

Subcontractor Bidding Tips

General contractors are always being asked by subcontractors if they can bid to them on future work. While price typically plays a large role in subcontractor selection, other important factors can increase the likelihood of getting future opportunities, and ultimately, more work.

BUSINESS GROWTH POINTS

Bidding Tips:

- Understand bid specs and clearly identify the parts that you are bidding
- Take every opportunity to talk with the general contractor's contacts about bid specs. It will raise their awareness about your capabilities.
- Make bid details clear and relevant.
- Include complete contact information
- Do not submit your bid at the last minute.
- Remain reachable up through the bid deadlines.
- Low bids do not always win.
- Follow up with the general contractor to find out who won and what the bid range was. Ask for any insight that could help you in future bids.

Preparing your bid: We all get busy and unfortunately often put off things that do not need to be done right away. A bid for future work that does not need to be turned in for two weeks is an easy candidate for "something that can be looked at later." Although the actual bid may not be due for two weeks, it is not uncommon for many things to happen before you submit your actual bid on bid day. This may include mandatory and optional site visits that can provide you with a better understanding of the scope of work. These visits are typically scheduled about a week before the bid so that the contractors can familiarize themselves with the plans prior to submitting a bid. These visits also allow the general contractor to see who is actually taking advantage of the visit, which can create more confidence in the bids that are received by the general contractor on bid day.

When you receive the bid documents, take a few minutes to check out the scope of work and the proposed schedule. Evaluate whether this project truly fits your firm. If there is a scheduled site visit, plan to attend. But prior to arriving, become more familiar with the documents and make sure you understand the scope of the project. This prep time also affords you the chance to develop questions about the work that you can have answered at the site visit.

If there is not a mandatory site visit, contact the general contractor to see if anyone there is planning their own site visit. Quite often, a general contractor will schedule a visit and invite key project team members to attend with them to help them better understand the project and to develop their game plan for construction if they are selected as the general contractor. This is your chance to discuss options and to also hear how the general contractor plans to staff the project and to make sure you bid the job in a similar manner (i.e. four ten-hour shifts).

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Build a Relationship: Another important tip is to have contact with the general contractor to whom you will be bidding. Confirm when the bid is due to the general contractor and whether you will or will not be submitting a bid. This is important because different general contractors may have different times when they need your bid.

Confirm that you can submit the bid by fax or email and make certain that someone will be checking that source for bids on bid day. Sending your bid to the wrong fax number or to an email account of someone not involved in the actual bid day preparation will frustrate everyone involved. If the general contractor has regular contact with you and know that they can expect a bid from you, they are much less likely to start calling around to other subcontractors to solicit bids. If you have not worked with a particular general contractor to whom you will be bidding, this is an excellent chance to get some references and past project information to them so they will feel comfortable with your firm's capabilities and take your bid seriously.

Present your bid: Nothing makes an estimator crazier on bid day than a multi-paged bid that does not appear to align with the specifications for the job. While you know what you are providing, the estimator may or may not. Since the general contractor ultimately needs to present its bid to the specifications, or to offer clearly defined alternatives to the specifications, they are looking for you to do the same.

Estimators look for a brief description of the specification sections to which you are bidding and any exceptions or alternates to these specifications that you are offering. This will help the estimator make sure they have every section covered on bid day. While including information about your equipment or an exact number of electrical openings or linear feet of piping seems helpful, it is of little use to the estimator. Instead, they want to make sure, for example, that the entire plumbing section, as defined in the specification, is being bid. It is likely that they will not have time to calculate the linear feet of

piping or number of bath fixtures to compare against your bid in the closing minutes before submission.

Make sure you clearly include who prepared your bid and the number that person can be reached at if questions should arise. It is imperative that your bid is clearly legible and arrives as early as practical. Sending your bid in a few hours before the bid is due and having a brief conversation with the estimator might get you a bid that is not selected solely on low price. The estimator will have confidence in the bid if they know that you have made site visits, asked questions and clearly understand the scope of the work. General contractors make this choice virtually every bid day; even if it is slightly higher, they will choose a bid from a known entity over an unsolicited or potentially incomplete bid.

After you submit the bid: Your work is over, right? Quite the contrary, if you want to make sure you get the job. General contractors often receive bids that do not have contacts on them and they end up calling the subcontractor's office to track down the person who is responsible for the bid. You can score points with a general contractor by staying close to the phone or within easy reach by email in case there are questions before the bid deadline. Lunch can wait a few minutes if it means getting the job.

Follow up after a selection is made: General contractors typically handle releasing bid information differently. Some openly provide bidders with a bid tally, while others will not provide any information. Ask if the general contractor will share the range of the bids or tell you how much higher your bid was than the one selected. You may need to develop a working relationship with the estimator before you get the information you would really like. There will be times when the low bidder is not selected. Sometimes the project owner has a business relationship with one of the subcontractors who won the job. Whatever the reason, it does little good at this point to create hard feelings with the general contractor. In fact, often times, how you handle yourself after the bid may create an advantage for you on future work.



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