.
3. Workers receive information about the goals via text message. They require zero on-boarding and no training is needed. Once they receive the goal, they can choose to accept or reject them.
4. Once a goal is complete, superintendents or on-site management can either approve or reject the goal with one simple click.
5. After goals are completed, and accepted, workers get paid out instantly and can use the bonus money without any fees. All relevant information is automatically transferred into payroll, where it is grossed up and applied to their W2.



1. Once an agreement is signed, GCs transfer cash rewards to Trunk Tools

2. Superintendents and management have access to trunk.tools to set goals and safety rewards

3. Trades people accept or reject tasks via text

4. Workers fulfill tasks and get instant awards on debit cards.

## Company Upside

By setting task-based incentives workers work more productively, think about their own workflows, and tomorrow's goals. They are incentivized to work more effectively.

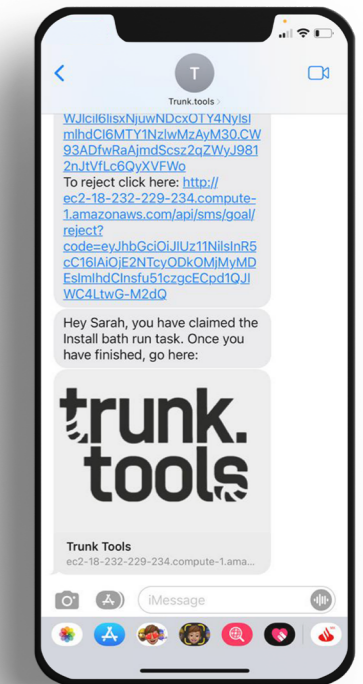
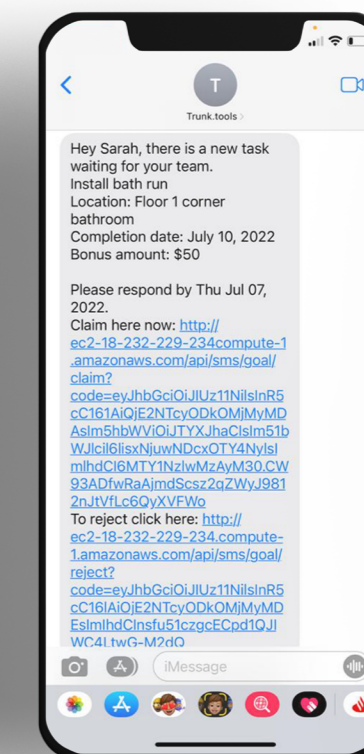
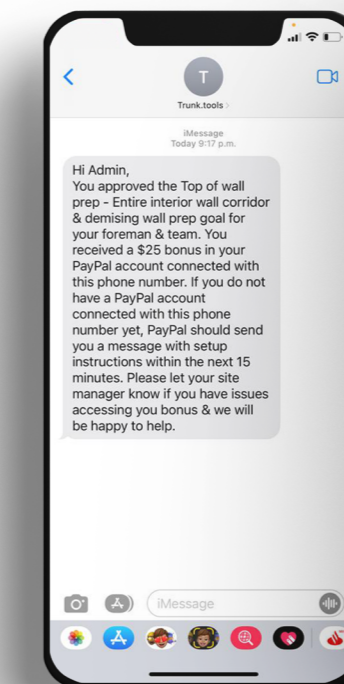
Therefore, companies not just save labor hours, but also overhead costs and overall project time. With safety and quality rewards, workers act safer and produce better outcomes. Trunk Tools helps keep workers motivated and feeling valued. All of which leads to higher retention and overall job satisfaction.

Once a goal is created it's sent via SMS to the worker on the job site. Once received, the foreman can either accept or reject the goal. Once the task is complete, the foreman will submit the approval, and money will be instantly deposited into the worker's debit card.

## Union Upside

Unions' major focus it to keep their workforce safe, happy, and paid fairly. Thankfully, Trunk Tools' mission is well aligned with these goals.

By utilizing Trunk Tools, on-site safety is greatly improved, skilled laborers receive additional pay for their efforts, and their overall job satisfaction is improved. With our system, workers receive a high level of appreciation for their work.



# Direct Savings

Of the 36 ambitious productivity goals created to optimize worker output activities at the jobsite, 33 were completed ahead of schedule. The company awarded 54 skilled labor participants over \$14,000 in payouts for their outstanding efforts.

The success of an incentive program creates major opportunities for the project due to the repetitive nature of the work. As the company continues its evaluation of the impacts other challenges had during its project, they plan to make adjustments to the implementation of Trunk Tools to ensure future sequences are properly incentivized.



**\$50m**  
Project

# Indirect Savings

**Productivity**

**\$54,246 / day**

Worker productivity is paramount in order to have a project completed on-time and on-budget. Unfortunately, productivity on job-sites is less than optimal.

Trunk Tools addresses this issue by incentivizing skilled laborers to finish sooner and rewards them for their efforts. With our system, we found companies can save up to \$54,246 per day (on a \$50m project) due to increased productivity.

**\$18,975 / year**

**Safety**

OSHA found that US companies pay over \$1 billion per week in workers' compensation for disabling and non-fatal injuries.

Beyond the obvious human cost of injuries, worksite accidents, on average, cost construction companies \$35,000 per occurrence. With Trunk Tools, we put an emphasis on safety. We know that it's not only the right thing to do, but it will also lead to substantial savings in the future. With our system, a \$50m construction project utilizing 55 workers can expect to save up to \$18,975 in indirect injury related costs.

**Quality**

**\$3.15m / build**

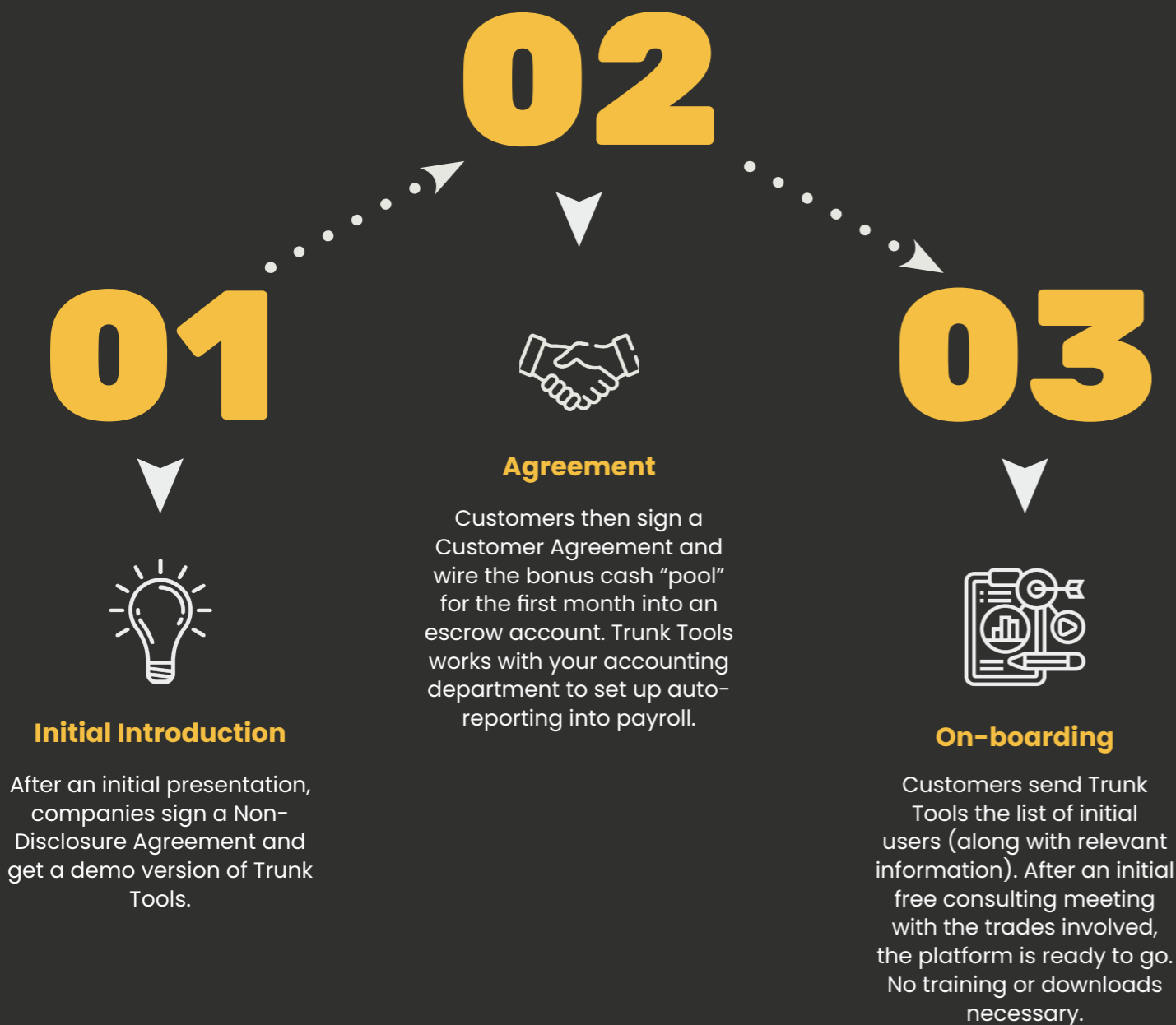
We all know the adage, "measure twice, cut once." At Trunk Tools we understand that reworks can be costly.

GRI found that reworks can lead to indirect costs of up to 7% of the total project budget. With Trunk Tools, we incentivize getting the job done right the first time. For a project worth \$50m, companies can expect up to \$3.15m in savings!

Task	Steel Erection	Metal Decking	Place Concrete SOMD	Finish Concrete SOMD
<b>Time Frame</b>	Level 13	Level 13	Level 13	Level 13
<b>Trade</b>	Iron Workers	Iron Workers	Laborers	Concrete Finishers
<b># Workers</b>	16	17	9	8
<b>Opportunity Description</b>	Two activities: seq. 1-2 & 3-4 for steel erection. Goal was to reduce duration by 1 crew hour.	Two activities: metal deck install & detailing. Goal was to reduce duration by 1 crew hour.	Goal was to reduce concrete SOMD placement duration by 1 crew hour.	Goal was to reduce concrete SOMD finish duration by 1 crew hour.
<b>Manhours Savings</b>	16	17	9	8
<b>Expected Savings</b>	\$1,600	\$1,700	\$900	\$800
<b>Opportunity</b>	\$800	\$850	\$450	\$400
<b>Actual Savings</b>	\$1,842	\$1,499	\$618	\$1,843
<b>Awarded</b>	\$618	\$876	\$473	\$420
<b>Net Savings</b>	\$1,224	\$623	\$146	\$1,423
<b>ROI (per \$1 spent)</b>	<b>\$2.98</b>	<b>\$1.71</b>	<b>\$1.31</b>	<b>\$4.39</b>
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<b>Awarded</b>	\$618	\$876	\$473	\$420
<b>Actual Savings</b>	\$1,842	\$1,499	\$618	\$1,843

# On-boarding Process

Trunk Tools' on-boarding process is simple, fast, and automated. We need only one meeting with the customer, one free consulting meeting with the involved trades, and one phone call with accounting department. Getting set up with Trunk Tools is as easy as shopping online.



# The Trunk Tools Team



## Sarah Buchner

CEO & Founder

- 15 years Construction Experience
- Founder of 4 Construction Tech Apps
- PhD in Construction Tech
- MBA Stanford
- Forbes 30 under 30



## Utkarsh Contractor

CTO

- 17 years CS & startup experience
- Stanford CS/ML
- LinkedIn
- VP of Eng at AI unicorn (AISERA)



## Max Landow

VP of Operations

- 7 years at Mark43 (high growth B2B SaaS)
- Scaled Ops from 30 to 500 as Director of Ops
- Wesleyan Economics



## Holden Lindblom

Chief of Staff

- 4 years US Army
- Stanford Undergraduate
- ZX Ventures Accelerator
- VC-Backed Startup Founder

The logo for Trunk Tools features the word "trunk." in a bold, lowercase, sans-serif font, with a stylized wrench icon integrated into the letter 'k'. Below it, the word "tools" is written in a larger, bold, lowercase, sans-serif font. The logo is centered on a white background with large, curved, golden-yellow abstract shapes in the background.

**trunk.**  
**tools**

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