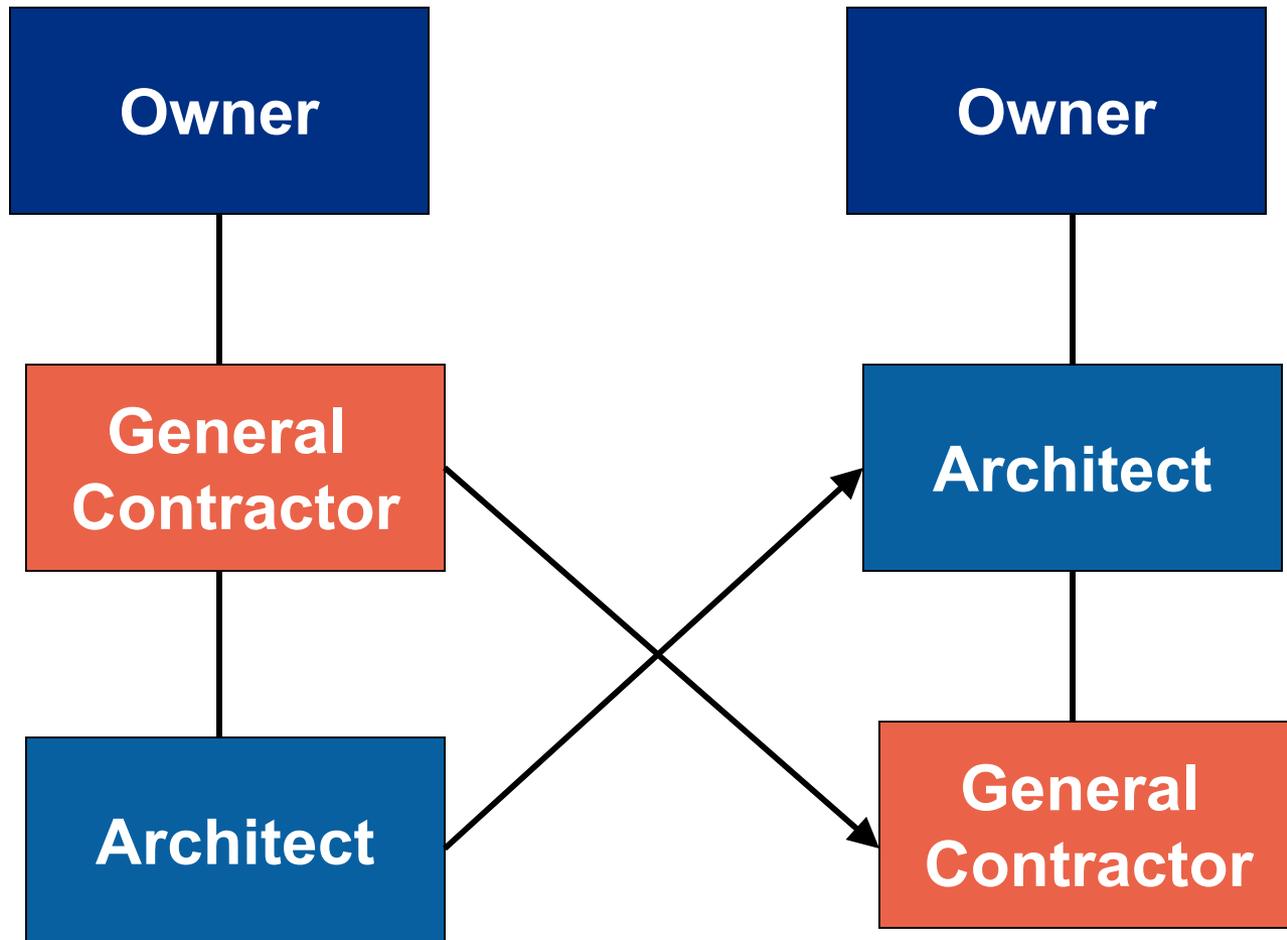


BUILD WHAT YOU DESIGN

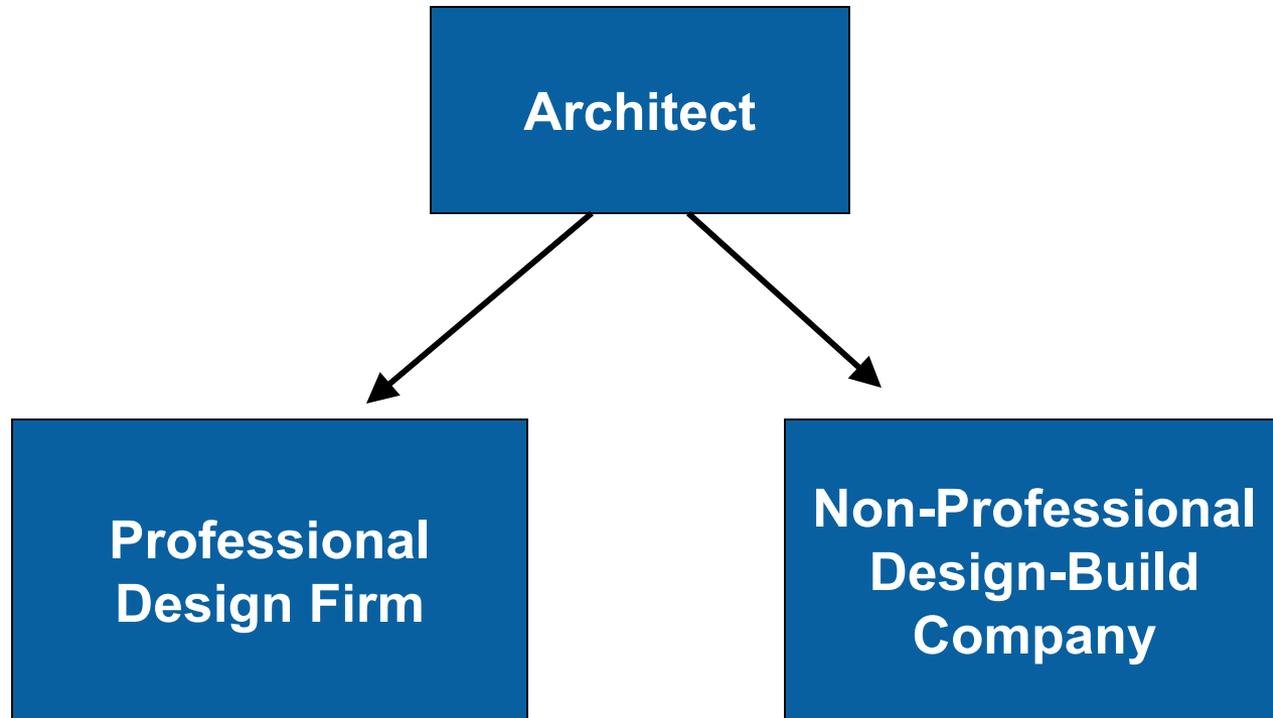
A New/Old Approach to Architecture & Construction

Mark C. Friedlander

The “Flip Side of the Coin”

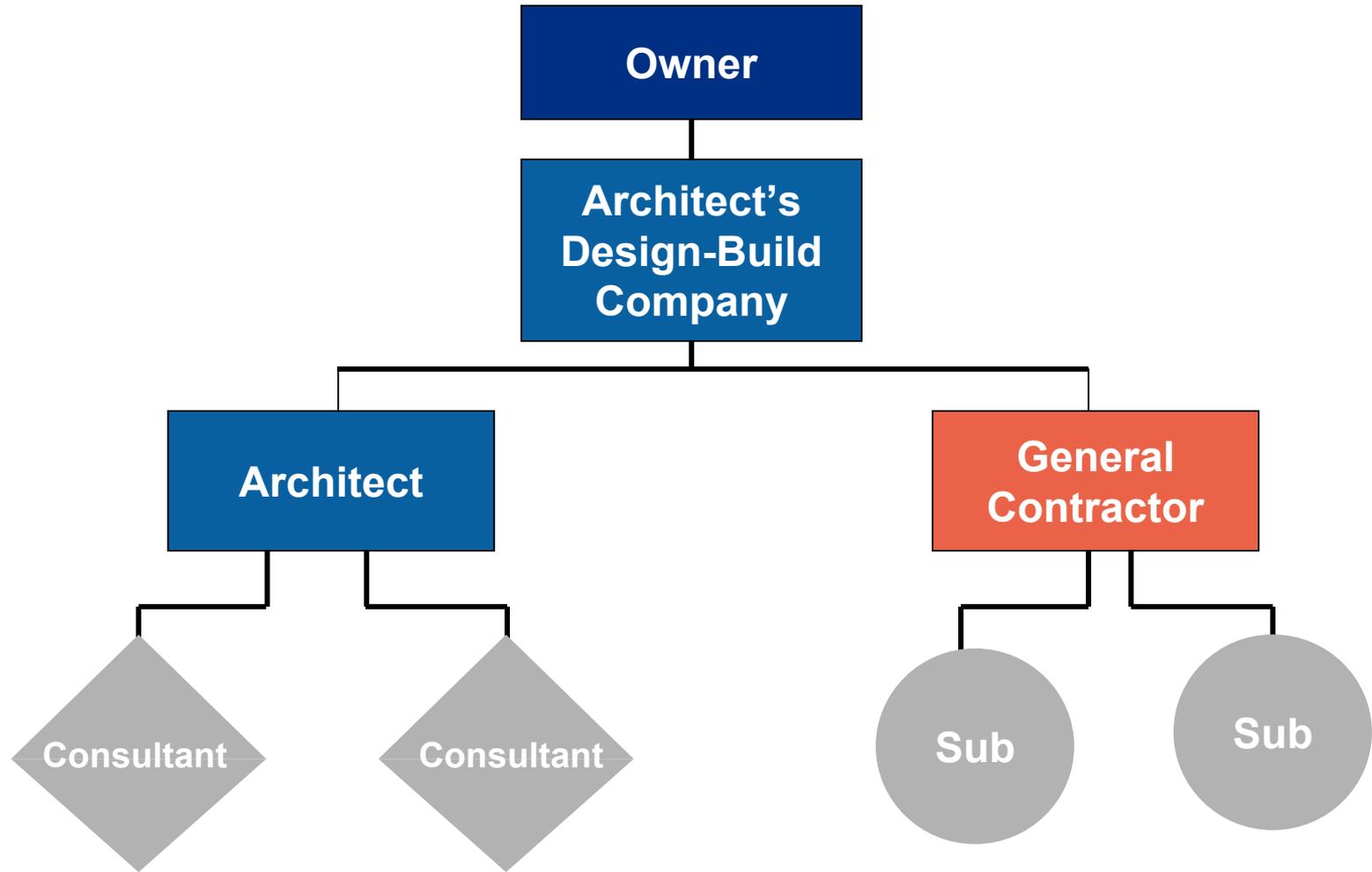


Create the Architect's Design-Build Company

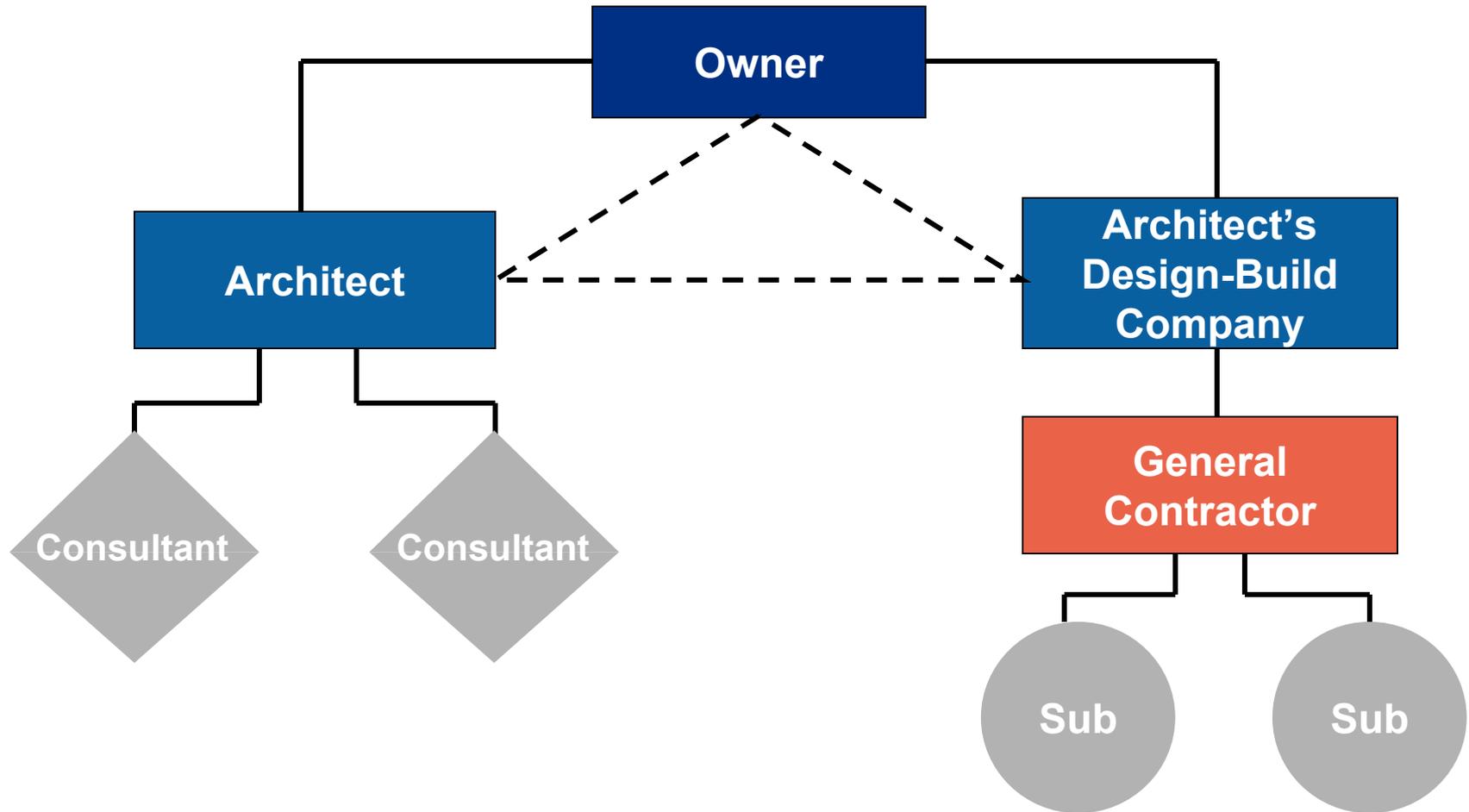


Designer-Led Design-Build

The Single Contract Approach



“Sequential” Design-Build Structure of the Relationship (Private Sector)



Step 1 — The “Teaming” Agreement

**Architect's
Design-Build
Company**



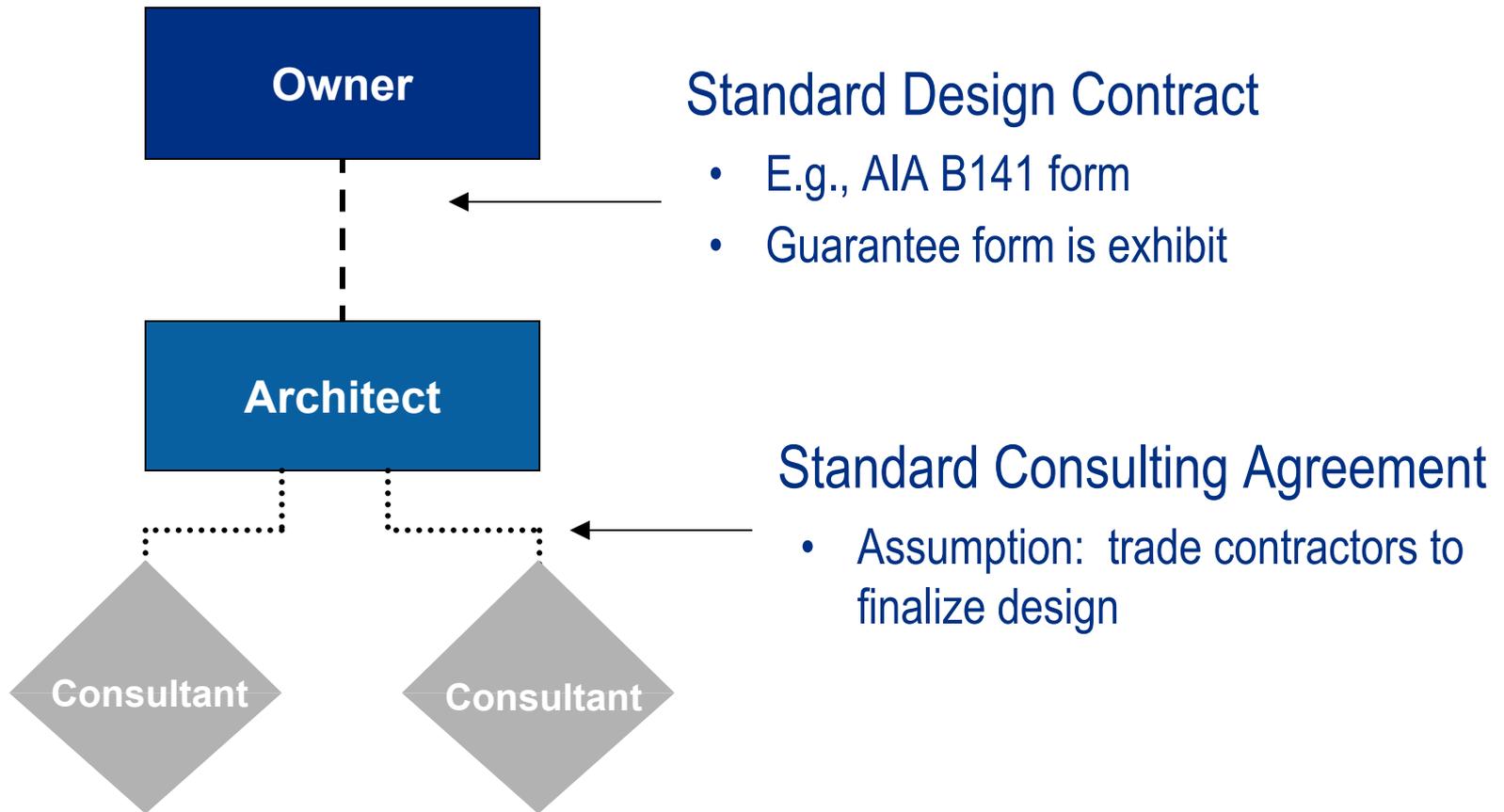
**General
Contractor**

(100% Subcontractor)

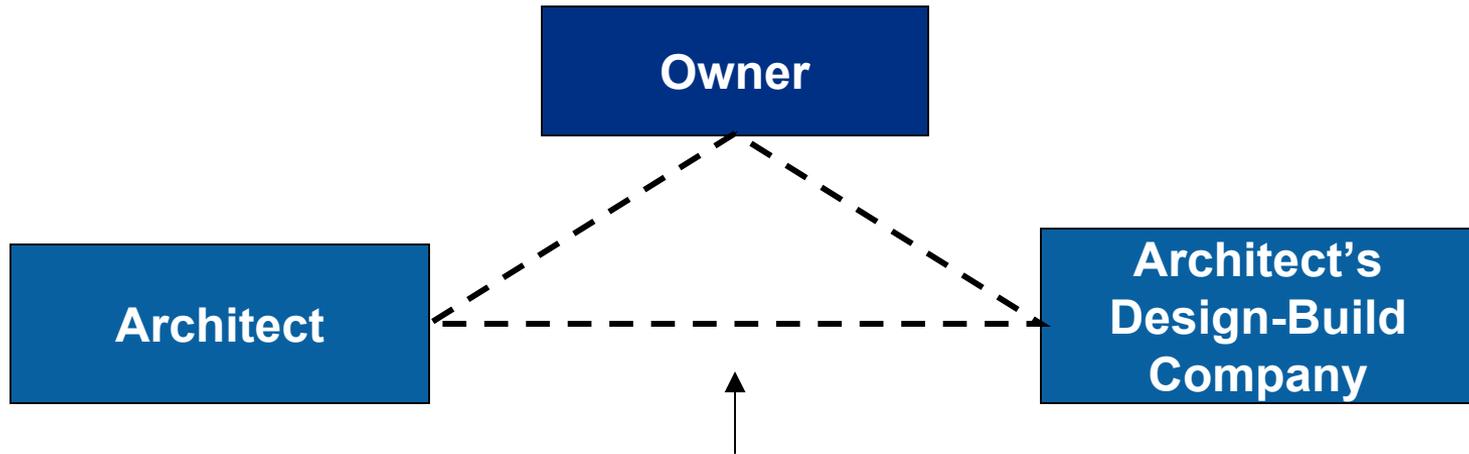
Teaming Agreement

- Preconstruction services
- Agreement to subcontract

Step 2 — A/E's Contract

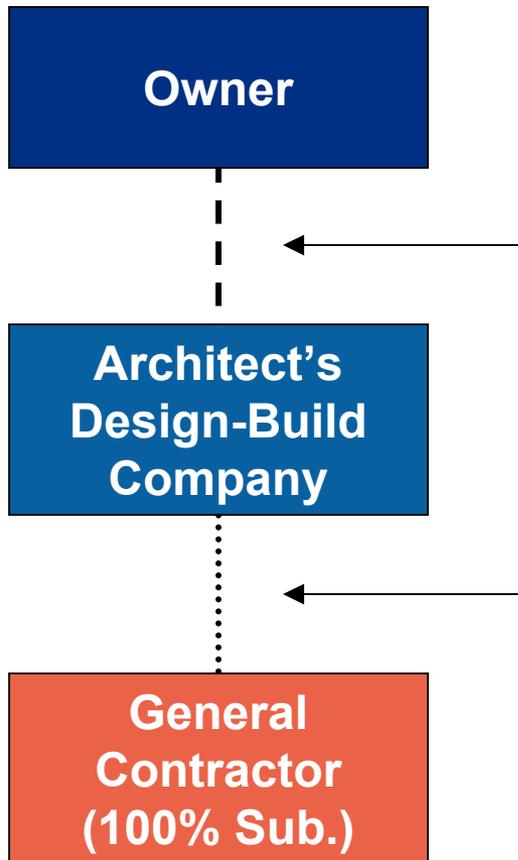


Step 3 — The Design-Build Proposal: “Price/Schedule Guarantee”



- Architect's Design-Build Company's guarantees contingent on building project
- Architect's Design-Build Company supplants Architect during construction phase
- Various safeguards/protections
- Construction Contract eventually supersedes Proposal

Step 4 — “Construction Agreements”



Construction Contract

- Architect's functions during construction project provided by Architect's Design-Build Company

Subcontract for Particular Project

- “Purchase Order” from Teaming Agreement
- Attaches construction contract and subcontracts 100% of it

Pro's and Con's of a 100% Subcontractor

Pro's

- Construction risks virtually eliminated
- Contractor's presence may assist marketing or sales
- Contractor likely to refer projects back to Architect
- Architect not perceived as competing with contractors
- Contractor may be source of financial security for owner
- Contractor may be additional source of management expertise
- Contractor may negotiate better deals with subcontractors

Con's

- Reduces available profits
- May be harder to justify to owner

Advantages to the Owner of Designer-Led Design-Build

- Architect is best trained to balance design quality vs. cost.
- Owner can delay the design-build decision
- Owner and Architect often have pre-existing relationship
- Architect has less conflict of interest than when contractor leads team
- Common complaint of Architect lacking cost discipline disappears when Architect is responsible for cost
- Contractor as 100% sub can still be source of financial capitalization

Advantages to the Architect of Designer-Led Design-Build

- Additional profits
 - Mark-up on the construction cost
 - Savings accrue to designer
 - Reduced labor costs in production
- Marketing advantages
 - Guarantee of price and schedule
 - Owner can delay design build decision
 - Contractor becomes source of work
- Control over construction
 - Avoid unwise design changes
 - Allow necessary or advisable changes – quietly
- Reduced liability
 - Construction accidents insured by contractor
 - No claims from obvious design omissions
 - Cooperative resolution of design problems

Source of the Architect's Construction Fee (*i.e.*, Contractor's Savings)

- Larger profit margin in negotiated vs. competitively bid contracts
- No marketing overhead for project
- Cost analysis certain to result in project or compensation
- No contingency for bidding errors/oversights
- No contingency for adversarial administration

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