

Engineering Proposal Strategies

By: Joe Alvin Haun, PE, MSE

Receiving course credit

This is only the text file for the course. Please review or download file for later review. Course credit can not be granted until the following steps are completed.

1. You will need to purchase the course. To purchase the course, please
 - a. Enter the Engineering Business Publications Continuing Education Center web page:

<http://www.engineeringbusinesspubs.com/classes/>
 - b. Or type the link into your browser.
2. If not already, you will need to register on the site. Once you have register, each time you log-in you will be able to view any courses that you have purchased in past visits, or purchase new courses. To find this course you will first click on the category "Engineering Proposal Strategies". You will then see all of the available courses under this category. Next click on "Engineering Proposal Strategies".
3. If you have not already paid for the course, you will then be forward to PayPal to pay for the course. Once you have completed the payment with PayPal, you will be redirected back to the Continuing Education site.
4. If you are ready, you can now immediately take the online quizzes. When you complete an online quiz, your score will automatically be calculated. Once you have received a passing score of 80% or higher, you may download your course Certificate of Completion. If you do not pass a quiz, you can retake the quiz as many times as needed.

If you have any questions, please contact us at our website
www.engineeringbusinesspubs.com .

Engineering Business Publications

Seminars and Publications

P.O. Box 33611

Las Vegas, Nevada 89133-3611

www.engineeringbusinesspubs.com

Table of Contents

Engineering Proposal Strategies, Part I	1
Welcome!!.....	3
How to Use this Guide	3
The Engineering Offer	4
What is the Value Proposition	5
Marketing Value Proposition	6
About the Author.....	37
Recommended Reading List	38
Contact Us.....	38

Welcome!!

Welcome to *Engineering Proposal Strategies*, your do-it-yourself guide to creating an Engineering Proposal including the Value Proposition that works for your engineering firm.

Once you've been through this guide, you'll know precisely what it takes to write an effective Proposal with a Value Proposition and supporting documentation. More importantly, you'll have a sample of a powerful Engineering Proposal to get you started.

This guide is a part of a series of guides covering the four pillars of your Business Plan: Operations, Marketing, Financials, and Value Proposition. This guide covers the Proposal and the Value Proposition. From this point on, you won't have to stab in the dark – you'll have clear direction. Following the steps shown you'll start to see some real results for your efforts.

Once completing the on-line course for this guide at our web-site www.engineeringbusinesspubs.com, you will be awarded with 6 PDH. The on-line course includes reading this guide and passing three test on our web-site.

Currently 30 U.S States require licensed engineers to obtain continuing education credits (CEU) or professional development hours (PDH) in order to renew their license. The PDH awarded by our seminar will be accepted by your state licensing board. **I personally guarantee it.** If your state board rejects our on-line seminar PDH, please forward us a copy of the board's letter and we will refund to you the cost of the on-line seminar.

How to Use this Guide

Each step covers an important aspect of your Engineering Proposal including the Value Proposition.

You will be surprised how much this guide will reveal about your Engineering Proposal. It will get you to think about important issues that may have never crossed your mind in the past. It may also uncover new issues. It is never a better time to put together or update your Engineering Proposal then now.

While reading please go ahead and jot down some notes in the spaces provided. It will help to improve your Engineering Proposal. Later sections will go into greater depth describing how to develop a Value Proposition, and Engineering Attire.

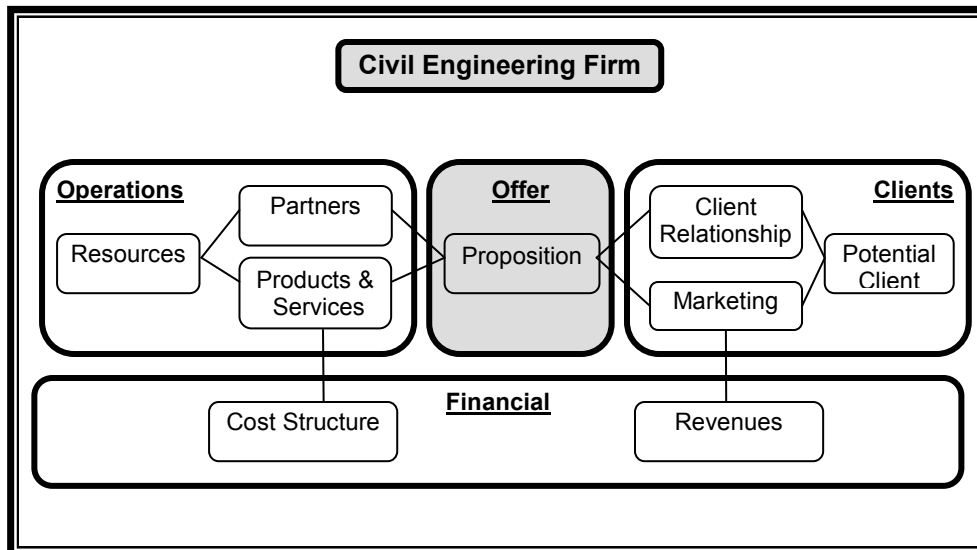
Now, it's time to get started.

The Engineering Offer

Remember not only to say the right thing in the right place, but far more difficult still, to leave unsaid the wrong thing at the tempting moment.
Benjamin Franklin

The Civil Engineering Business can be described as four components consisting of Operations, Financials, Clients, and the Offer. A diagram of the connection between these individual components was further discussed in the *Engineering Business Plan* guide. The guide can be found on our website www.engineeringbusinesspubs.com. That diagram is redrawn in the Figure below.

Figure 1 – Engineering Business Model with its Components

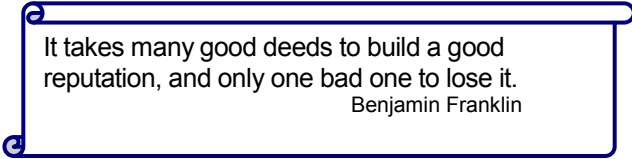


The Engineering Offer is actually a two step process; the Value Proposition and the Proposal. The process begins in the marketing phase and continues through the introductory meeting, proposal presentation, the signing of the agreement, and the contract fulfillment.

Let's get started with the Value Proposition.

What is the Value Proposition

It is extremely important to sit your engineering company apart from the competition. Prospective clients are looking for engineering companies with a track record of producing designs quickly that are cost effective and faster to build. Being able to market your company with the reputation as a value added firm will enable your clients to weather a growing, stagnant, or declining economy, and in turn keep your firm in business. This section will discuss what it takes to be that value added engineering company.



It takes many good deeds to build a good reputation, and only one bad one to lose it.
Benjamin Franklin

In the field of marketing, a customer value proposition consists of the sum total of benefits which a vendor promises that a customer will receive in return for the customer's associated payment (or other value-transfer). In simpler terms the engineer promises to deliver certain services and products, and the client promises to make the payments. The purpose of a value proposition is to identify and satisfy an unmet need that your target market possesses. An effective value proposition describes what you do in terms of tangible business results for the customer. However, it's more than a statement of offer or a buy-line. It's a commitment to deliver a specific combination of resulting experiences, including a price, to a group of target customers, profitably and better than the competition.

Engineering is a very personal business between the engineer, the client, and the project. The engineer touts his experience by describing the projects he has designed. But this is not necessarily always the client's biggest concern. In a highly competitive environment your client is just as interested in his bottom-line as you are in yours. The client is more interested in obtaining an expert that will save time and money. What experienced engineers bring to the table are designs that save the client time and money by way of their knowledge and experiences. Completed projects shown by the engineer should not only describe the project, but what actions the engineer took to reduce the client's overall budget. So a value driven engineering company understands that the customer is more interest in his bottom-line than the engineer's.

When the market is growing the competition is not as significant to your marketing efforts. Then the Value Proposition is more likely to say that your firm is more capable of taking on the project and meet all of the demands of the client. In this situation only the staff levels can limit the company's work capacity. Project budget over runs can be absorbed by the next project. In certain situations project fees increase due to the high

demand for your firm's engineering services. The company can easily increase its bottom-line by adding staff and more projects.

When the market is stagnant the demand for services and competition tends to level off. The value proposition is generally what are your company's services and products. You look to improve the company's design processes to reduce costs and improve the bottom line.

When the market tightens or weakens the competition also stiffens. Everyone begins fighting for the few remaining jobs. Most engineering companies revise their value proposition by addressing the engineering costs. These companies also look to improve their bottom-line by drastically reducing their expenses and if necessary reducing staff. In most cases this does not necessarily solve the problem.

Showing how your company adds significant value to the client's project is a far more effective marketing approach in any economic situation. In a strong robust economy where projects are plentiful, clients want the best engineers working on their projects. When the economy is sluggish clients want an engineer that will be there throughout the life of the project. When the economy is waning clients want an engineer that is willing to work with them through these difficult times. In all of these situations, the client is more than willing to pay the engineering fees if the engineering designs are of significant value to reduce time and cost to construct the project.

Most engineering companies tout their diverse capabilities, but few clearly state how they can save the client money. If the final designs created would be the same no matter what company was hired, then the client would be right in comparing our proposals by price, but this is not the case. Given the same constraints to 100 engineering companies, you will be given 100 different designs and all of them would be correct, but they would all cost different amounts to construct. In most cases, the best engineering design is the one that cost the least to construct. Accordingly, a customer can evaluate a company's value-proposition on two broad dimensions:

1. Relative Performance - what the customer gets from the design firm relative to a competitor's offering;
2. Price - which consists of the payment the customer makes to acquire the service

The engineering company marketing and sales efforts offer a customer value proposition. The engineering company then fulfills that value-proposition.

Marketing Value Proposition

Once a client sees that your designs have consistently and definitively saved money, no other engineering firm can win the project unless they have done the same or better. Thank

ENGINEERING PROPOSAL STRATEGIES

of it this way, an engineering company has designed a 5 acre commercial site with a 100 foot wide concrete lined channel running along the front of the site. The design definitely meets the codes and standards of the local community, but it would cost the developer \$400,000 to construct the channel. Now another engineering company looked at the same project and redesigned the site to accept off-site runoff onto the parking lots and revise the concrete lined channel to an earthen channel. The new cost to construct is \$150,000. Does it really matter what the engineering design costs are?

Poorly detailed and drawn plans can also cost the client and your firm money. Although the plans have been thoroughly reviewed by local entities for permitting, in most cases no reviewing agencies takes any responsibility for the accuracy of the plans. This is the responsibility of the engineer, which is why your firm carries the Professional Liability Insurance. If the plans are drawn with enough information, the amount of rework in the field due to vague plans should be null. If not, the client may issue a back-charge to your firm for loss of time, expenses incurred for reworking the job site, and a number of other possible charges. Depending on the insurance deductibles most of the payment may come from your firm's bottom-line and possibly the loss of the contract and any future work. Once you have a client talking about your poor services the word will reach your other prospective clients. As we all know it is hard to overcome poor publicity.

What a value-added company strives for is positive publicity that states that your firm produces plans that are clear and easily understood by the contractor. The engineering firm doesn't experience any back charges due to the design.

A value proposition can assist the firm's marketing strategy by guiding the business to targeted clients within a particular market segment. For example: "Best Civil Engineering Company can provide benefits a, b, and c because of its capabilities x, y, and z." This formulation can allow a firm to see if its services and capabilities align with the targeted clients within the segment.

Once the targeted clients and capabilities have been identified it is then necessary to accurately review your company's actual capabilities, strengthes, and weaknesses.

Your company has certain capabilities that it uses to perform the services it provides to its clients. These capabilities may include staff, equipment, software, expertise, techniques, and so on. What are your company's capabilities?

ENGINEERING PROPOSAL STRATEGIES

Your company has major strengths. These strengths may include exceptional expertise in water resources or some other field, unique software and trained staff to operate the software to solve specific situations, sufficient staff to handle large projects, and so on. What are your company's strengths?

Every company has its weaknesses. They may not like to share these weaknesses with others, but it best to know them internally. What are your company's weaknesses?

The question now is whether your company's current capabilities are a good match with the targeted clients. You may find that your firm lacks certain capabilities (weaknesses) that would prohibit you from marketing this client segment at this time. In this case you will need to determine how you can fill this gap. You may decide to perform a strategic analysis of your company. A strategic analysis and planning document should contain at least five steps:

1. Determine the current situation (where you are now)
2. Determine the targeted situation (where you want to be)
3. When to reach the targeted situation (how long)
4. Cost to reach the targeted situation (budget)
5. What are the company's and the client's benefits

The solution maybe as simple as partnering with another firm to provide a service, or if financially sound to hire new staff and obtain equipment to fill in the gap.

The secret to marketing a Value Proposition is to understand how the customer sees you as a value to their bottom line. This means that as engineers you have to understand what is

ENGINEERING PROPOSAL STRATEGIES

perceived as value to our customers. Once you understand what benefits and experiences a customer wants from you, the company then needs to turn these values into your driving force for the client. This understanding of the customer is known as the Value Proposition.

All companies whether they know it or not have a Value Proposition that the customer assigns to them. They will think of your services as less than, equal, or greater than what they have experienced elsewhere. What do you think of the various engineering companies in your community? Some are very large firms and are known as one-stop engineering shops; all of the engineering services in one place. Other firms are very small and specialize in one or two areas of engineering; like hydrology, traffic impact analysis, surveying, and so on. Some are known to provide excellent service at a fair price, while other firms are known to be expensive, but they are the best. What is your company known as?

A professional service company like an engineering firm can only tout its value so far. The client must perceive your firm as the best value. Your company must constantly research the competition and know what they are offering. Can you offer the same thing and still be profitable? Can you offer more than the competition and still be profitable? Can you offer something else that is perceived to be of the same value or more?

The engineer must also understand what your targeted client thinks will add value to your services. Researching the targeted customer will reveal what is of great value and what is of little or no value to them. It maybe determined that a great value is a weekly executive summary on the project's schedule or bi-weekly project meetings at the client's office. Does the competition do this service? If not, you may have something. But at the same time it may be determined that fancy letterheads and logos add no value to your propositions, which may mean that either reducing or eliminating these types of expenses, can be done without creating a negative image.

What do your clients perceive as added value from your services?

What do your clients perceive as very little value from your services?

Value Proposition Strategies

Let's suppose your engineering company wants to increase its market share and increase its revenues. Your market research reveals that your potential clients want the following:

1. Better flow of information from the engineer to the client
2. More services offered by one engineering company
3. Quicker processing of agency's applications and engineering designs

You decide that you already provide these additional services but marketing does not indicate that. You decide to revise your Value Proposition to these clients by adding the following:

1. superior customer service
2. service differentiation
3. operational efficiency

It can be difficult to create a single proposition that appeals to all customers and prospects. It is essential to recognize that the proposition should reflect values that are important to individual customers. Because their needs vary, you have to create value propositions that match individual needs.

What are Value Proposition Strategies? Let's take a look at 13 Key strategies.



Key 1: Recognize the Benefits

The purpose of a value proposition is to identify and satisfy an unmet need in your target market. Effective value propositions provide you with a number of important benefits:

- create a strong differential between you and your competitors
- increase the quantity and quality of sales leads

ENGINEERING PROPOSAL STRATEGIES

- win market share in your targeted segments
- align your business operations closer to client needs

Key 2: Focus on Customer Needs

Your client must have a need or a business problem it has to solve. There is little benefit in pursuing sales opportunities where the client has no need to buy. Value is the benefit clients perceive when they select a solution to a real problem. Focusing only on service features and benefits, offers no value to the client. For a value proposition to be successful, the client must perceive that your proposition is superior to every alternative being considered.

The following are questions about your clients needs to be considered when developing your value propositions:

- How does your company help developers increase their revenue by reducing construction cost
- How does your company help government entities to reduce their budgets for public facilities
- How does your company help Home Builders and Developers to increase their profitability
- How does your company help clients design a project that is more inline with their customers needs and thus increased sales
- How does your company help clients improve their productivity
- How does your company help clients improve the satisfaction, retention, and growth of their customers
- How does your company help clients improve their quality

Key 3: Develop Individual Client Value Propositions

Many companies try to develop a single value proposition. This is a wrong approach because each client has different needs and business problems. A Home Builder would have a different need from a Government entity. Effective value propositions are customized to the specific needs of each customer. Although a marketing team can develop value propositions aimed at groups of customers or market segments, it is essential for the sales team to create a unique value proposition that fits individual clients' specific needs.

The proposition can be refined even further by tailoring it to the needs and concerns of individual decision-makers. To be successful, you need to present the value that means the most to each individual at the time the decision is being made.

Key 4: Keep Value Propositions Up to Date

Clients' needs change, so effective value propositions must be updated to meet the changing needs of clients as well as competitive initiatives. Value based solely on service features, and pricing is not sustainable. If a competitor presents a better offer, your value proposition becomes meaningless.

Key 5: Concentrate on Intangibles

For some of your clients, value may reside outside of the services you are providing in benefits that are intangible. These might include:

- The relationships the client has with the company;
- Ease of buying a product or service;
- Reputation of the company;
- Ease of doing business;
- Trustworthiness of the engineering staff.

It is essential to take into account these intangibles when developing your value proposition.

Key 6: Delivering on Value Propositions

Just creating great value propositions will not win and retain business. You must deliver real value! Failing to deliver on the value the customer thought they were buying will destroy a relationship over time. Your value proposition must be reflected in the process of developing the products and providing the services to the client. This assures that the real needs of clients are addressed. All members of the company's staff will need to be involved in delivering the Value Proposition by aligning their activities to customer needs. Internal and external communications also play an important part in conveying that Value Proposition.

Key 7: Develop a Process for Delivering Value

There are a number of key stages in developing an effective value proposition:

- Identify client needs that you can meet (What are the client's needs?).
- Review market research on your competitive positioning (What is the competition's Value Propositions?).
- Develop overall value propositions (Create your company's Value Proposition).
- Develop individual client value propositions (Adjust your company's Value Proposition for use client).
- Train staff to identify individual needs and tailor value propositions (Listen to your clients).

- Use internal communications to ensure customer-facing departments develop and deliver client value (Deliver on the Value Proposition).
- Integrate value propositions into internal processes and systems.
- Integrate value propositions into external marketing communications.
- Measure the effect of value propositions.

Key 8: Recognize Client Segments

In researching client needs, it is important to recognize that clients' attitudes and business values can range from being extremely conservative to innovative. Home Builders tend to be very conservative and want only to complete the project as soon as possible. Imaginative designs are not encouraged if it costs the client far more money and time. Theme Park Developers tend to be far more imaginative and encourage unique ideas. Understanding these differences in clients can help you to modify your value propositions. These different client categories are:

- **Struggling** - Companies or clients who are struggling and really need help. The individuals in this category are usually novices who have not experienced working on a project requiring an engineer in the past.
- **Price Conscious** - Companies or clients who want the best prices. All clients want the best price, but price it is not always the deciding factor. Again the clients in the category are usually not very experienced when working with engineers. They usually think that all engineers are the same and will provide the same service. They also consider engineers as contractors.
- **Best Return on Investment (ROI)** - Companies or clients who want the best return on capital. These individuals are looking for several values. They to know that their project will produce the best value for the resources they have. In land development a client wants to know his convenience store project is the best fit for his 5 acre site. He will ask everyone he interviews whether he should proceed with his project or scrap it for a better project fit. Your value is providing him with the engineer's viewpoint. He is looking for your honesty.
- **Conservative** - Companies or clients who are risk averse and want stability. These individuals are looking for companies who have been business for a long time. Their engineers and design staff have worked on numerous projects similar to theirs with success. They do not want unique designs that will require lengthy review time and the possibility of denial. Conservative time tested designs is what they want.
- **Team Makers** - Companies or clients who are looking for partners to help them develop their projects. These individuals are very open to team concepts. They want everyone involved in the project including the engineers to work as a team. They will usually hold periodic meetings (weekly or monthly) with the team to hear ideas and to discuss the project schedule. Communication is the key to these individuals.

ENGINEERING PROPOSAL STRATEGIES

- Creative** - Companies or clients who are innovative and welcome new ideas. These individuals usually work on very large projects, and they want the most creative minds they can find on their team. Price for your services is not of a major concern; your ingenuity is what they want.

Information like this helps you segment your client base and develop a matching proposition that delivers value at a price the client is willing to pay and which gives you a profitable return. It can also help you to identify and avoid scenarios where your value proposition is unlikely to succeed.

Where do your clients fit? Categorize your current clients into the table below. Is there a pattern?

Table 1 - Client Category

Client	Struggling	Price Conscious	Best ROI	Conservative	Team Builder	Creative	Other
1							
2							
3							
4							
5							
6							
7							
8							
9							

Key 9: Tell Clients What Is in It for Them

Your prospects and clients probably do not want to hear about all of the aspects of your services you are offering—or any other piece of information you have available—unless it answers the question “What’s in it for me?” They want to know how your services benefit them. If you understand what the potential clients’ needs are, you should then be able to tailor your message to demonstrate how your services resolve their needs. Engineers typically are excellent at explaining the technical aspects of their work, but the client is more interested in the benefits of your services.

Key 10: Turn Features into Customer Benefits

Now let's take the technical information and convert it to a benefit to the client. Start by listing the features of the service you are promoting. Let's say you have a 3D Laser Scanner which is utilized to measure and model any 3D structures creating Building Information Modeling (BIM). To turn that feature into a benefit, ask how this fact or feature will improve the life of the prospective client. The benefit might be "Having 3D Laser Scanning of your facility means that you will have an accurate as-built model that will significantly reduce architectural, engineering, and construction cost. Contractors' change orders will be significantly reduced due to accurate architect or engineering plans." The client may not understand the technical aspects, but he definitely understands the benefit of reduced cost to build or expand his facility.

Key 11: Develop a Creative Value Proposition

Using that same example, you can tailor the value to a specific client and incorporate many of their needs into the value. In the example the specific need is "an accurate as-built" and reducing "change orders." If the client has had problems with numerous change orders in the past due to inaccurate as-built drawings, he will want to know how you can help him to avoid the situation on this project. This is known as the emotional appeal of the service, and will sit you apart from the competition. Strive to make your value proposition unique for each of your clients. Know what their needs and concerns are, and provide a service that is tailored to that need.

Key 12: Communicate Your Proposition

Place your Value Proposition in all of your communication to your prospective clients. Constantly reinforce the message with completed projects and testimonials from previous clients. Properly used and executed, a creative value proposition will make your marketing communications work harder and deliver a better return on your investment.

What is your company's current Value Proposition?

If you have not done so already, ask your clients what added engineering values beyond your services are they expecting from your firm? List these values below.

Key 13: Failing to Engage the Prospect

Listing all of the services your firm can provide does very little to excite the client. In fact, most of the services engineering companies very few other individuals actually understand. The client wants to know why they should select your firm over all of the firms in your community who provide the same services. What do they benefit by hiring you? You want to engage the potential client and encourage them to take action. Take action by picking up the phone and contacting you today.

Everyone is talking about value. Go to virtually any web site, or look at the marketing materials for any company and you will see them extolling their value propositions. Here are some we have recently seen:

- “The company's success is based on the core principle of delivering projects to the highest standards, on time and on budget.”
- “...an established civil engineering Company ...We are committed to delivering the highest standard of service to our clients to ensure contracts are completed on time, on budget and with the absolute minimum of disruption to other trades. We can offer a 'turn-key' solution not always available with other Civil Engineering Companies or Contractors.”
- “...we are committed to providing our clients with high levels of service and design expertise.”
- “...a multi-disciplined planning, design and engineering company providing comprehensive services throughout the Southwest. Our 450 employees work on a variety of client based projects of all sizes and complexities in both the private and public sectors. With over 50 years of award winning project execution ... grown to eight offices and our broad range of services benefit your project from conception to successful completion.”
- “Designing the future through creative planning, quality design and client service.”
- “Our three offices are equipped to provide you with the expertise you need anywhere in the New England area.”
- “...one-stop civil engineering design firm capable of providing our clientele with sound, cost-effective products that enhance the public health, safety and welfare. With a talented and growing workforce, [XYZ] has the capacity to undertake major civil engineering contracts in both the public and private sectors.”

Nearly every civil engineering company promises the same thing: on-time, on budget, and top quality. But if everyone is promising the same thing then no one is different. How many of these are really thought out? For the most part the usual method is to

ENGINEERING PROPOSAL STRATEGIES

review everyone else's value proposition and then create their own which is based on the best words and phrases, which are usually vague and meaningless. A true well thought out value proposition stands apart and is measurable. In order to create this type of value proposition, consider the three (3) P's.

- Problem – The client must have a problem or need that needs to be solved. You can not offer someone a Technical Drainage Study when all they need is an open channel design.
- Perceived Value – This is what the client perceives to be the differences are between the benefits and the consequences of selecting a solution (proposal). Focusing solely on your company's benefits is not sufficient, and is a sure fire way of losing the prospective client.
- Prizewinner – The prospective client will chose the winning proposal based on the best perceived value, which includes doing nothing.

The proposal should attempt to maximize the perceived value over all other alternatives. A proposal based on the three P's has a greater probability of winning contracts.

Now to Put it all Together

This is not rocket science. However, too many engineering firms are making fundamental mistakes in defining and communicating their value proposition. Here are some tips, based on experience:

- There is no one value proposition for every client or even a group of clients. Each client is different just like every project is different. This is why it is so important to listen to the client, and ask questions. The value proposition is developed around what are the client's true needs. Contract cost may be important to some, while meeting a very short deadline is more important to others. Construction cost may be more important than the engineering cost. While others the engineering fees are the most important. Effective value propositions are customized to the specific needs of each client.
- Many clients will contract with the same engineering company over and over again, but the needs of that client will change over time. If the engineering company does not effectively review and update it runs the chance of eventually losing the client. Effective value propositions must be updated to meet the changing needs of clients.
- Value based propositions solely on capabilities and pricing is not sustainable. Most engineering companies offer the same services, and will joint venture or sub-contract with other companies for other services that some of the larger firms may have in-house. Everyday, competitors will adjust their price to get a job, and in some cases they will "buy the job" with the hope of winning future work with the same client. Basing your value proposition solely on service pricing may win today, but tomorrow when your competition introduces a lower price you will lose.

ENGINEERING PROPOSAL STRATEGIES

- The greatest value an engineering company can actually offer is often outside the services provided. The greatest value may be in the intangibles such as the relationships the customer has with the design team, project manager and the company, the ease of selecting a service, the reputation of the company, the responsiveness of the organization (i.e. answering phone calls, emails, sending reports, and so on), the flexibility of the company, the ease of doing business, the integrity or trustworthiness of the company's staff, the performance of the company in meeting commitments, the variation of services offered, and many more opportunities.
- The individual developing the value proposition must first listen to the client and understand what your customer seeks to accomplish, the roadblocks they face, and what is important to them. The value proposition should then be built around these concerns and specifically tailored to the project.
- Generic value propositions are used to create interest and leads from specific market segments. Often these propositions are placed in the brochures and on the website.
- It is often the engineering project manager responsibility to then take those interested potential customers, and develop a unique value proposition that fits each of their specific needs.
- Customer focused organizations like engineering companies start defining elements of their value propositions during the product or service definition and development. This assures that real needs of customers are addressed.
- In developing your channel or distribution strategies, it is important to keep two things in mind:
 - What value do your partners contribute to the values your company delivers? If the partner is not adding value, then they are adding cost.
 - What is your company's value proposition to the partner? Partners are your customers as well. If you do not create value for your partners, you will not have an effective relationship.
- Remember your competition is also trying to develop and communicate their value proposition. To be successful your value proposition must be differentiated and superior to all others. Never lose sight of your differentiation.
- Finally, make sure you are delivering real value! Failing to deliver on the value the client thought they were buying will destroy the relationship over time. The way to avoid complications is to communicate constantly with your clients.

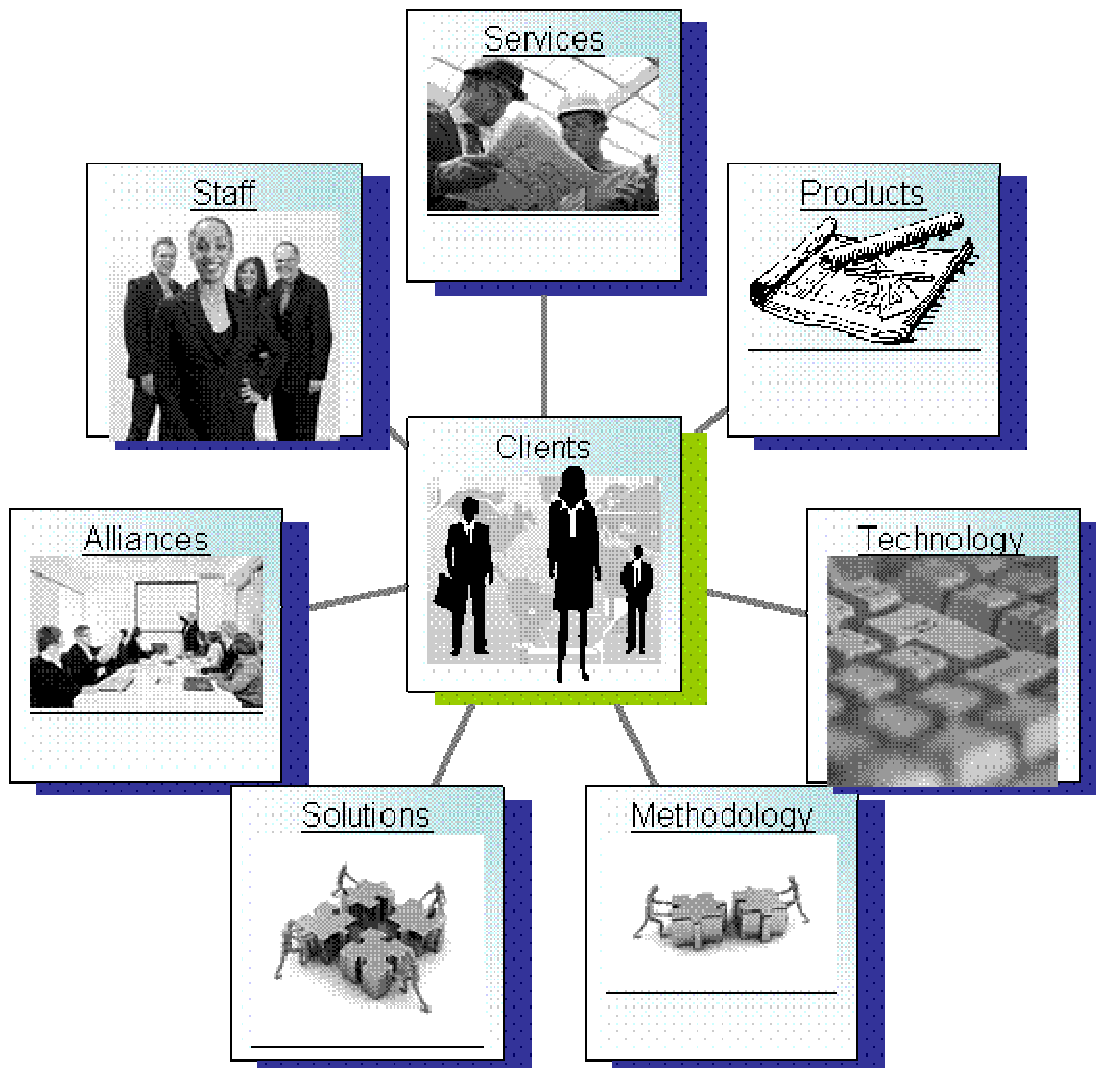
Developing and communicating a value proposition that is different from your competition is essential to your company's success. Following the strategies above will help guide you to greater success with your clients. An example of a general proposition is shown at the end of this guide.

Now let's delve into the Engineering Proposal.

ENGINEERING PROPOSAL STRATEGIES

SAMPLE **General Value Proposition**

This particular Value Proposition is used on the company's website and other marketing material. A specific Value Proposition is tailored-made once the client has contacted the firm and the client's project is understood by the engineering staff. Not all clients are interested in the company's methodology in providing the best value to its clients or the unique talents and capabilities of the staff, but some potential clients are.



ENGINEERING PROPOSAL STRATEGIES

Services – At HAUNTEC, our services meet or exceed the highest quality standards in the industry and we constantly monitor and measure our performances to deliver our services on time and on budget, ensuring each experience is positive and repeated.



- Quality
- On Time on Budget
- Measurable
- Reliable

Products – At HAUNTEC, all of our products including exhibits, drawings, letters, technical reports, and plan that sets are checked against the local codes and standards prior to their release. Our in-house Quality Control and Quality Assurance programs ensure that our products require minimum review time which leads to quicker approvals, speeds up the design process, and saves the client money.



- Meet Industry and Government Codes and Standards
- Require less Review Time
- Higher Quality

Technology – At HAUNTEC, our technology systems utilizes the latest software and equipment to provide the client with services and products quicker with a higher degree of accuracy. The technology available to the staff is enhanced by training to maximize the highest utilization of the technology.



- Up to date
- Reliable

Methodology – At HAUNTEC, our design processes have been developed from decades of experience and accelerate engineering cycles with increased quality. In addition, our staff follows while established Quality Control and Quality Assurance programs to ensure that the services and products delivered to the client meet the highest standards. In addition, our procedures reduce design time and engineering costs.



- Established Design Process
- Quality Control and Quality Assurance Programs

Solutions – At HAUNTEC, we provide an array of services that can be customized to fit the needs of the client. Our services are specially tailored for each client, and we have carefully understood the client's needs, ensuring that the client is completely satisfied with our approach.



- Full Service Availability
- Customizable

Alliances – At HAUNTEC, we have forged alliances with key firms to provide our clients with the highest quality engineering services available. Through our business relationships, we enhance our portfolio to assist our clients in competing in the in today's dynamic business environment.



- Industry Leaders
- Commitment
- Loyalty to our clients
- Enhanced Service Portfolio

Staff – At HAUNTEC, we hold our staff to be personally accountable to distributing value to our organization and to our clients. As a team we encourage creative thinking infused with facilitating personal growth and development.



- Industry Leaders
- Creative Thinkers
- Team Environment

Proposal Writing

There are many ways to write a proposal, but the best lead to a signed agreement to perform engineering services. To create more opportunities with proposals you must think out of the box. The typical engineering proposal consists of services to be provided and a price for each or all of the services. Most engineering proposals are very vague on what services will be provided and the description of each service.

Proposals are marketing tools that demonstrate the company's expertise and professionalism. The proposal should stand apart from the other proposals the potential client may receive. In short, proposals are an outlined plan of how your firm will solve the client's need. A well structured proposal should have the following outline:

1. Cover Letter
2. Agreement
3. Assumptions
4. Specific Tasks
5. Compensation Summary
6. Preliminary Design Drawing
7. Project Schedule
8. Company's Completed Related Projects
9. Testimonials

This outline can be accomplished in a few pages for fairly simple project, and more than 30 pages for larger and more intricate projects. Since the Agreement is a legally binding document, it is recommended that a lawyer review it prior to either party signing the agreement.

Cover Letter

The cover letter is a simple one or two page letter to the potential client briefly stating the name of the project, your Value Proposition, what services your firm will be providing, engineering fees, and a call to action. The Value Proposition states why your firm is the best choice, and is usually tailored to the client comments from an earlier meeting. The Call to Action is telling the potential client what you want them to do next. Phrases similar to "Sign the agreement and forward copy to your office" or "contact you

if the terms are not acceptable” are both Call to Actions. At the end of this guide is an *Example Cover Letter*.

Agreement

The Agreement document is a legal agreement between the client and the engineering firm. Most engineering companies develop their own Service Agreement, and most develop several types of agreements depending on the type and size of the proposal. The American Society of Civil Engineers (ASCE) has made several attempts to standardize these agreements for the industry, but the industry to date has not fully implemented these standard forms. If you are a member of ASCE, it is advisable that you obtain these forms and utilize with your proposal packages as often as possible. The advantage to the ASCE is that they have been reviewed by many professional engineers and lawyers across the United States. Make sure you read and understand these agreements before implementing in your proposal packages.

At the end of this guide is an Example Standard Terms and Conditions (Agreement), but before using this agreement or any other it is recommended that a lawyer review the text to make sure the document is binding in your state. Many of the sections in Agreement are meant to protect the engineer and the client. The following is a brief description of each section:

- Manner of Payment – This section describes the proposed contract amount and retainer. It also describes the manner of payment by the client, and any penalties for late payment.
- Cooperation, Assistance and Access – In this section the engineer is requiring the client to partner with the engineer to provide information necessary to expedite the project.
- Client’s Costs of Fees – This section states that the client is responsible for all fees by a third party which are not included in the Scope of Work.
- Extra Services or Work – This section discusses that the engineer is due additional compensation for any work at the request of the client beyond the Scope of Work.
- Term of Agreement – This section describes the length of time the Agreement is in effect.
- Specific Exclusions – This section describes in detail what services that are not included in the Agreement or Scope of Work.
- Governmental Changes – This section states that the client is responsible for paying for any changes to the engineer’s work product due to governmental comments.
- Changes to Work – This section states that any changes to the Agreement or Scope of Work must be approved by both the client and the engineer.

ENGINEERING PROPOSAL STRATEGIES

- Plans and Products – This section describes who owns the engineer’s work product, who pays for any copies of the work product, and storage responsibility.
- Estimates Provided by Engineer – The engineer may provide estimates pursuant to the Agreement, but the client should not rely on the estimates and does not hold the engineer liable for the estimates.
- Governmental Interference – This section discusses the engineer’s schedule can be extended in the event the government interferes with the engineer’s work
- Early Termination – This section states how the engineer or the client can terminate the Agreement.
- Cessation of Work – If the engineer ceases work for a period of time due to certain situations, the engineer has the right to terminate the Agreement.
- Automatic Expiration – This section describes what situations shall automatically terminate the Agreement.
- Client’s Approval and Acceptance of Work – The client accepts the engineer’s work once invoiced and a period of time has passed without any comments from the client.
- Rights upon Non-Payment or Breach by Client – This section describes when and how the engineer can terminate the Agreement for nonpayment by the client.
- Attorney Fees – This section requires the client to pay for any attorney fees incurred, regarding client’s payment of fees due the engineer.
- Indemnification by Client – The section requires that the client holds the engineer harmless of any damages outside of loss or damages resulting from negligence by the engineer.
- Delays by Engineer Not a Breach – This section states what actions by the engineer are not considered a breach of Agreement.
- Warranty and Disclaimer – This section states what work performed by the engineer is warranted, to what standard, and what is not warranted.
- Limited Liability – This section states what damages the engineer is responsible to repay the client and the limits of those payments.
- Lien Rights – Allows the engineer the ability to lien the property for all unpaid amounts due the engineer.
- Assignment – This section discusses whether the engineer or the client can sell the Agreement to another party.
- Miscellaneous – This section states any other agreements not fitting any previous subject headings.

Assumptions

In this section of the proposal it is very important to state what the engineering company knows about the project. What are the existing conditions; such as the Assessor Parcel Number, site location, existing Zoning, approximate site area, whether the existing land is vacant or developed, and so on. The section also describes what the engineer believes needs to be accomplished before the project is completed; such as rezoning,

required Waivers, Variances, and other Entitlements, required Technical Reports, and Development Plans. These assumptions are the bases to writing the proposal). An *Example Proposal Assumption* is shown at the end of this guide.

Specific Tasks

This Section in the proposal actually describes in great detail the scope of work to complete the project for the client. Each line item is described in detail with what services the engineering firm will provide to the client. It is very important in this section to not be vague in the line item explanations. Vagueness will cause significant problems later on in the project. A line item that says Technical Drainage Study and a fixed fee amount without any explanation as to what a Technical Drainage Study encompasses is open to interpretation. The engineer may think this line item is only for the technical report and not the supporting Grading Plan. A client may think that this includes both the technical report and the supporting Grading Plan. Even a seasoned developer, who has signed a lot of engineering reports and should know what is meant by the line item, may say that they thought that the report and drawings were included together. This is why it is very important to describe in detail what a line item includes and what it does not include. See the *Example Line Item Description* for a Technical Drainage Study at the end of this guide.

Compensation Summary

Often reading all of the details of the Specific Tasks Section can be a little confusing to the client. A summary of the compensation makes it much easier for the client to quickly understand what services are being offered by the engineering firm. Especially, when some of the line items maybe fixed fee while others may be Time and Material or Time and Material Not to Exceed a Certain Amount.

While reviewing the text you should make sure that the line items amounts match in both the Specific Tasks and Compensation Summary Sections. The engineering company can look very foolish at this early stage if the dollar amounts do not match throughout the proposal.

Preliminary Design Drawing

A Preliminary Design or Conceptual Design clearly shows to the potential client what the engineer understands to be the scope of the project. Since some projects may require only calculations or a technical report, this drawing may not be appropriate for every proposal. But providing this drawing when appropriate will definitely set your engineering company apart from the competition. A rough sketch may cost your firm a little to produce, but the reward of a new project is well worth the effort.

Project Schedule

A simple spreadsheet graph showing the timelines for the various phases of the proposed engineering project is more than most of the engineering competition will provide in their proposals. A project schedule shows the client that you have thought out the project, and understand the necessary steps to complete the project on time.

There are several software applications available on the market to provide a project schedule. Some software utilizes only a simple gantt chart, while other more sophisticated software utilizes a multitude of charts, assigns resources, costs, and so on. One such software is Microsoft Projects. Once mastering the software it can be an incredible tool for managing projects, and a major benefit to your clients.

Company's Completed Related Projects

Demonstrating the team's experience and capabilities in handling the client's project is best shown by describing recently completed similar projects. The client is able to review the engineering team's expertise, and, if the completed projects are familiar or even in the vicinity, the client can actually visit the site and speak to the developers about their experience with your company. Completed work is an excellent marketing tool, and proves your value proposition.

Testimonials

Seeing that other people in the industry have a good experience using your services is also an excellent marketing tool. But this is one thing that you will have to ask for from your existing clients. The best way to obtain testimonials is by performing a survey. The survey should be sent out to all of your current clients, and ask them to respond to a series of questions. Make sure you disclose on the survey that their responses maybe used in your company's future marketing material, and that by them responding to the survey they are giving authorization to reprint their responses.

Potential clients like to read testimonials, and it gives them another chance to see what other individuals think about your company's performance. If they really wanted to take it to the next step, they may even contact several of the individuals giving the testimonials.

**SAMPLE
Cover Letter**

[COMPANY LETTER HEAD]

[CITY, STATE, ZIP]
OFFICE XXX-XXX-XXXX
FAX XXX-XXX-XXXX

[DATE]
[PROPOSAL NUMBER]

[CLIENT COMPANY NAME]
[CLIENT ADDRESS]
[CITY, STATE, ZIP CODE]

Phone: (XXX) XXX-XXXX

Attn: [CLIENT NAME]

Subject: [PROJECT NAME]
[ENGINEERING SERVICES]
[ASSESSOR PARCEL NUMBER]

Dear Madam or Sir:

In accordance with your request, [ENGINEERING COMPANY NAME] is pleased to submit this proposal to provide professional civil engineering services in the amount of \$_____ for the above referenced project. A retainer of (\$_____) is due to [ENGINEERING COMPANY NAME] at the signing of this Agreement. Please see Appendix A for a summary of the tasks to be completed. This proposal is based on a site visit on [DATE], discussions with the architect, and preliminary research.

[Insert your Value Proposition]

If this proposal is to your satisfaction, please sign the two copies of the Consultant Services Agreement and return one copy to our office for execution. If you have any questions or need additional information, please contact me at (XXX) XXX-XXXX.

Sincerely,

[Company Signature Block]

SAMPLE
Line Item Description

1. **Technical Drainage Study** – HAUNTEC will provide a Technical Drainage Study in accordance with the Clark County Regional Flood Control District’s – Hydrologic Criteria and Drainage Design Manual. HAUNTEC will process the report through Clark County – Development Services for approval. The Client is responsible for all submittal and filing fees associated with the Study. The TDS will address the on-site and off-site storm water runoff impacting the proposed project. No additional hydrologic or hydraulic analysis outside the project boundary is a part of this scope. The following tasks will be performed:
 - a. Identify existing and proposed drainage areas and facilities that affect the site.
 - b. Prepare hydrologic model, figures, and text for a technical drainage study for the project site.
 - c. Coordinate with Clark County Development Services for review and approval of the study.

The above scope and fees were based on the following assumptions and exclusions:

1. The site is not located within a FEMA special flood hazard area.
2. The site is not bordered by existing regional facilities.
3. The site is bordered by public drainage easements.
4. The site does not border Nevada Department of Transportation (NDOT) Right-of-Way.
5. The grading plans, once set will be final. Any modifications to the grading plans once the drainage study has been completed may require additional time and money to incorporate.
6. This project assumes no on-site storm drain network.

Client approved revisions to the design, requiring resubmitting the Technical Drainage Study, will be require to be approved by the Client as a change order and billed under Additional Services.

Lump Sum: \$5,500.00

SAMPLE
Proposal Assumptions

Proposal for professional Civil Engineering Services for Christian Church East – Development Plans, APN 161-03-555-555, located east of Tree Drive and about 1200 ft south of Charles Boulevard, Clark County, Nevada.

ASSUMPTIONS

1. The proposed development is to expand the existing church and parking lot located on about 3.22 acres east of Tree Drive and about 1200 ft south of Charles Boulevard.
2. According to the Clark County Assessor’s office and the CLIENT the property is properly zoned with a Special Use Permit for the proposed use. According to the Clark County web site, the site is currently zoned P-F, and lies within the Sunrise Manor Township, Clark County, Nevada.
3. Waivers and/or design variances are not necessary for the proposed development.
4. A Special USE PERMIT will be required for a “Place of Worship” on Zoning Districts P-F.
5. Tree Drive is not maintained by Nevada Department of Transportation (NDOT). NDOT is not required to review the development plans.
6. Since the site is not to be subdivided, a Tentative Map is not required for the site.
7. A previous Technical Drainage Study by Dwyer Engineering in 2003 has been approved for the site.
8. Technical Reports:
 - a. The CLIENT will be provided to HAUNTEC current geotechnical information, Soil Report, prior to work.
 - b. Due to the number of trip ends generated will be less than 100 vehicles during the peak hour; a Traffic Impact Analysis (TIA) is not required.
 - c. Technical Drainage Studies have been previously reviewed and approved on the site for existing improvements by Clark County Development

ENGINEERING PROPOSAL STRATEGIES

Services and Clark County Regional Flood Control District; H.T.E.: 96-22222, 96-33333, and 03-44444

- d. A Technical Drainage Study (TDS) will be required, if one or more of the following applies:
 - i. The subject site is bordered by Clark County Regional Flood Control District (CCRFCD) facilities or the site located within a Flood Zone. (The site is bordered to north by a drainage easement, and drainage discharges onto the site at the south east corner)
 - ii. The subject site is less than one acre. (The site is approximately 0.33 acres)

Clark County Development Services will require a Technical Drainage Study for the site improvements.

- e. If Clark County requires a TIA as part of the Entitlements Conditions of Approval, HAUNTEC can provide the report under the Additional Service Line item.
- 9. The expanded building will use the existing water supply line and meter.
 - 10. The new building will connect to the existing sewer lateral.
 - 11. The CLIENT will be provided to HAUNTEC current boundary and topographic electronic files (AutoCAD version 2004 format) and hard copy created by a Nevada licensed Professional Land Surveyor prior to work.
 - 12. Existing access and legal easements are in place.
 - 13. The project will not be delayed or stopped without additional compensation.
 - 14. HAUNTEC direction will be taken from the CLIENT only unless otherwise notified.
 - 15. The CLIENT will provide all civil plan coordination and submittal at their expense and time.

Lump Sum \$25,500.00

SAMPLE
Standard Terms and Conditions
for Professional Engineering Services

[Project Name]

1. **Manner of Payment.** Engineer ([ENGINEERING FIRM NAME]) will bill Client ([CLIENT NAME]) monthly for work completed and expenses incurred, and upon job completion, for the balance. The fee established at (\$_____) for the services set forth in [ENGINEERING COMPANY NAME] proposal for professional services dated ([DATE]) hereby incorporated by reference into this contract and attached hereto. A retainer of (\$_____) is due to [ENGINEERING COMPANY NAME] at the signing of this Agreement. Invoices are due and payable upon receipt and are delinquent 30 days after date of the invoice. Client agrees to pay interest on any delinquent amounts at the rate of 12% per year. Engineer may stop work on any account that is 30 days delinquent.
2. **Cooperation, Assistance and Access.** Client will cooperate with Engineer to expedite the completion of the work, including acting as a direct liaison between Engineer and any government agencies and utility companies whose approval is required to complete the work. Client agrees to provide Engineer access to the project site and to make available any records, documents, reports, deeds or other items necessary for Engineer to complete the work.
3. **Client's Costs of Fees.** Client acknowledges that Engineer's fees do not include any expenses that may be incurred to third parties to complete work. Client authorizes Engineer to incur all such reasonable expenses on behalf of Client. Client agrees to reimburse Engineer for all such expenses, including government filing fees, city, state or county plan checking fees, inspection fees, construction permit fees, architectural landscaping fees, soil testing and soil engineering costs, aerial topography costs, the cost of all permits, bonds and premiums, title company charges, blueprints and copy expenses, shipping charges, the reasonable costs of transportation, meals and lodging incurred by Engineer for work done away from Engineer's offices or the project site, and all similar costs or expenses incurred in connection with the project or the performance of this Agreement which are not included in the scope of work description in this Agreement.
4. **Extra Services or Work.** Any extra services or work agreed to be performed by Engineer at the request of Client shall be paid for by Client as extra work at Engineer's then current hourly rates. Such extra services or work shall include any work performed by Engineer related to the exclusions listed in Paragraph 6.

ENGINEERING PROPOSAL STRATEGIES

5. **Term of Agreement.** This Agreement shall remain in effect until the work is completed and Client has paid all amounts due Engineer, unless earlier terminated as set forth in Paragraph 13 or elsewhere in this Agreement.
6. **Specific Exclusions.** Except as otherwise provided in the scope of work description in this Agreement, Client agrees that any work related to the following items is specifically excluded from this Agreement:
 - a. Soil surveys, soil testing, landscaping;
 - b. Construction testing and inspection at the project site;
 - c. Site conditions;
 - d. Deed restrictions and covenants pertaining to the subdivision or condominium development of land;
 - e. Traffic studies;
 - f. Landscape and/or architectural plans;
 - g. Street light, site lighting, and traffic signal plans;
 - h. Replacement of staking damaged or destroyed by an act of God, Client or others;
 - i. Any additional office or field work caused by policy or procedural changes of governmental agencies;
 - j. Changes in the work required by any of the following: changes in plans or specifications made by Client or others, inaccuracy of data or information supplied by Client, or work performed on material or data supplied by others;
 - k. Rezoning the site;
 - l. Plan check fees required by any of the agencies;
 - m. Out of pocket expenses for printing, mail, and FED-X;
 - n. Expenses and time involved for expedited plan check;
 - o. Preparation of as-built drawings;
 - p. Electronic files outside of those distributed to the design team, will require a signed release by the recipient;
 - q. Drawing for bidding and construction may be filed with a printing company;
 - r. Construction Surveying
 - s. Demolition plan is not included in this scope of services; and
 - t. Structural plans, analysis or design including retaining wall structural designs.
7. **Governmental Changes.** Any changes required to plans or plats by governmental agencies or utility companies after the plans or plats have been approved by Client shall be paid for by Client as set forth in paragraph 4 above.
8. **Changes to Work.** All modifications to this Agreement, including any changes in the scope of the work to be performed by Engineer, shall be in writing and signed by both Engineer and Client.
9. **Plans and Products.**
 - a. **Original Documents.** All original maps, plans, drawings, plats, tracings, survey notes, or other work product of Engineer (“Work Product”) are and

ENGINEERING PROPOSAL STRATEGIES

- shall remain the property of Engineer except where by operation of law such Work Product becomes public property.
- b. **Blueprints and Copies.** Client shall pay for all copies of Work Product (including any plans or plats to be issued for bidding) provided to Client, or provided to governmental agencies or utility companies on Client's behalf, at Engineer's then prevailing rates. Specifically, any special reproducible drawings or tracings such as transparencies or mylar drawings required by government agencies or utility companies or architects associated with Client shall be paid for by Client.
 - c. **Archival Copies of Work Project.** Client agrees that Engineer has no duty to retain copies of Work Product after such Work Product has been delivered to and accepted by Client.
 - d. **Estimates Provided by Engineer.** Engineer may provide certain estimates, including estimates of completion dates, costs, quantities of materials, and areas, to Client pursuant to this Agreement. All estimates are provided merely for the convenience of Client and are provided "as is" without representations or warranties of any kind. Client agrees not to rely on any estimates and releases Engineer from any liability arising from Client's use thereof.
 - e. **Governmental Interference.** If Engineer has provided Client with a fixed delivery or performance schedule for the work to be performed, any delay or stoppage of work caused by governmental interference or action shall result in a commensurate extension for the time of completion of that work by Engineer.
 - f. **Early Termination.** Either Engineer or Client shall have the right to terminate this Agreement at any time by notifying the other party of such intention in writing, such notice to be effective as of the close of business the day of receipt. In such event, Client agrees to pay Engineer within 10 days of termination for all work performed at Engineer's then current hourly rates not to exceed the maximum contract amount. Client shall further reimburse Engineer for all costs and expenses incurred by Engineer in performing the work.
 - g. **Cessation of Work.** If Client's actions require Engineer to any work for more than 90 days, Engineer shall have the right to terminate this Agreement and shall be entitled to all compensation as set forth in paragraph 8 above. Further, if Engineer is required to stop work for a period of 45 days or more, any fixed fee amounts under this Agreement shall be subject to a 10% increase over the original contract amount, at Engineer's discretion.
 - h. **Automatic Expiration.** This Agreement shall automatically terminate if:
 - i. Engineer does not commence the work within 45 days of the date of execution of this Agreement; or
 - ii. An executed copy of this Agreement is not returned to Engineer by Client within 30 days of Engineer's date of signing.

10. **Client's Approval and Acceptance of Work.** The work performed by Engineer shall be deemed approved and accepted by Client as and when invoiced unless Client objects within 30 days of the invoice date by written notice stating in detail the manner in which Client believes such work is incomplete or defective.
11. **Rights upon Non-Payment or Breach by Client.** If Client fails to pay Engineer as set forth in this Agreement or if Client commits any other material breach of this Agreement, Client agrees that, in addition to any other remedy available at law or in equity, Engineer shall have the right at Engineer's sole discretion to terminate this Agreement and receive compensation in accordance with Paragraph 12.
12. **Attorneys Fees.** If Engineer must collect any sums or enforce any term or provision of this Agreement, Client agrees to pay all reasonable attorneys' fees, expenses and costs incurred by Engineer. Such fees shall include all reasonable attorneys' fees incurred by Engineer in retaining an attorney to correspond with Client regarding the payment of fees due Engineer under this Agreement.
13. **Indemnification by Client.** Except to the extent that liability for loss or damage results from the sole negligence of Engineer or its employees and agents, Client agrees to indemnify, defend and hold harmless Engineer, its subsidiaries and parent corporations, and their respective directors, officers, employees, agents, and representatives, from any cost, expense, claim, damage or liability, including strict and/or statutory liability, of any nature arising from or in any way related to:
 - a. The use of any plans, surveys, drawings or other materials provided by client, any customer of Client, or any other third party;
 - b. Soil or other conditions at the project site;
 - c. Changes in plans or specifications made by Client or others;
 - d. Inaccuracy of data or information supplied by Client;
 - e. Any act of any third party in any way related to the project site or the services provided under this Agreement.
14. **Delays by Engineer Not a Breach.** Any delay or default in the performance of any obligation of Engineer under this Agreement caused directly or indirectly by labor difficulties, accidents, acts of God, shortages or unavailability of labor, materials, power or transportation through normal commercial channels, the failure of Client or Client's agents to furnish information or to approve Engineer's work promptly, late, slow or faulty performance by Client, other contractors or governmental agencies, the performance of whose work is required for the performance of Engineer's work, or any other cause beyond Engineer's reasonable control, shall not be a breach of this Agreement. The occurrence of any such event shall suspend the obligations of Engineer as long as performance is delayed or prevented thereby, and the fees due hereunder shall be equitably adjusted.
15. **Warranty and Disclaimer.** Engineer warrants and represents that it will perform the work in accordance with local engineering standards. EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH, ENGINEER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED,

ENGINEERING PROPOSAL STRATEGIES

REGARDING ANY MATTER, INCLUDING THE MERCHANTABILITY, SUITABILITY, ORIGINALITY, FITNESS FOR A PARTICULAR USE OR PURPOSE, NON-INFRINGEMENT, OR RESULTS TO BE DERIVED FROM THE USE, OF ANY INFORMATION, TECHNOLOGY, SERVICES, OR OTHER MATERIALS PROVIDED UNDER THIS AGREEMENT.

16. **Limited Liability.** Engineer shall not be liable to Client, customers of Client, or to any third party for any indirect, special, incidental or consequential damages under this Agreement, including but not limited to lost profits or lost business. In addition, Engineer shall not be liable under any section of this Agreement or under any contract, negligence, strict liability or other legal or equitable theory for any amounts in excess of the lesser of (i) the total fees paid to Engineer under this Agreement or (ii) the maximum limit of Engineer's errors and omissions insurance then in effect. This paragraph shall not limit liability for bodily injury of a person. Client's exclusive remedy for any breach of this Agreement shall be the cure of such breach by Engineer or the return of the fees and charges paid with respect to work related to such breach, as Engineer may elect.
17. **Lien Rights.** Client agrees that Engineer shall have a lien upon the real property constituting the project site for all unpaid sums due pursuant to this Agreement or any addendum hereto, and that Engineer is authorized to perfect a lien, enforce the lien, and foreclose the lien in the manner prescribed under [STATE OF PROJECT LOCATION] Statutes for the perfection, enforcement and foreclosure of a lien upon real property.
18. **Assignment.** Neither Client nor Engineer shall assign its interest in this Agreement without the written consent of the other, but Engineer may subcontract any portion of the work to be performed hereunder without such consent.
19. **Miscellaneous.**
- a. This Agreement shall inure to the benefit of and be binding upon the assigns of each of the parties hereto.
 - b. This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof.
 - c. One or more waivers of any term, condition or covenant by either of the parties hereto shall not be construed as a waiver of a subsequent breach of the same or any other term, condition or covenant.
 - d. This Agreement shall be governed by the laws of the State of [PROJECT LOCATION].

ACCEPTED:

**[ENGINEERING COMPANY]
Representative**

**[CLIENT NAME] or
Representative**

ENGINEERING PROPOSAL STRATEGIES

(Signature)

(Signature)

(Printed name and title)

(Printed name and title)

(Date)

(Date)

About the Author

Joe Alvin Haun, PE, MSE

Joe Haun is a highly experienced Civil Engineer, author, public speaker, and business advisor who have worked in the engineering profession since 1983.

Mr. Haun's early career was in the United States Air Force as an Engineer Assistant. A Desert Storm veteran he has a unique perspective of the Middle East.

Mr. Haun graduated from the University of Las Vegas, Nevada in 1994 with a BS degree in Civil Engineering and in 1995 with a MSE in Civil and Environmental Engineering.

Mr. Haun worked with several engineering firms in the Las Vegas valley until February 2005 when open his own engineering company HAUNTEC, which has grown to a designing multi-million dollar projects in Nevada and Utah and in the countries of Iraq and Costa Rica. Review his growing company's website at www.haunteceng.com to see the firm's latest capabilities.

Mr. Haun has published articles in engineering magazines and has given speeches on water resources, and is currently working on several articles on permeable pavements.

In 2009, Mr. Haun started Engineering Business Seminars and Publications to. His first publication is the "Engineering Business Success." He has created many self-study engineering business seminars for Professional Development Hours credits. Visit the web-site www.engineeringbusinesspubs.com to review the latest seminars and publications.

Recommended Reading List

Engineers are constantly learning about new techniques, products and design methods. Improving your skills as a business leader is no different. Reading books is one of the best ways to improve your skills. Below is a list of books we recommend.

- *Engineering Business Success* by Joe A Haun (book)
- *Engineering Business Plan* by Joe A Haun (seminar)
- *Engineering Marketing Strategies* by Joe A Haun (seminar)
- *Engineering Operations Strategies* by Joe A Haun (seminar)
- *Engineering Financial Strategies* by Joe A Haun (seminar)
- *Engineering Proposal Strategies* by Joe A Haun (seminar)
- *Engineering Joint Venture Strategies* by Joe A Haun (seminar)
- *7 Habits of Highly Effective People* by Steven Covey
- *First Things First* by Steven Covey
- *Awaken the Giant Within* by Anthony Robbins
- *Unlimited Power* by Anthony Robbins
- *The E-Myth Revisited* by Michael E. Gerber
- *Get Clients Now* by C. J. Hayden
- *Dress for Success* by John T. Molloy

- ❖ Please visit our web-site www.engineeringbusinesspubs.com to order Joe Haun products from our recommended book list.
- ❖ Our on-line seminars include the manual, down-loadable from the web-site www.engineeringbusinesspubs.com , and sample letters and forms. After completing the seminars the participant will receive a PDH certificate showing the number of units awarded.

Contact Us

Engineering Business Seminars and Publications

P.O. Box 33611
Las Vegas, Nevada 89133-3611

<http://www.engineeringbusinesspubs.com>