bidding
more
work

Getting a Grip on Bid Activity in Your Market
By S.S. Saucerman

You’ve no doubt heard it said that “the only sure things in life are death and taxes.” Well, I think I’ve found another: “Regardless of how much work a contractor has, it’s never enough to make him happy.”

I can relate—I’m a builder. But I can attest that it’s not just the desire of happiness that spawns our contractor’s angst. He knows from experience that even the smallest firms, with perhaps only a handful of employees, can generate a lot of overhead expense. To cover his cost (and hopefully gather a little profit on the side), he knows he must continually search for new and unexplored avenues of opportunity. He’s also learned that money is only made in this business when his employees are actually working, so these opportunities better be sound and lasting—and offer a reasonable chance to generate solid revenue for the business.

The Problem

But up to now, bid opportunities have come primarily from word of mouth, referrals, the occasional walk-in and the even more occasional call off the ad in the Yellow Pages. And that used to be good enough—but now things have changed. The company has matured, competition is growing more abundant and aggressive each day, and the volume of work that once sustained the company just doesn’t seem to cut it anymore.

So what does he do? Clearly, he needs more work opportunities. But where does he find them? It’s not like he hasn’t tried! He’s pounded the pavement, but some days, to him, it seemed that
whoever said “opportunity knocks” was crazy; it’s more like “opportunity hides.”

Searching for Solutions

Sound familiar? Well, if it does, don’t lose hope. Think about what you know. Over the years, experience has taught you that the only way to win work is to bid work—lots of it. This same training has also shown that you’ll never win them all but will likely garner a measured percentage. So, assuming you are typically competitive (not dirty-low, just competitive) in your market, it’s by no means a logical leap to assume that if you can increase the number and frequency of your estimates, it should only be a matter of time before the law of averages shifts in your favor, bringing more work.

“Well, that’s easy for you to say,” you rebut. “Where are you going to find all these jobs to bid? You can’t get water out of a stone!”

That’s where this article comes in. You see, it may only appear that activity around you is slow. Would you believe me if I told you that there were likely work opportunities all around you—right now—and you just need to know where to look?

There is a variety of sources and assistance available to the contractor—assistance that offers information on tracking the bid activity in your area. There’s probably even one near you. By becoming aware and taking advantage of this assistance, you’ll can soon be on your way to greater bidding volume, more work volume and (if run correctly) increased revenue. So, what are these sources? Let’s take a look at a few.

Construction reporting services. These are private companies that publish periodic reports detailing the construction activity in your area. The reports tell of projects coming out for bid, projects recently awarded and projects that may be only in the planning stages. Often included in the report is a variety of pertinent information: the bidding prime contractors, plan holders, owners, project description, architect and bid date.

The reports are updated every time they come out (perhaps every week) to keep the information as current as possible. This updating can be quite important, giving subcontractors and suppliers the opportunity to check the latest report to see if, for instance, additional bidding general contractors have been added to the list. That way, those bidding can be sure their quotes get into all the appropriate hands before bid time.

Even negotiated jobs are sometimes featured in these reports, where a pre-selected general contractor may solicit subcontractor and supplier bids for a project that is already secured. Similar to the conventional bid situation, the sub and supplier bids are then submitted directly to the general contractor by the set bid date and time. Afterward, awards are made and work begins.

Plan rooms. Another invaluable service offered by some of these services are plan rooms. This is an office, generally within an hour or two, where bidders may go to view the plans and specifications, gather data, and/or estimate their project of interest. Now, there may be rules or protocol attached to using these rooms (such as being a member), so check in advance.

These services do often come at a cost and are generally purchased in the form of a subscriptions (six months, one year, etc.). The final cost also may be further determined by the geographical areas to which you wish to subscribe; generally, the greater the area, the greater the cost. It may run into a few bucks, but it may be well worth it, depending on your bid volume. It could certainly be argued that the profit on one job alone might easily offset any investment made. But all companies have different needs, and the final determination as to what is “cost-effective” is purely individual.

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Here are two reporting services that I’ve used over the years:

F.W. Dodge Reports can be found on the Internet at www.fwdodge.com/commercial/lockup.asp, or call (212) 512-3442 (or there may be an office near you). Perhaps the most recognizable name to many readers, F.W. Dodge is part the McGraw-Hill Companies’ Construction Information Group, which includes the Sweets Group, Architectural Record, Engineering News-Record and the Construction News Publishing Network.

Construction Market Data, Inc. is on the Internet at www.cmdonl.com/reporting.htm. The mailing address is 30 Technology Parkway South, Norcross, Ga., 30092; phone (800) 992-7572. CMD is a company in the Construction Market Data Group, a network of construction information systems including R.S. Means, Architects’ First Source and the AIA/CMD Profile. You can e-mail them for more information—marketing@cmdonl.com.

There are probably more. Check around. Ask your friends, suppliers and members of your trade organizations if they know of any others. And speaking of organizations . . . .

Building organizations and associations. No matter what your trade, you probably have an organization or association. General contractors have the Associated Building Contractors and the Associated General Contractors, remodelers have National Association of the Remodeling Industry, subcontractors have the Association of the Wall and Ceiling Industries—International and the American Subcontractors Association. Unions have their memberships, suppliers and manufacturers have their groups, and so on and so forth. Most of these organizations exist on national, regional and/or a local levels.

Now here’s where bid opportunities come in. Depending on the organization, it’s very likely that they offer some type of newsletter or publication whose purpose is to keep the membership informed and apprised regarding things that effect their livelihood. News such as market activity, productivity figures, labor relations, minority business enterprise/EEO requirements, ADA updates, safety, training, legislation, legal concerns, insurance, tax issues and much, much more is often featured. But, in addition, did you know that very often included in these newsletters is information about bid activity and work opportunities?

Like the reporting services above, there’s often information on the project itself along with pertinent information such as the architect, owner, bid date and how to go about obtaining plans and specifications. A lot of these organizations also sponsor their own plan rooms, allowing you (the membership) to access the bid documents, perhaps even allowing you to check out plans in the evenings or on the weekend. Check with your local group.

Construction-related magazines and periodicals. I would certainly be amiss (and maybe not get paid!) if I didn’t mention the many excellent building and construction-related periodicals and magazines on the market today (such as the one you’re reading). Many of these publications offer helpful sources for potential work opportunity. Be it through listings in the back of the magazine, information in the features or something more formal such as bid advertisements, there is always something of interest—and perhaps right around your block.
But what about the contractor who likes to travel? Well, there’s something for you too. Since many of these publications cover larger, more diverse geographical areas than the typical trade organization newsletter, it is not uncommon to see work opportunity very far from home—sometimes even across the world. But opportunity is where you find it, and I know that in my career I’ve run into many a contractor who has done quite well in markets other than the United States. Prosperity is certainly where you find it.

**Specialty publications.** But what if you’re a contractor who has more narrowed interests, specializing, for instance, in hospitals, jails, churches or schools? There may be a publication out there that’s geared toward your particular specialty. On a recent Internet expedition (attired only in my robe, pig-slippers and a pith helmet), I was surprised at the number of specialty magazines (on-line and off) there are that pertain primarily to one type of specialty construction.

One such example was *Correctional Building News.* CBN, according to their Web site, “delivers timely industry reporting and informative feature articles to 10,794 architects, correctional facility managers and construction professionals.” You can contact them at Correctional Building News, 11 Greenfield Ave., San Rafael, Calif, 94901. The phone number is (415) 460-6185, or fax to (415) 460-6288. The email address is info@correctionalnews.com

And there are many more. For instance, have you ever heard of *Church Construction Magazine?* You can find them at www.churchconstruction.com/ccmag/ccmag.htm on the Web. If you have a special interest, just get on-line (or contact your local library), and search for key words that describe your specialty, such as “medical facility construction magazine,” and you’ll likely come across something of interest.

**Thoughts at Large**

Here are some other random avenues of opportunity you can explore.

As mentioned, if you’re into computers, you might try (while searching for magazines) to access some of the tremendous resources for building and construction on the Internet (such as Buildnet — http://www.abuildnet.com/index.html). Now, most of these sites may not actually list individual projects, but they do offer excellent information, tools and vehicles for keeping updated on building activity and trends. It may also give you a chance (via chat rooms, bulletin boards and e-mail) to network with other builders and construction professionals—another great way to spawn opportunity.

What about your local newspaper? It’s quite common to see construction projects (often governmental) advertising for bidders in the paper.

Sometimes it’s even a requirement of the bidding procedure—where the bid must be publicized for a certain period of time before the bid deadline. You’ll often find these advertisements on or around the page with the finely printed notes from last night’s city council meeting or the legal notices regarding estates, lawsuits, etc. These are excellent (and free) potential bid opportunities.

When I first entered the construction business (about 250 years ago), I sold lumber and building materials. One trick I employed to find prospective clients was to go down to the local building inspection office every Monday morning and peruse the permit logs (that were often made available to anyone who inquired). Periodically, I’d come across a solid lead for pedaling my wares. Now, this often took some fast action once I got turned on to a lead—after all, if the permit was taken out, the project has probably started—but I had it work out more than once. A side benefit of this routine was getting to know the people in the inspection and zoning offices; they often passed along tidbits of information on jobs in early planning stages or to soon to be started.

Of course, there is no better way to secure more work than to build up a clientele of satisfied, repeat customers—something achieved only through hard work, dedication, responsible and reliable business . . . and time. But be patient; it will come. For now, try a few of the ideas that we’ve discussed today—and stay consistent and focused. Don’t give up. Before long, you’ll find yourself looking back on that long road of opportunity that you just strode down—and then you’ll probably go right back to worrying about where your next job will come from!

**About the Author**

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