



CONSTRUCTION OWNERS
ASSOCIATION OF AMERICA, INC.

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CONSTRUCTION ASSOCIATIONS MOVE TOWARDS COLLABORATIVE CONTRACTS

Washington, D.C.—A diverse group of construction associations, representing owners, design and construction professionals, and insurance and surety companies continue to actively discuss the development and promotion of standard construction contracts. The associations are uniting around the idea that the industry is better served by balanced contracts that are actively supported by all. Contracts with widespread buy-in will save needless transactional time and money by eliminating the need to repetitively negotiate one-sided terms.

“All parties in a construction project deserve to work under a fair contract—one that they have confidence in because each of their respective associations had a true seat at the drafting table,” said Stephen E. Sandherr, CEO of the Associated General Contractors of America.

The construction industry groups have been in discussions for a year-and-a-half regarding the content of construction contracts and a business model to adequately support this effort. The groups recently decided to renew their commitment to work collaboratively on producing and promoting consensus contracts.

Associations actively participating involved in discussions include:

- Associated General Contractors of America (AGC);
- Associated Specialty Contractors, Inc. (ASC);
- American Subcontractors Association, Inc. (ASA);
- Construction Industry Round Table (CIRT);
- Construction Owners Association of America (COAA);
- Construction Users Round Table (CURT);
- Design-Build Institute of America (DBIA);
- National Association of State Facilities Administrators (NASFA);
- National Association of Surety Bond Producers (NASBP); and
- Surety & Fidelity Association of America (SFAA).

Significant progress already has been made. Bob Bourg of NASFA commented, “The drafting process has been the best committee approach that I have ever participated in. I look forward to continuing this process to conclusion and providing contracts that will allow users to focus more time and energy on contract results and successful outcomes, rather than battling over biased contract terms.”

“It is in the enlightened self-interest of all parties—owners, design professions, and general and subcontractors—to draft fair contracts,” said Greg Sizemore, Executive Vice-President of CURT.

Jack Mumma, President of COAA commented, “At the end of the day we all have the same interest: to build an outstanding project that benefits everyone.”

The inclusive group hopes to reach out to organizations that already create contract documents as well as other associations that may want to join the effort.

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