

Making Your Bid Stand Out

by Rick Stacy

A friend from out of state faxed me a bid to review. He was having his roof redone, and it was the lowest bid he'd received. The handwritten estimate was somewhat illegible and riddled with spelling and grammatical errors. Plus, it was difficult to determine what was included in the work and what was not. The sobering thing, when I studied it, was the realization that this was what the estimates I sent out looked like — 15 years ago. In those days, I was working long hours at the job site and didn't feel I had time to put much into the estimates. So I didn't, and it showed.

I've since learned that a professional bid presentation is critical. It tells the potential customer something about you and your company. Compromising the quality of a bid presentation can cost you profit, as well as customers, since if you don't get the job, all the time you've invested in the sales process up to that point is wasted.

Simple and Professional

My current approach to presenting a bid is neither complicated nor time consuming. The estimate isn't mired in complicated jargon or legalese. I save that for the contract. When putting together a bid, I follow two rules: 1) Keep it simple yet thorough. 2) Keep it clear and concise.

A bid proposal should communicate all the necessary information without

need for interpretation. It should be done in simple language that the customer understands. I avoid excessive trade lingo and acronyms. If I'm using OSB, I clarify it by spelling out "oriented strand board." MR drywall is "moisture resistant" drywall. I explain EPDM as a high-quality rubber roofing product.

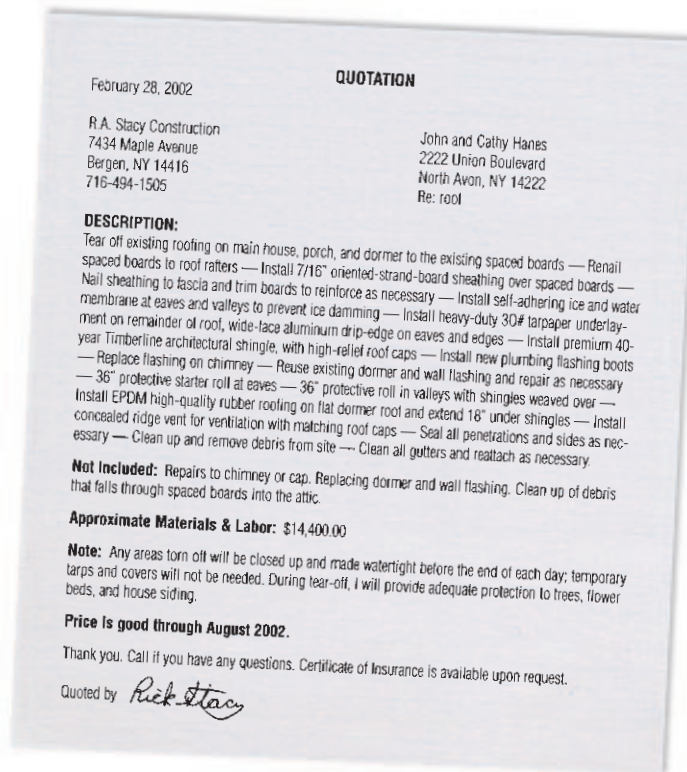


Figure 1. The author relies on a simple, one-page quotation and clear, layman's language to present the details of the proposed work.

done on our house." I want to convey a clear picture of the work I'm proposing to do and be sure they can easily compare mine to the other bid they're holding, which may be lower.

Quality Details

For instance, on a roofing tear-off job, I'll provide details like: "Re-nail existing spaced boards to roof rafters. Install heavy-duty 30# felt. Install 40-year architectural shingle." I also note that whatever is torn up will be weathered in before the end of the day and that no temporary covers will be needed.

In a siding estimate, I include items such as: "Corner flashing under windows; flashing at roof to wall junctions; aluminum sills wrapped under the storm windows up to interior stool." Highlighting these premium details helps set me apart as a professional and can give me an edge, even though my bid may not be the lowest.

Not Included

In addition to stating what is included in my work, it's critical to clearly state the things that are

Sometimes I throw in extra adjectives to help describe products the customer may not be familiar with. For a roofing job, I might write: "36-inch-wide protective starter roll at eaves" or, for an ice and water product, tack on the descriptor "self-adhering protective membrane to prevent ice damming." I want the potential customers nodding their heads as they read, saying, "Yes, that's what we want

not included. I spell out these specific items in a "Not Included" section that follows the job description (see Figure 1). For instance, who will take responsibility for job sketches, or obtaining the permit? How about painting when the work is completed? What about debris removal? I don't assume that they already know I won't be doing these things. Every job has items that fall into that gray

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no-man's land. On a roof tear-off, is new wall or dormer flashing included, or will the existing flashing be reused? You can take a big hit on an item like that, especially if it means removing cedar siding to install the new flashing. By clarifying things ahead of time, you prepare the customer for an "extra" if the additional work is deemed necessary.

Rule of repetition. To cover variables in the job that can't be adequately foreseen, I give myself leeway by specifying: "Approximate Materials & Labor." Often during the initial site visit, it becomes clear that the job has some serious unknowns. I tell the customers then and there that the price I give them will be subject to change based on actual site conditions. In a note I include with the estimate, I remind them that it's a ballpark figure. It's better to be repetitive than to risk a misunderstanding. I apply the same rule of repetition for the things I haven't included in the estimate. For instance, in the estimate's job description I may write: "The installation of light fixtures is included (fixtures provided by owner)." Then in the "Not Included" section at the bottom, I say again that light fixtures are not included.

I try to keep the bid proposal to one page. On larger projects, that may not be possible, but a neat layout with clear, bold headings can make all the difference in creating a proposal that's easy to read and understand.

Time Savers

Although there are plenty of prepackaged estimate forms available, I use the word-processing program on my computer. But I'm only marginally better than a hunt-and-peck typist, so anything I can do to minimize my time at the keyboard means more time out making money. I type the bid proposal into a template I've created, or just type over an old estimate in my files. I do lots of repeat cus-

tomers work, so it speeds things along to save the customer's most recent estimate and simply bring it up on the computer and type over it for the new estimate.

I also store spec files in my computer. These contain details for specific types of jobs, such as roofing, siding, replacement windows, and additions. I copy and paste these into the estimate as appropriate, and add or delete details specific to the estimate I'm working on.

Expiration date. I always include an expiration date for the estimate. Occasionally, I have customers who can't afford the work right away but who call me two or three years down the road. I'm doing a job now that I

originally bid three and a half years ago. Because I included an expiration date on the original estimate, I was able to increase it by 5% per year (a rough rule-of-thumb I use), and the customer was prepared and understood.

Don't Let Your Bid Stand Alone

I realized early on that I was not a salesman in the traditional sense of the word, but I needed to present a positive, accurate image of my company. One of the most helpful things I ever did was to put together a bid presentation package, simply a short bio of myself and my company, followed by references and selected comments from previous customers (Figure 2).

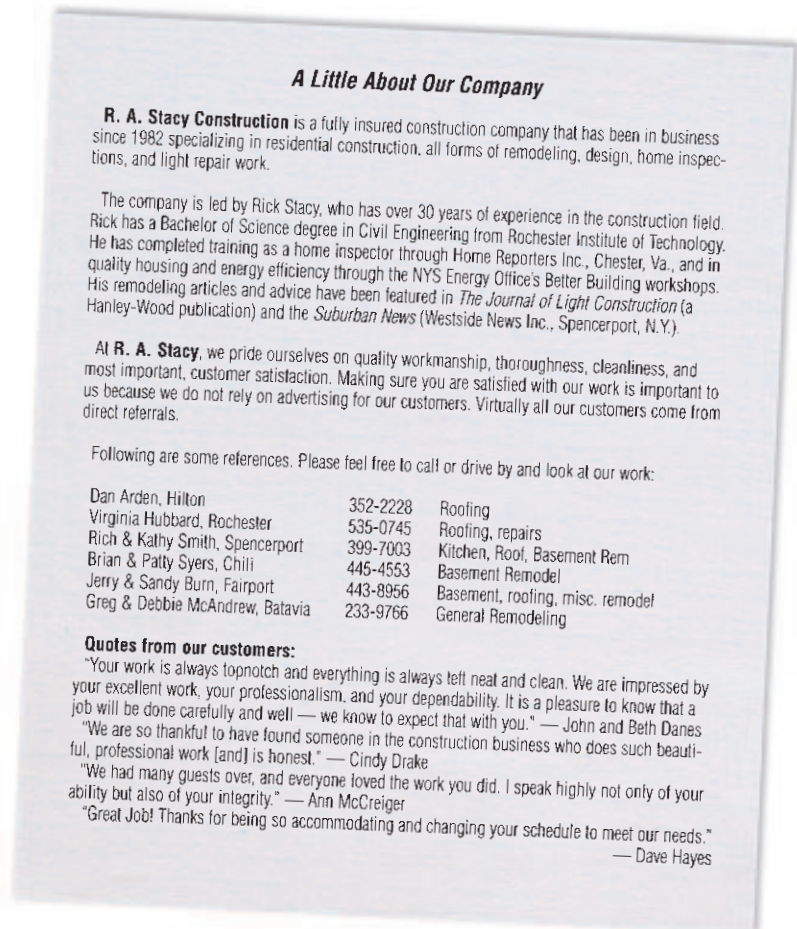


Figure 2. Before getting down to the bottom line, the author introduces his company and credentials, including a list of references and some previous customers' comments.

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My objective is to tell potential customers three things: who I am, why I'm qualified to do the job, and why they should hire me over the competition.

References, trade association affiliations, trade school or other certification, and any other pertinent education or work experience you've had all contribute to giving the customer confidence in your ability to perform the job.

Info package. In addition to a company bio, I include a single page titled "Choosing a Remodeling Contractor" (Figure 3). I print that and my company bio on colored paper to set them apart from the proposal itself. "Choosing" is meant to get the potential customer thinking about issues like quality over price and how the contractor will deal with household needs and schedules. Mine is a smaller company, so I pump up the advantages of working with a smaller company, like the fact that I'll be doing the work myself, along with my employees — I won't be hiring the job out to unfamiliar subcontractors.

I mail the bid in a 9x12 envelope, rather than folding and stuffing it into a standard business-size envelope. The extra postage pays off in professional image, and the bid is less likely to get lost or shoved aside. I place my company brochure on top of the estimate, so it's the first thing they see. I also clip a business card to the top.

Recently, I've been sending out my company bio and "Choosing a Remodeling Contractor" to the customer before my initial site visit. That way, when I show up, they already know something valuable about my company. I still include copies when I send out the bid; after all, who knows what may have happened to the first copy by then.

Personal touch. I like to give my estimates a personal touch by attaching a small handwritten sticky note. In the

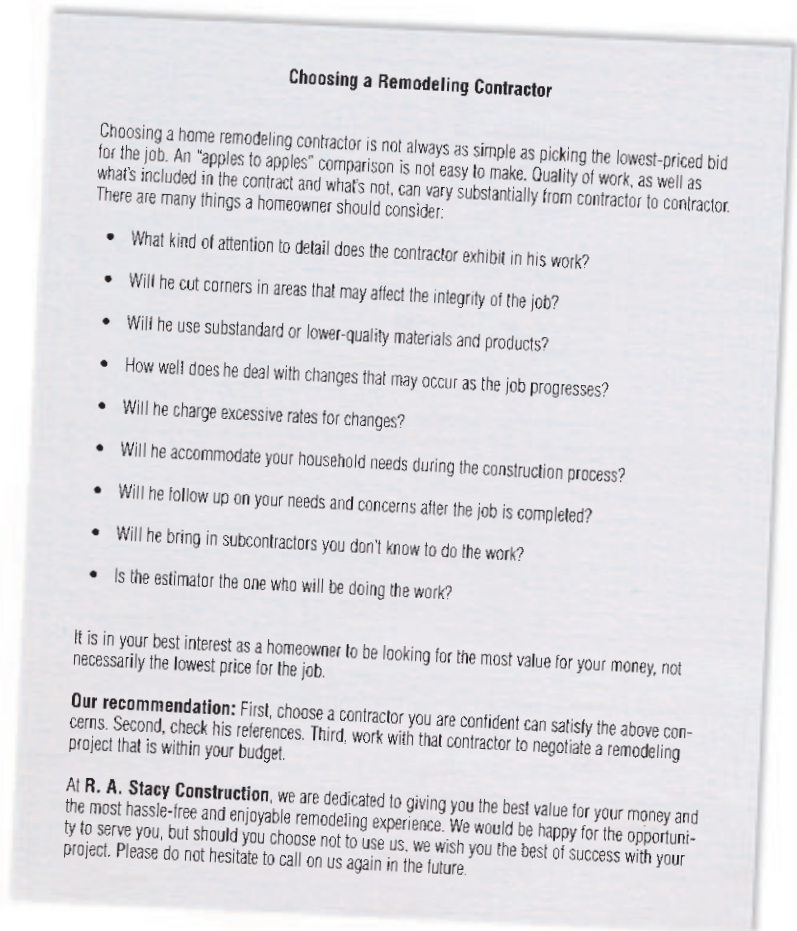


Figure 3. An informational sheet lets prospective customers know that you share their concern for a quality remodeling experience.

note, I may refer to a particular issue we talked about, or apologize if it's taken me longer than a week to turn the bid around: "John, Enclosed is the estimate. Sorry for the delay in getting this to you. I separated out the demolition work as we discussed. Please call if you have any questions. — Rick S."

This reinforces the small-company mentality I like to push. I want to come across as a friend trying to help, rather than as a business looking for an opportunity to separate someone from his money.

Follow-Up

I prefer a low-pressure soft sell to an aggressive close. I'm not interested in landing customers I have to hook and drag along into the job. I let my bid

presentation do the work of drawing them in and building excitement about hiring my company. My only follow-up is a phone call to confirm that they've received my package. I encourage them to contact me with any questions they have.

Putting some effort into a simple, professional bid presentation can pay big dividends. I was recently hired by a couple who informed me that mine was the highest of the five bids they received. But my promptness and professionalism impressed them, and they pursued me for the work anyway. Those are the kinds of customers I'm looking for. 

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