



Your Project Made Simple



 **C2C PRO**

ONE DIGITAL PLATFORM - SEVEN EASY STEPS

**Imagine if building
or renovating could be
less stressful, less risky,
less complicated and
less frustrating...**



Imagine your project going like this:



Rather than a builder, you had a construction manager with you every step of the way – a person with a clear focus on your project, who'd remain organised and communicative from beginning to end.



Before spending a cent, you could get a clear understanding of what your wish-list and budget can deliver, even before engaging a builder, designer or architect – meaning time saved sourcing estimates.



You could protect yourself from the stress that many builders face as a consequence of putting personal assets on the line to fund projects, and keep your build unaffected by the common pitfalls of building under the old model, which sometimes lead to failure.



You had a Joint Security Account that gave you the transparency of knowing exactly who, how much, and when each trade and supplier is paid, so you can know your funds are staying on project.



You could save by using a system that pays all parties directly and on time, meaning you no longer have to pay builders' margins. Trades are also more likely to prioritise your project as the pay is reliable.



You knew that if anyone on your project failed to do their job, a simple transfer of contract or subcontract to a replacement would keep the project going, avoiding a catastrophic project collapse.

That world is finally possible.

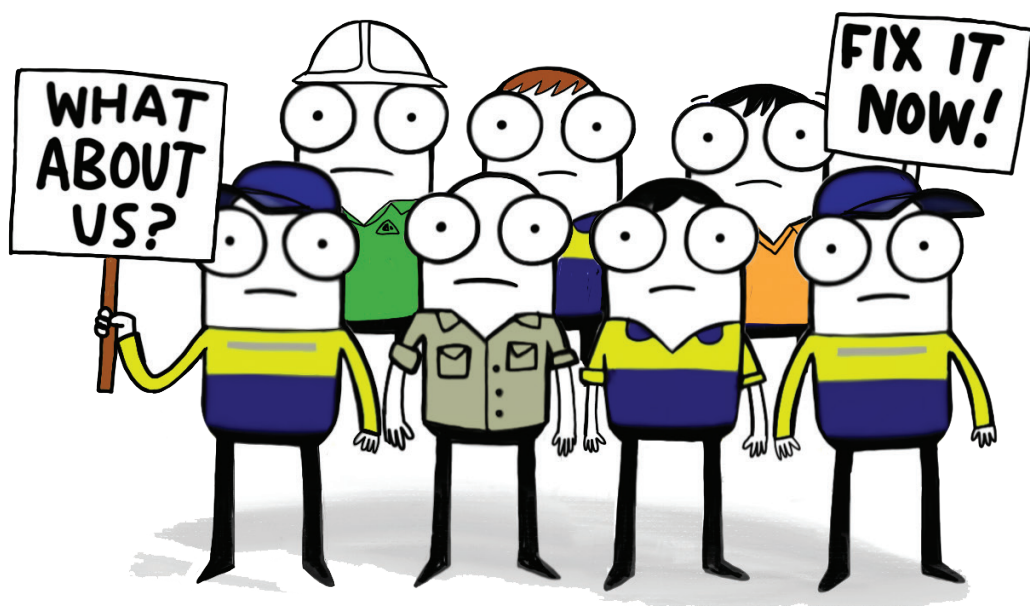
The building industry is broken.

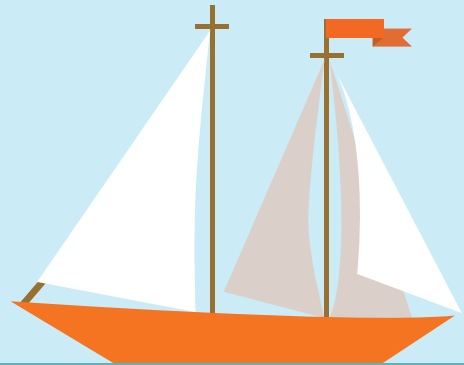
There is no doubt that the industry's current state is bad for builders, off-putting for customers – and stressful for everyone involved.

Endless stories are circulating about builders stuck in a market with lack of materials, locked in prices in a price escalation market, and customers losing out.

In reality, these current pressures are just the tip of the iceberg of problems. The pressures that builders face below the surface create huge stress for homeowners.

The building industry is recognised to be the worst there is worldwide.





1

No transparency of a complete project concept-to-completion plan

2

Few opportunities for customer savings with builders hit with high asset and cash demands, high overheads, and low profit returns

3

No security of payment in customers not knowing if the lump sum payments going to builders are not being used on other jobs

4

Underlying family stress – not just for builders but for their customers, trades and suppliers. This stress takes an enormous toll on the mental health of construction industry workers

**C2CPRO Construction
Management Platform is a
comprehensive solution for
the stress that builders and
their customers face.**



Disruption of the broken building business model can happen with 3 key steps...

1

Why

the building industry needs to change



2

How

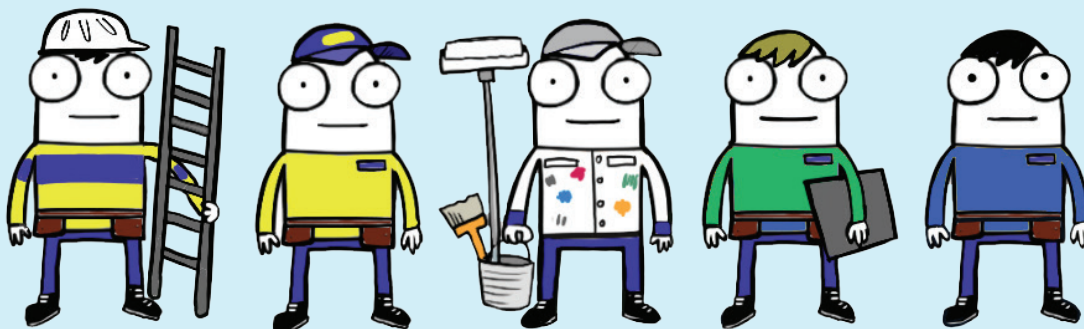
we can change it



3

What

happens under the change



1



Why

the building
industry needs
to change

Back in the day, builders built and customers looked up to them.

Building was a noble profession, the kind of reliable, respected life path that parents wanted for their children.

It was OK for the customer to give all the contract money to the builder, because most of the work was done directly by his employees.

Supplies came from one supplier: the corner hardware store, with two taps available: one hot one cold Administration was a beer and a cash payment to the boys on a Friday afternoon.

And all this meant that life was simpler, with time to enjoy the real money you made as a builder with your family.

Customers were relaxed with knowing what they were getting for their money.



Now, there is far more complexity to every project...

Project delivery has changed significantly over the decades. Flooded with inspiration from the explosion of social media and TV reality shows, customers are wanting infinitely complex projects delivered.

With almost unlimited options for fixtures and fittings – stainless steel, black granite, brushed gunmetal, glazed, matte, laminated, subway, fish scale, soft-close, lever handles, pull handles... *phew!*... no two projects look the same.

A builder's ability to meet every need is near impossible.

Not only are they overburdened by complex demands, the supply of products for customers is a major stressor, as each item may require its own set up, meaning multiple supplier accounts.

This is an administration nightmare for builders.

To cope with this complexity, builders add margins to cover their time and risk, potentially blowing out the project cost for homeowners.



The Industry has changed, but builders still manage all the contract money—which has a huge security issue...

In 2015, there was a Federal Government Senate Inquiry into the Insolvency of the Building Industry.

**It established that builders controlling all
the contract money is the prime cause of:**

- 1. High failure rates**
- 2. High stress**
- 3. Record suicide rates among any other industry**

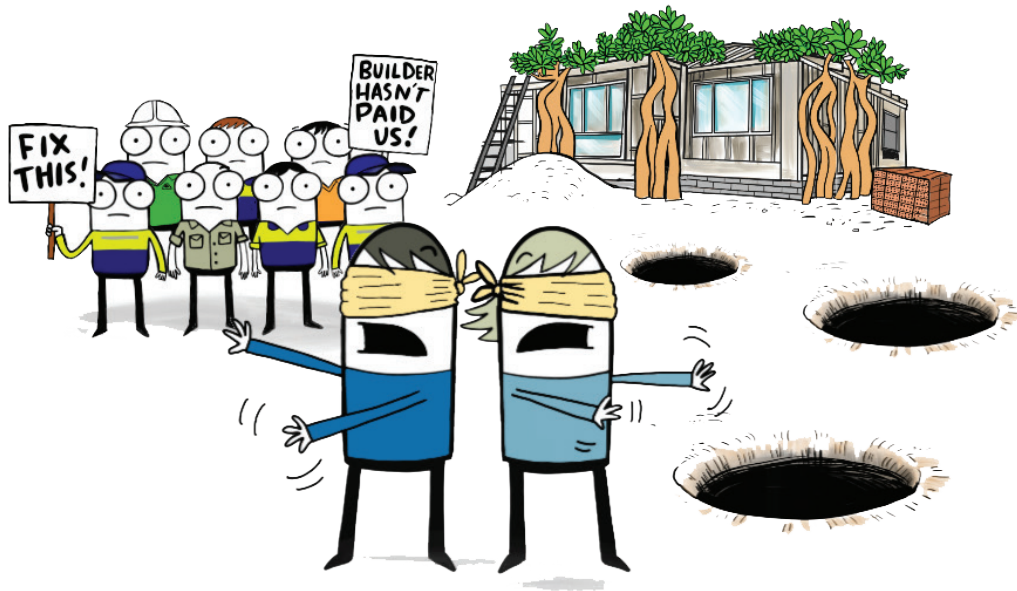
**Not only are many builders struggling, but their customers
are directly impacted too.**

THE 2015 SENATE INQUIRY RECOMMENDATION:



PARLIAMENT of AUSTRALIA

***Any money builders hold owing
to others like subcontractors and
Suppliers, should be secured into
a “trust” type bank account.***



The 'old model' is failing.

Because the advice from the Senate Inquiry was ignored and the industry continued unchanged, builders operating under the old model are still receiving all of your funds, even though the vast majority is not the builder's money.

This fundamental flaw is hidden from most customers.

This is not because builders are dodgy people. It's because builders have been left with no choice but to continue working with an old system, even as stress piles up higher for both builder and customer. Those using the old model try to reduce the stress by offering "Cost Plus Contracts." But that has problems, too...

Beware Cost Plus Contracts

Cost Plus Contracts have a poor history – not just for customers, but for builders. The fact that these contracts even need to exist shows how standard builders' contracts have major shortcomings.

They exist as an attempt to reduce the risk that builders carry when they're unable to offer a fixed price before contract signing, given that price rises may occur during the building process.

The customer then becomes solely responsible for the risk.

Though the Cost Plus Contract may seem to give a more transparent costing, the true cost only becomes clear once the job is underway and actual prices are known.

This system doesn't offer any savings to the customer, nor does it offer security of cost.

A C2CPRO-powered construction manager is able to give full costing transparency from the start.

In standard contracts, beware the Provisional Sum amount!

When you combine project complexity with rushed formal contracts made with trades and suppliers, the builder is unable to generate exact pricing and is forced to use Provisional Sums.

These can end up making up the majority of a contract price.



Let's look at how quotes are created:

We'll start with an example of a \$500,000 contract:

Fixed Price amount = \$300,000

Provisional Sum = \$100,000

Prime Cost Allowances = \$100,000

Total construction price = \$500,000

What is a Provisional Sum?

Because certain parts of a project are unable to be finalised at the time of contract signing, a Provisional Sum is an allowance set by the builder. This means: "I can't give you a definitive price for that, so I'll add in extra allowances as a safety-net for my business and if any of it goes over my estimation, you will not only need to cover the difference but you will need to pay an additional 20% on that too."

What are Prime Cost Allowances?

A Prime Cost Item is an item that has not been selected at the time of contract signing—for example, kitchen appliances, flooring, tiling, etc. The builder creates an approximation for Prime Cost Allowances, but if it goes off budget it looks like this:

"Here are my allowances for your kitchen and bathrooms items with a 20% margin added, but if you're not happy with my selections, you pay the extra – plus the 20% margin on the difference."

Can you see how a Fixed Price Contract isn't really fixed at all?



While this is the norm for a builder using the old model, a C2CPRO-powered Construction Manager will provide a price break down where the Provisional Sum and Prime Cost Allowances offer a true representation of the works.

There is no need for them to add margins, as their risks are covered by our first-of-its-kind PROject Flow (more on that in the coming pages).

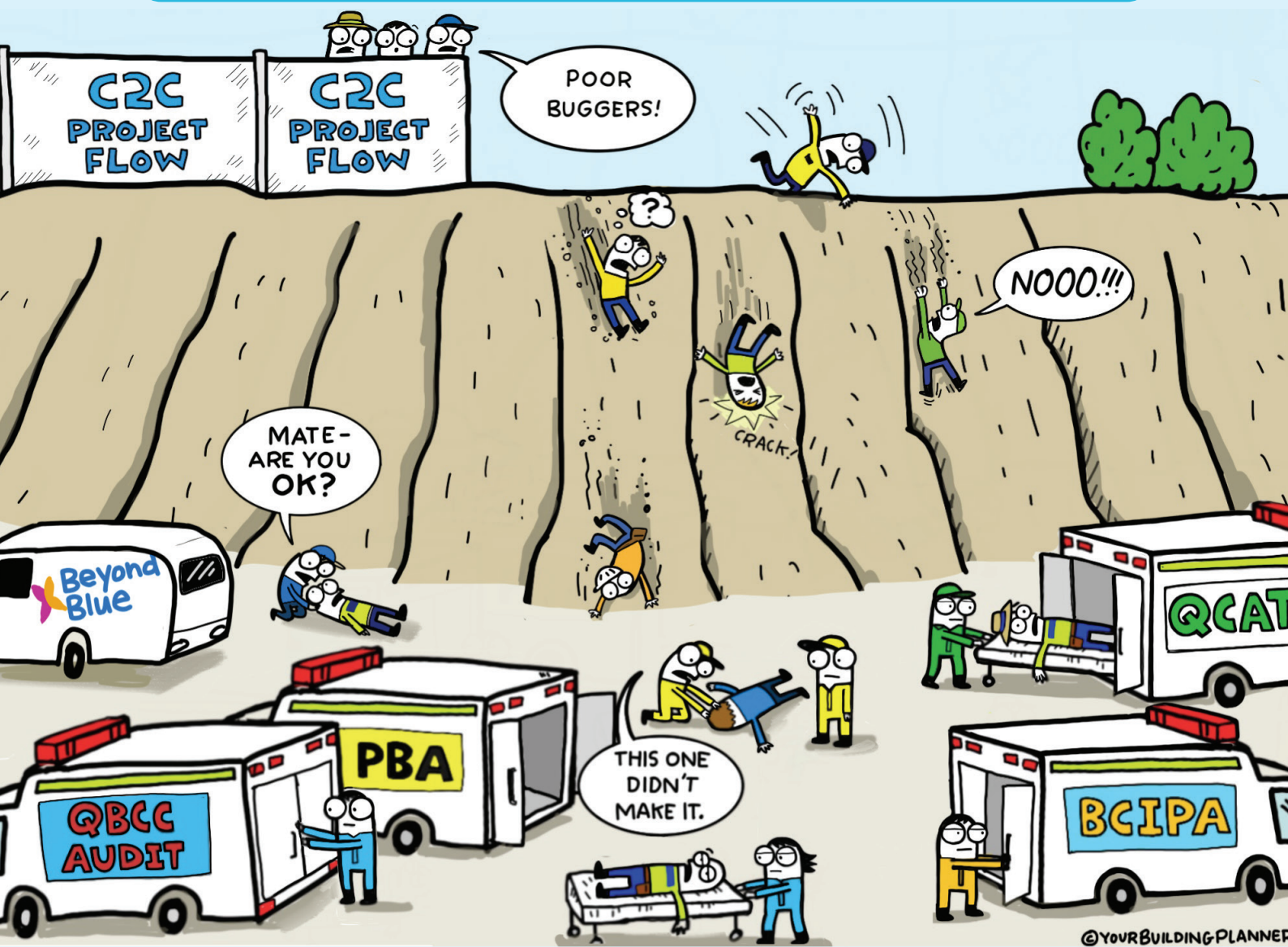
So that means if you make changes, your out-of-pocket costs are fully transparent as – unless the changes require the construction manager to undertake extra work – you will not be paying margins.



There is a misconception that builders do extremely well, but did you know:

Industry profit models show that, regardless of the strength of a builder, they have the lowest net profit margin of 3-5% left to grow the business, highest asset and cash needs, and greatest stress in running the business than in any other Industry?

That monumental stress has to do with increasing regulations and reporting that is all about the “ambulance at the bottom of the cliff” mentality when it goes wrong, rather than fixing why it goes wrong.



There is finally a solution.

C2CPRO has been created to relieve the stressors of construction management. Which means builders and their customers now have a choice:

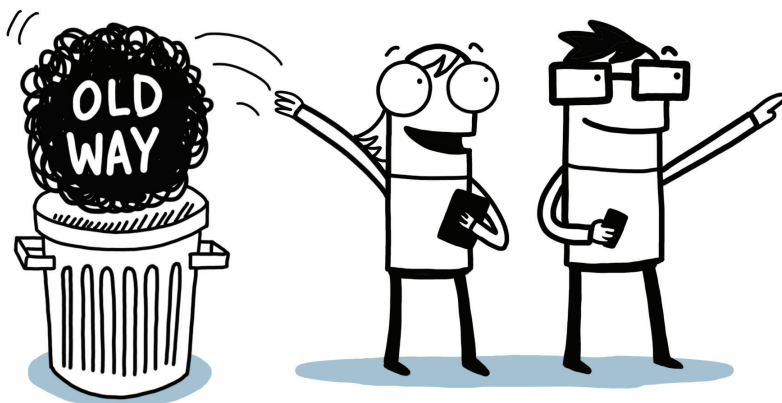
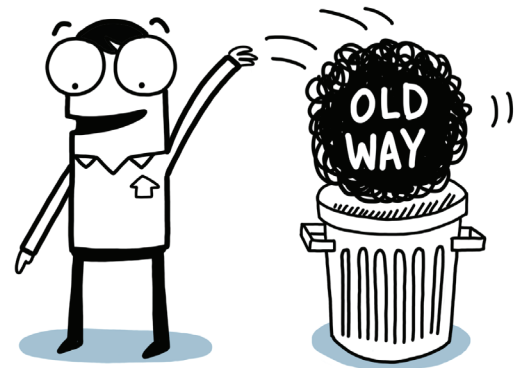
Keep using the same old model while hoping for a better result, or;

Keep reading to learn how C2CPRO Construction Management Platform can transform project flow.

Not just for builders.

Not just for trades and suppliers.

But for you, the customer.



2



How

we can
change it

Our platform is groundbreaking.

C2CPRO is the first patented concept to completion collaboration software for builders and their customers. It was developed by a family-based design and building business, who has witnessed first hand how the industry has gotten tougher since 1974.

It has been in development for 10 years and has been supported by Federal and State Government grants, and Impact Innovation, a great advisory board.

Construction managers using C2CPRO's concept-to-completion platform offer a vastly improved system and a better way forward.



It offers a sound solution to the Senate recommendations.

We have brought to market the Security of Payment Solution, which meets the 2015 Senate Inquiry recommendation of having money secured in a trust-type account.

The platform offers a whole host of other benefits for customers, including the ability for home-owners to seek out builders who are powered by C2CPRO Construction Management as their preferred builders.

The easy setup of a Joint Security Account enables all funds to be secured ahead of work.

Within the one digital platform lies the Joint Security Account module. It applies to all projects in the domestic market and has been widely tested for robustness.

The Joint Security Account has been tested on over \$120 million of contract works.

Construction managers (CM's) collaborate with customers for all payments to go directly to trades and suppliers.

You gain the security of knowing your investment is safe and fully invested in the project.



The Joint Security Account now delivers 3 key outcomes that offer a vast improvement over the old way:

1

Transparency

Within the C2CPRO platform, the Joint Security Account is fully transparent to all parties. The builder, trades and suppliers can see their payments, and you can see exactly where your money is going – and when.



2

Savings

Trades and suppliers see that your direct payment from the Joint Security account removes the risks and costs of a builder carrying the account, and by removing the builder as the middle-man, you get direct savings.



3

Security

Everyone gets paid the right amount at the right time — and customers can be assured that their investment is safe.



3



What

happens
under the
change

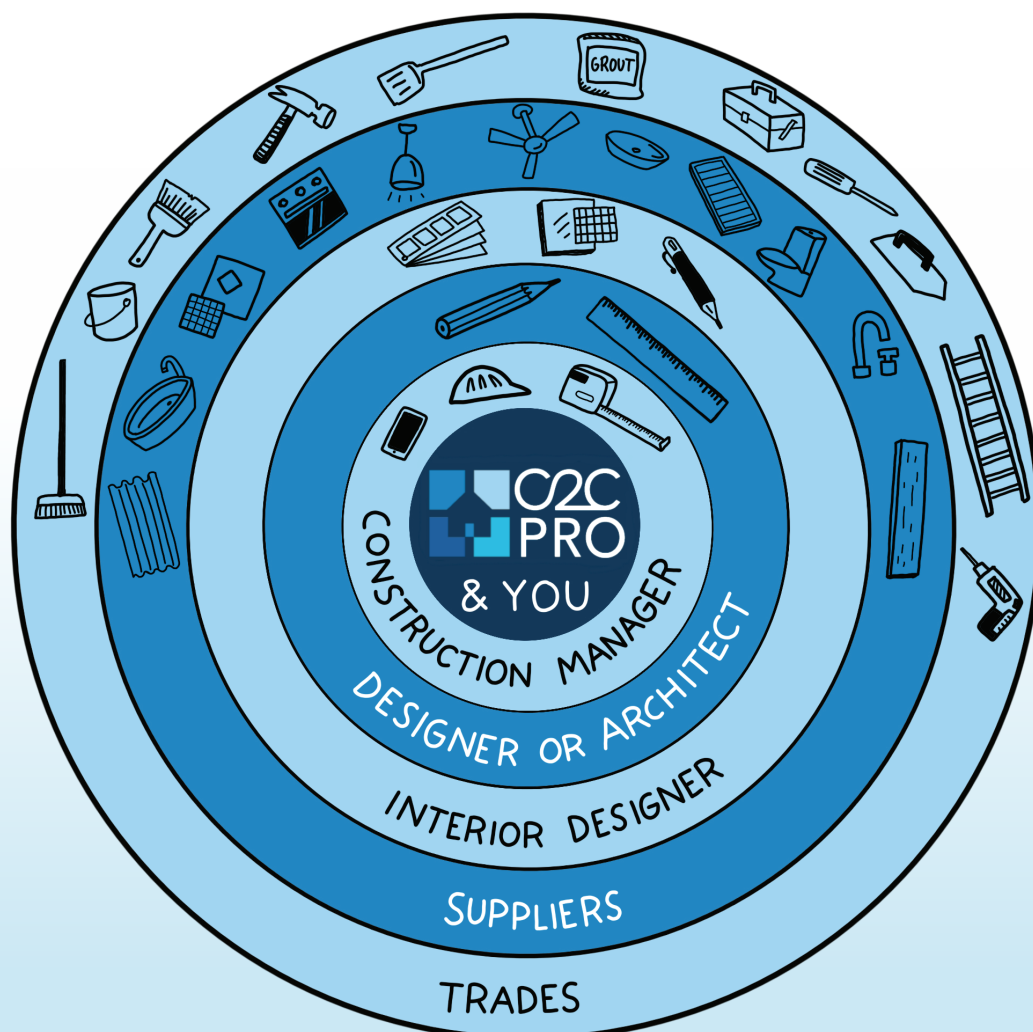
What makes a successful project?

Unfortunately a lot of customers rush to sign a contract just based on price alone. Price is just one requirement for a successful project, but it's not everything.

A successful project, regardless of who is involved, requires all parties to work in collaboration – all focused on the final objective and working openly on a common cause for a win-win outcome.

C2C PRO is, in essence, a collaboration hub.

C2C PRO-powered Construction Managers are able to give their customers direct access to the platform throughout the entire project.



The operations model

ONE DIGITAL PLATFORM, SEVEN EASY STEPS





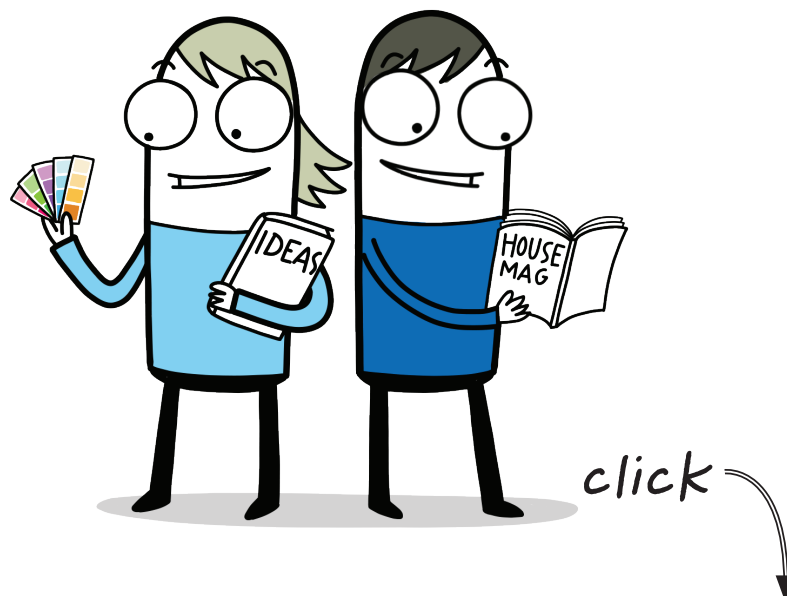
With access to the live Trade and Suppliers Data Base, customers can use the project XPLOER to test their wish-list and budget before committing to a project cost.

In less than 1 hour, the customer gets a Discovery Trial Budget Report that will ensure your expectations align with your budget, and will pre-qualify you for working with a construction manager. You can both then be sure you're a good fit for working on a project together.

Transparency of knowing exactly what the budget can deliver.

Savings in the time involved in endless quoting.

Security in the fact that the live database delivers an accurate budget report.



[TRY IT NOW - GET AN ESTIMATE](#)



Customers are often confused by what their wish-list and budget can achieve, and builders constantly complain that a lot of time is wasted in endless quoting without even knowing if the customer's expectations are realistic.

The Concept Discovery starts the pathway and collaboration between Construction Manager and customer.

Its also the starting point where the Trades and Suppliers' Database becomes transparent and starts its journey through the next steps, using patented processes to eventually become a formalised quotation for contract.



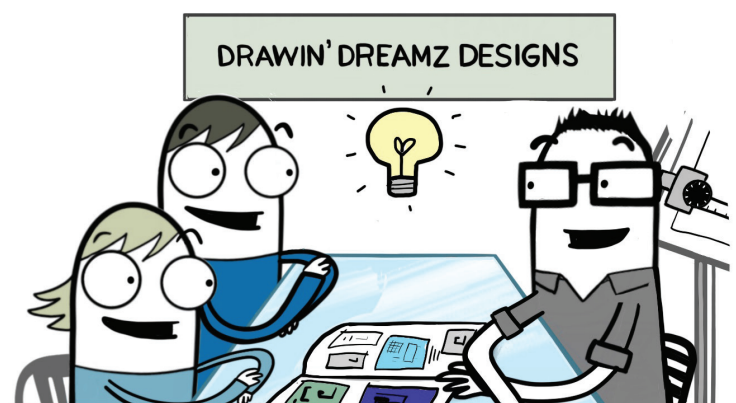
A designer or architect's plans are directly influenced by budget.

Through collaboration in the PROJECTFLOW, the CM is able to allow designers, architects, trades and suppliers to be engaged in the design process together. Not only is this far more efficient for the design, but it also ensures the development meets the budget – throughout the process.

Transparency that the designer/architect knows customer's expectations.

Savings in avoiding money and time-wasting redesigns when expectations don't match budget.

Security that the CM is part of the process as a consultant, representing the customer's interest as Manager, and able to bring expertise into the design process.



2

Design development



Builders rarely are involved in the design phase unless they are providing design services. Their involvement is normally too late, and the designer and customer miss out on valuable experience that could save money and improved design efficiency.

Just like town planners, certifiers, engineers and the like, who are normally engaged in the design development for a fee, so too is the construction manager now under a C2CPRO Pre-Contract Agreement.

It puts the CM ahead of the pack and also tests your working relationship with the CM before any major contracts are signed – rather than the old way of rushing to sign a contract, and only then learning if both parties work well together.



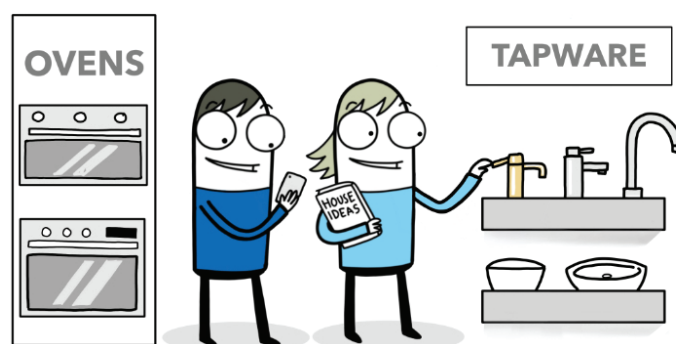
Customers then use the SHOPPINGLIST tool in the design development stage by refining the selection of fixtures and fittings from the XPLOER sample products. The program integrates with the Trade and Suppliers Data Base for real-time costings.

Specialist items such as kitchens or stairs can be efficiently incorporated into the design with these suppliers, under the PROJECTFLOW collaboration.

Transparency with the customer knowing they can shop the open market, unconstrained by a builder's set suppliers.

Savings through aligning customers direct to supplier, bringing savings to both – without a builder's supply margin.

Security that the customer knows they are paying the right price and suppliers knowing they are paid directly from the customer.





Probably the most important part of the project for the customer — other than paying the right amount — is what the fixtures and fittings will look like.

Traditionally, they are constrained by the builder's set suppliers, which results in customers paying margins while not knowing if the builder's allowances made during the contract phase will be sufficient to cover the cost of their preferred fittings and fixtures.

Our SHOPPINGLIST program opens up freedom and time for the customer to shop an open market for unlimited options — all while being controlled by a budget. The power of direct payment from the customer to the supplier removes the hidden middle-man margins of the traditional builder, saving a minimum of around 20% on all fixtures and fittings.



Up until this stage, live data has been mined from all virtual collaborated trades and suppliers. Now, the CM — using the Master Cost Assembly and Scope of Works Program — can require all engaged parties to formalise services and cost.

This results in a formal tender, leading to a successful final C2CPRO Contract that can be agreed upon by all parties, as everything is fully transparent — unlike old methods where customer might be doubtful or hesitant.

Transparency for customers, who know exactly what they're getting, how much they're paying, and who will be working on their project.

Savings in time spent feeling lost about whether or not a contract is fair.

Security against unknown price rises for fixed-price items, as it's managed by an applied contingency sum, which, if not used, goes back to the customer.



4

Tender contract



Builders are traditionally given just a few weeks to get a price back for a tender after seeing the design for the first time. And most designs these days are low on details, with few containing concise customer requirements. With such little time to obtain formal quotations from the trades and suppliers, builders resort to guesstimates and provisional sum coverage to form a tender price.

This rush to win a job can be costly for both builder and customer.

The formal processes within PROJECTFLOW gives all involved parties plenty of time, and trades and suppliers are already in collaboration before a project is tendered. These are benefits that a builder who is operating within the old model simply cannot offer.

5

Joint security account



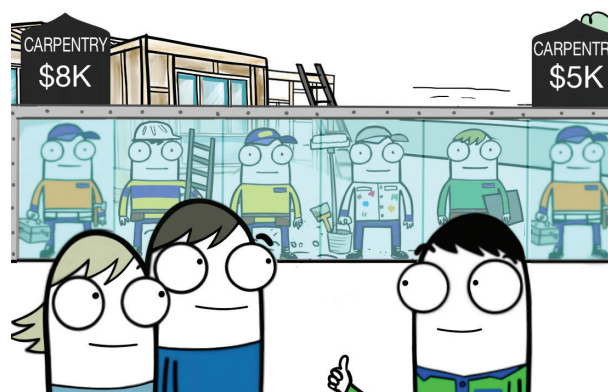
The customer opens a “two sign” Joint Security Account, with the construction manager being the second signature.

Online banking services are provided by a wide range of banks – meeting the primary objective of the Senate Inquiry – and, importantly, applies to all project types.

Transparency, since the customer knows exactly who, when, and how much each party is to be paid.

Savings when customer funds go directly to each party engaged in the contract, meaning customers receive substantial savings. With suppliers no longer facing the risk of not being paid on time, they rush to be engaged in projects. Because they’re not longer forced to go without pay for an indefinite length of time, suppliers can work at reduced costs. With cash going directly to their accounts, trades and suppliers prioritise your project over those operating under the old model, as they’re ensured fast and reliable cash-flow.

Security for all parties, because builders, trades and suppliers know they’ll receive great cash flow and security of payment, and the customer knows their funds will stay on their project.



5

Joint security account



Our Joint Security Account generates transparency, savings, and security from beginning to end – for everyone involved. In effect, it’s the project’s heart pumping secured cash-flow to all parties and driving the win-win outcomes.

Not only addressing the recommendation from the Senate Inquiry, it prevents the pitfall of “Do the work and trust me to pay you later.” Building is the only industry that doesn’t require some tangible security that the work will be paid. Imagine taking ownership of a brand new car and telling the dealer “Trust me, I’ll pay you later”!

6 Construction management



PROject Flow incorporates an on-site Construction Management Module.

Transparency when the customer is an involved part of the day-to-day progress of their project, working in full collaboration with the project, and no longer feels in the dark as they try to chase up progress reports and communication from builders.

Savings that any trade and suppliers variation will not attract a normal 20% builders loading, and the CM will not add a fee unless it requires the CM to do extra work.

Security that even if a party (such as the CM) cannot complete the project for, say, a health reason, the project need not collapse as it would under the old model, because a Novation of Contract provision protects the customer and keeps the project moving forward.



6 Construction management



The Construction Management module allows all the work done by the CM and customer during previous modules, to truly shine. The core skills of a CM — organisation and supervision — is supported with an online site supervision module, payment processing modules, budget report centre, variation controls, workplace health and safety, and a lot more.

Sometimes a CM may not be able to complete a project for some reason. Normally, there'd then be a collapse of the whole project. Not only would the customer lose out, but so would the trades and suppliers. The C2CPRO Construction Management Contract provides what is called a Novation of Contract provision. If any party cannot proceed, they are simply replaced by another party and the project continues to progress.

7

Completion



Why build any other way?

Renovating is seriously tough.

Building can strain relationships to breaking point when homeowners are forced to endure risk, stress and sometimes full project collapse in an effort to realise their dream home.

Projects are sometimes abandoned mid-way, with builders packing up and leaving homes unfinished, without basic amenities, as the customer deals with anger, overwhelm, and debt in trying to get their home completed and functional.

Meanwhile, builders are trying to work under crushing conditions, and they, too, might be suffering at home as they try to make ends meet.

They are losing sleep. They are experiencing more stress than any other industry. They are going bankrupt. They are even, tragically, ending their own lives.

This needs to stop.

There is a better way now.

Why would you put yourself, your builder, and their tradies and suppliers through the old model ever again?

There are so many decisions to make when you're building a home: Which shade of paint best matches the tiles? Which kitchen layout will be most functional for your family? Should you fork out the extra \$\$ for the upgraded fittings?...

The list goes on.

But here is one decision that is a no-brainer:

Only a C2CPRO powered construction manager can offer absolute transparency, savings and security for your project.

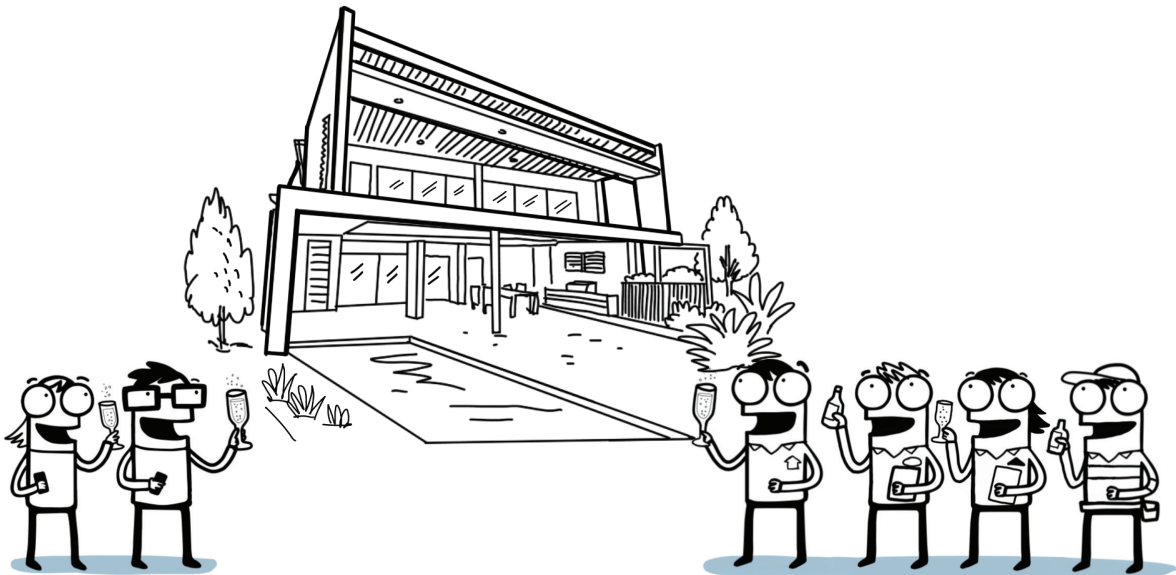
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