

How to Take Advantage of the Housing Slow Down

By DeWayne Adamson

As a result of the "housing slow down," developers and general contractors are faced with the growing challenge of increasing their revenues. One way a general contractor can take advantage of this downturn is to re-evaluate their reprographics process. An innovative tool such as an "online plan room" is just one example of how a company can upload and distribute a set of plans in a faster, secure and less cumbersome process. More importantly, it can free-up a staff member to potentially secure new business, rather than overseeing the burdensome process of sending plans.

An online plan room enables the centralized organization of project plans, revision tracking and control, digital archiving and document storage. Traditional in-house reprographic methods require too much time and energy which can distract a company from focusing on their core business.

On average, companies spend nearly \$200,000 annually on reprographic services - the frontline in the bidding process. A general contractor who chooses to scale down this critical line item due to the sluggish housing environment could see a sharp drop in the quality and competitiveness of his subcontractors bid. Therefore, contractors should be looking at alternative ways to expedite the bidding process instead of reducing reprographic costs.

The bid window is extremely time sensitive. A contractor's bid is conditional to the amount of time a subcontractor is provided to make a firm bid. Contractors must allow subcontractors at least five days to study a set of plans. By reducing reprographic costs, the quality of plans and time period a subcontractor is provided to review a set of plans is greatly diminished and a potential bid is likely lost.

Traditional printed plans remain a staple in the bidding process despite digital advances. The introduction of CD's, DVD's, portable USB drives and PDFs have eased the process of transporting, sharing and archiving a set of plans; however, subcontractors will agree that it is very difficult to make a firm bid off of a 17" monitor.

By modifying their reprographics strategy, Lakeview Construction, a leading retail and commercial construction company, has been able to flip the hourglass and "get back a day" by uploading blueprints through an online plan room where their estimator/expeditor can format and distribute a set of plans in under six hours.

This allows Lakeview's subcontractors an additional day to view the plans, while providing Lakeview's employees up to three to five hours a day on researching and pitching subcontractors. The additional savings translates into roughly a 30 percent gain for potential new business.

In a growing trend, many web-based reprographic companies are providing additional perks for their users, such as extensive subcontractor databases. With a few clicks of a mouse button, general contractors are able to send invitations to bid to a custom-

ized, targeted list, while providing the option to make supplementary invitation phone calls.

Today, most successful general contractors pay for the plans. The evolutionary next step is for subcontractors to pay for plans. Not only will this reduce your costs, but your subcontractors WILL pay for the plans once they see the true savings of a seamless e-commerce system. At first, this may prove to be difficult because you will be entering an arena where your name may be less known.

Instead of pouring valuable resources into micro-managing in-house projects, general contractors should be able to utilize an automated invitation to bid system with fulfillment capabilities. By evaluating, acknowledging and



restructuring their reprographics processes, they will in turn save time, costs and bolster productivity which will lead to increased revenues.

ABOUT THE AUTHOR

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Web-Based Document Management Printing & Logistics



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