

# STOP THE EROSION!

Mary Beth Hewett has been a reporter for 10 years at the Builders Exchange of Kentucky. She works alongside Treva Masters another 15 year veteran. They are responsible for finding the active and pre-bid projects that BxKT reports. They call the owners, architects and engineers to acquire the construction documents for projects. Ultimately, the goal is to have the documents, not just the bidding information. Once all the projects are in house, they verify the information on a weekly basis throughout the bid schedule.

Each Builders Exchange, Plan Room, etc. may operate on a little differently business model depending upon products they focus on. Those differences should make a discussion even livelier and bring up even more thoughts and ideas on the subject of documents. One thing to keep in mind is you never want to pay for plans, should never have to. Your relationship with the plan issuers, especially the architects, must be strong to enable you to receive projects for free.

**The Kentucky Story** – The biggest plan issuers in the State of Kentucky are the University of Kentucky, a handful of other state universities, and cities. The KYBX was receiving these projects forever and basically took it for granted they always would receive them free. A reprographics company, Lynn Imaging, contracted with these plan issuers. When they renewed their contract with the State of Kentucky, they convinced them that by placing the projects in planrooms, they were losing control of who was looking at their work. So they convinced the State to change the delivery method of the projects so that any contractor could receive a free download, but ALL PLANROOMS had to purchase an electronic file of their projects. Frankly, that changed the entire business model. KYBX could still receive the documents, but at a cost! That even contradicted the argument they gave the Owner. The next thing you know, the University of Kentucky has entered into a new contract with Lynn Imaging, and adopted the same practice. In meeting with both owners, KYBX lost all traction on this argument, leaving them to either report on the project WITHOUT the documents or PURCHASE them – something they had never done.

The KYBX Impact	
# OWNER PROJECTS 2015	
State of Kentucky	285
University of Kentucky	136
Louisville Water Company	36
Municipal Sewer District	86
City of Louisville	117
Lex/Fayette Co Gov't	145
TOTAL:	805
TOTAL PROJECTS IN 2015	3150

*If KYBX were not able to get the documents on these 805 projects, that is 25% of annual projects*

*KYBX currently reports 10% of projects N/A (meaning they cannot get the documents)*

At that point, KYBX arranged meetings with any plan issuer that had Lynn Imaging as their reprographer. Those meetings, successful in the end, took a lot of work, time and mileage. A process like this really makes you sharpen your negotiation skills and reminds you not take any project for granted.

The goal here is to get you and your reporters thinking about how to respond to plan issuers for projects today. There are as many reasons for a plan issuer NOT to give plan rooms projects, as there are to give plan rooms projects. This has been described as, “The Thrill of the Kill”. You always go into these conversations knowing they can always say NO, but it doesn’t have to end with a NO. After some roundtable discussion at KYBX, some of the rebuttal to plan issuer’s arguments have been uncovered.

## PLAN ISSUERS vs. PLANROOMS – COMPELLING REASONS TO PROVIDE PLANROOMS CONSTRUCTION DOCUMENTS

**Architectural Proprietary Rights!** – ‘I own those designs and do not want others to compromise/copy my work.’

- **SOLUTION:** Drawings belong to the Owner. The Owner wants more bidders to review the documents which brings the price down, and generates more bids.

**Do not want others to profit off of my drawings!** – ‘Do not want plan rooms to sell them and profit off them.’

- **SOLUTION:** We charge Membership Dues – Not Per/Project Cost. No matter how many projects that we report on, the Membership Dues are only to offset the cost of our services. There are more services that we provide, other than plan room. We charge these fees to offset our administrative costs.
- **SOLUTION:** We do not sell whole sets of plans, only pages to accommodate a specific trade. We leave this to the reprographics companies that have been contracted to issue any sets + addendums.

## You have non-Local Contractors!

- **SOLUTION:** We are a Regional Plan room, not a National such as Dodge. The majority of our members are from this State and from this area.

***Our Sets of Documents are not kept together and bidders may miss something, and plan rooms also do not account for the addendums that we have issued!***

- **SOLUTION:** We have so many contractors looking at the project, and they will bring to our attention any errors or omissions. We bring these to the designer's attention, which minimizes calls they may be receiving from individual bidders. Brag on your plan room operations – invite them in to see how efficient your employees work, and show them the systems you have in place.

***It is too costly to send plans to every plan room that requests them!***

- **SOLUTION:** We are happy to receive a digital set. The amount of exposure your project receives by placing in our plan room offsets the cost of them, because it creates a larger pool of bidders, thereby driving the cost down. If the subs have to pay for a set of plans, you can be assured they will include that cost in their final bid, which means the Owner will be paying for them anyway. Another SOLUTION is that we can provide you with a list of our members that have viewed the project. Once again we can act as a buffer for multiple questions by acting as a clearing house for questions to you (instead of all the members asking the same questions)

***We lose control of who is looking at and bidding on the project!***

- **SOLUTION:** The minute you have released your project, you have lost control. Anyone can post it on another site. By placing it with our plan room you gain more control, since we can show you who has looked at it. We can provide you with the Unique Visitors list.

***We have our own distribution center, such as ftp site, cloud based sites, or file hosting sites!***

- **SOLUTION:** We are a clearing house, one-stop shop. Our database of potential bidders is large – yours is limited. Another idea is for you to add us to their database so that we receive the project and add it to our database. This exponentially increases the number of companies looking at your project.

***There are Security Risks in releasing plans (banks, schools, sensitive materials labs)!***

- **SOLUTION:** Our Private Plan room is available for your use. You dictate who looks at the project, while we manage the documents. This is good for the plan rooms because it takes it out of the hands of a competitor.

***Your members are less than qualified!***

- **SOLUTION:** By paying dues to our association, it illustrates that they will make an investment in their business, thus making them more qualified – they are serious about it. On the other hand, we cannot qualify contractors any more than an owner/architect can.

***We only send them to “Dodge”!***

- **SOLUTION:** Each plan room has a distinct set of members, which often do not overlap. If you are giving them to only one plan room, then you are limiting who is looking at the project. We have been in business nearly 90 years (or however long your BX has been there) – longer than most plan rooms in the industry.

***FOR ANY OTHER ARGUMENT THAT YOU CANNOT FIND AN ANSWER FOR:***

- **SOLUTION:** BRAG!! BRAG!! BRAG!! On your Company, on your History, on your Operations, on your longevity of employees, on your contribution to the industry, on your accuracy. Sell yourself higher than any of your competition!!!

*Contributed by Mary Beth Hewett, Construction News Reporter  
Builders Exchange of Kentucky*



Builders Exchange of Kentucky, founded in 1927, is a full service construction trade association with a membership of approximately 1000 consisting of contractors, subcontractors, material suppliers, manufacturer representatives and others who are engaged in the commercial and industrial construction industry. Their local organization covers the entire state of Kentucky and the southern half of the state of Indiana and place some 3000 sets of plans and specs

in our Plan Rooms each year. In addition to our physical plan rooms in Louisville, Lexington, and Evansville, Builders Exchange of Kentucky maintains an online plan room and a daily update which contain the most accurate and up-to-the minute summary of construction activity that is taking place in Kentucky and southern Indiana. All of their construction project information is available online with simple, easy-to-use search tools along with access to complete plans, specs and addenda online from anywhere at any time!