



# the industry is going Green

Valerie Cofield

## But are MBE and WBE firms being left behind?

**STARTED MY RESEARCH FOR THIS ARTICLE** by going on the internet to find any articles, studies or commentary that addressed the challenges and opportunities for minority and women-owned business in a construction industry that is increasingly focused on sustainable "green" construction ... it was remarkably silent. This was particularly disturbing, as a keystone of the Administration's Recovery Plan is the move towards a green economy and green jobs. But what does this really mean for MBE and WBE firms in the construction industry, how poised are these firms to meet the challenges of a green construction industry?

Increasingly owners, architects, and developers are talking green. They want sustainable buildings, green projects and there is a big push for LEED® certification on construction projects. So, construction professionals are pursuing LEED® Accreditation or Green Advantage® training...but will this push leave MBE and WBE firms behind? The answer is yes, if they are not prepared to invest in the necessary training for their project personnel; understand the

requirements associated with sustainable construction and adapt their business models to it; identify new business partners; and understand the long-term risk and liabilities of this re-emerging industry. The push for green construction is not new, but the means and methods are, the materials and resources are, and the overall response to sustainable construction is... everyone is doing it and everyone wants to say their building is the model for sustainable construction.

As with their competitors, MBEs and WBEs will need to educate their staff and suppliers in the area of green construction. This will mean a commitment of time and resources to seminars and workshops on green construction. It will mean having a clear understanding of the bid documents to ensure that scope is covered and that suppliers/vendors are providing materials in accordance to project specifications. The proper training will protect MBEs and WBEs when submitting bids. A clear understanding the bid documents and ensuring that all scope is covered; missed scope equals loss dollars.

In some instances it will mean doing businesses with new suppliers/vendors who specialize in green building materials. MBE and WBE firms are often challenged in their vendor/supplier relationships due to limited access to lines of credit, the use of different vendors/suppliers means that firms will need to be creative in establishing these new credit accounts. These firms will need to negotiate special contract terms with the construction manager, general contractor and/or owner to guarantee material/supply purchases, joint check agreements, install only contracts with the Construction Manager, General Contractor or owner supplying the materials. It's critical that the strategy be established during contract negotiations to avoid problems down the road once the project begins.

Firms must make sure they understand the risks and liabilities associated with green construction. New materials and methods can result in long-term liabilities. Firms must be prepared to ask, if there are penalties for not using the proper products? Or what about product failure? Is the sub responsible for a project not receiving

the sought after certification or designation as a sustainable building? Does the project require additional or special insurance coverages? Asking the right ques-

MBE and WBE firms must educate themselves in green construction -- especially in understanding green bid documents to make sure all scope is covered

tions, reviewing scope closely, and proper training will help mitigate the risk associated with green construction.


The current economic climate offers an opportunity for MBEs and WBEs to incorporate green "sustainable" construction into their long-term business strategies. Seminars and workshops on green construction, green jobs, and best practices in

sustainability are being offered more and more. Green Advantage® Contractor Training is offered to superintendents, estimators, project managers, field personnel, and even material suppliers. This type of training along with training in the areas of the LEED submittal process, will allow MBE and WBE firms to become more competitive in sustainable construction.

Mastery of sustainable construction is not impossible it simply requires commitment and preparation. MBE and WBE firms must be prepared to invest in the resources necessary to take advantage of the opportunities presented by the green construction industry, at the same time looking realistically at the risks. Sustainable construction is here for the foreseeable future, and MBEs and WBEs must be poised to turn this trend into real "green."■




Valarie Cofield's has worked in the area of diversity and inclusion programming small business programming for the last 20 years. She has work for employers and clients from Washington, DC to Newark, NJ, including the City of Philadelphia, the Metropolitan Washington Airports Authority, Parsons Brinckerhoff, Thelen Reid & Priest LLP, Westfield Concession Management, and Contract Compliance, Inc. Valarie is currently the Diversity and Community Manager at INTECH Construction, Inc. Valarie is known as a creative thinker with a reputation for identifying unique strategies for achieving project goals, facilitating business partnerships, assisting in contract negotiations, developing strategic plans, and serving as a liaison between industry and government.



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