



## Strategies for Contracting for Design+Build Services

There are various strategies for contracting design, materials, and installation of laboratory projects. Each aspect, from architectural design to validation of final product installation, can be divvied up and treated separately, or a partnership can be formed with a Design+Build firm to develop the project cooperatively.

The most elementary method of purchasing is to treat everything as a commodity and pursue a low-bid supplier for each part of the project. This, of course, is fraught with problems, not the least of which is the almost inevitable sacrifice of quality and service. Generally, immature purchasing programs and public entities (governments) rely on bidding to create the perception (to themselves and others) of fair play and cost management, and to present a facade of open access. Tragically, this is all too often more about self-deception and political correctness than factual truth. The simple reality is that most government purchasing personnel are overburdened and challenged by purchasing A-to-Z items and cannot realistically undertake a more diligent purchasing strategy. Their systems are full of loopholes and ambiguous rules that are often abused and disregarded. Often in the private sector, bidding is used on the belief that it will yield the lowest price. While this may sometimes be true, it is well recognized that, for example, in the contracting world, many companies bid low and “make it up” on change orders, etc. Often, the “relationship” between the buyer and the seller starts out antagonistic because one or both feel they got “one upped” or are left unsatisfied with the “deal”. The relationship frequently deteriorates throughout the project due to mistrust or incompatibility that grows with each change or upcharge. Often, this mistrust is further driven by the seller’s inability or unwillingness to provide the level of service desirable to the buyer, due to a margin eroded by ambiguities in bid specs. The buyer, of course, rarely accepts this because they see the seller as having set the price and assume the seller should be happy with it. There is rarely a partnership built on mutual trust and shared goals.

Negotiated purchases are generally much friendlier and to the mutual benefit of the buyer and seller. This is the classic win-win scenario. With negotiated agreements, both parties articulate their needs and agree to work together for their mutual benefit. The goal of a negotiated purchase is to establish a partnership of trust and fairness, and to work together to achieve common goals. The earlier this partnership is formed, the more value it can deliver. At STX, we’re all about negotiated agreements. We believe that world-class projects result only from strong working relationships. It’s not that bids can’t work; they just focus on the wrong goals. Too much energy is wasted getting back to common ground, and too rarely is the effort made to do so. By forming a partnership early in the process, both parties can work together to make progress without wasted effort. At STX, this manifests directly to the buyer’s benefit.

### PARTNERING WITH STX

When we undertake a Design+Build project under contract, we involve our design team, our Corporate and Project Management personnel, our scientific staff - even our installation team - in developing the project. We bring an objective vision to the project and provide an objective, consultative source for information about an industry wide range of technology and products.

We’ll work with you to determine who else needs to be on the team. Do you need an architect, an engineering firm, a general contractor, electrical, plumbing, and HVAC subs, or other professionals? Should you consider leasing? STX can help you answer these and other questions.

It’s about being partners in the relationship. If you just want a vendor, there are plenty of alternatives. If you want a partner, there is STX.