



Knowledge Base

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 provide a perception (to themselves and others) of fair play and cost management, and to provide 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 with 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 with the belief that it will provide the lowest price. While this may sometimes be true, it is well recognized that in the contracting world, for example, 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 feels 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 up charge. Often this mistrust is further driven by the inability or unwillingness of the seller to provide the level of service desirable to the buyer because of a margin deteriorated by ambiguities in bid specs. The buyer, of course, rarely accepts this, because they see the seller as having set the price and assumes the seller should be happy with it. There is rarely a partnership of mutual trust and common goals.

Negotiated purchases are generally much more friendly and more to the buyer’s and seller’s mutual benefit. This is the classic win-win scenario. With negotiated agreements, both parties establish their needs and agree to work to 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 can be conveyed. At STX, we’re all about negotiated agreements. We believe that world-class projects only result from good 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 itself directly to the benefit of the buyer.

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 determine the answers to 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.