

CASE STUDY

ALLEN EDWIN HOMES

THE BIM REVOLUTION NOW OPTIMIZES ESTIMATING AND PURCHASING

Allen Edwin Homes Manages 680 Starts With Just Three People in Estimating and Purchasing, and Two in Drafting



We value what you value.

Nothing short of a revolution is occurring among home builders who seek to reduce cycle times and automate data exchanges across their entire operations, whether it's estimating, sales, options, purchasing, construction, and punch list. The home building process can't move at the desired speed without the right software solutions to automate the process and allow builders to run lean. And that's where the story of Allen Edwin Homes is particularly instructive.

For starters, Allen Edwin Homes success is hard to ignore. In 2015, the company was ranked #65 on the Builder list of top-100 U.S. builders, with 600 closings and \$132 million in revenue. They are confidently projecting 680 closings in 2016. They operate in six Michigan regions and Indiana, building in over 100 communities. They start three homes every work day, working with a staff of just 100 employees (including the sales team).

"We are working at a consistent and quick pace. We start three homes every workday," explains Matt Robbins, Allen Edwin Homes' CAD & Estimating Manager. "For each one of those homes, across 59 home plan offerings (30 of which are in high usage), we offer easily 1,000 options per home. Buyers choose the options from a 7,000 square foot design center, working with our design consultants, who log the choices into our sales system, Sales Simplicity."

Allen Edwin Homes is equally admired for how it has leveraged leading software solutions to control manage cycle times, across a sprawling geographical area. Today, the company runs BuilderMT, Sales Simplicity, CG Visions' BIM Pipeline, Punchlist Manager, and Vertex BD (for its CAD and 3D modeling capability).

Allen Edwin Homes: Executive Summary

- #65 in 2015 Builder Top-100 Home Builders
- 600 in 2015 Closings
- \$132 Million in 2015 Revenue
- 680 in 2016 Closings (projected)
- 59 Models
- 1,000 Option/Model
- 6,000/SF Design Center
- Builds in Six regions and 110 Communities
- 100 Employees
 - 22 Site Supers
 - 3 in Estimating
 - 2 in Drafting

Software in Use:

- CG Visions' BIM Pipeline
- BuilderMT
- Sales Simplicity
- Punchlist Manager
- Vertex BD

"Two years ago, with these core software systems in place, all tightly integrated, we realized that we could do far more to leverage our 3D modeling capability in Vertex BD," Matt Robins said. "Specifically, we saw an opportunity to extract product data from our BIM models, and have that resulting data automatically generate purchase orders in BuilderMT by using BIM Pipeline. Since BuilderMT contains all the current vendor pricing, we are now able to get extremely accurate pricing on our options, as we apply the appropriate margins. All of this is happening at a lot-specific level."

"Pricing accuracy is the most-helpful feature of CG Visions' BIM Pipeline," explained Stacie Gratz, Business Technology Manager. "There is no guesswork and no mystery as to what options cost us, or what profit we achieve from each one. It essentially makes the predictability of our profitability a highly accurate empirical science, whereas in the past it was partially guesswork."

CG Visions provided all the BIM services to create the BIM models in Vertex BD.

Now, with Vertex BD, the product data can be digitally extracted through automated systems in BIM Pipeline and instantly matched with product tables and pricing contained in the BuilderMT purchasing system. With the BuilderMT integration, BIM Pipeline supports a variety of different workflows, allowing builders to connect the actual design with purchasing systems. The process essentially uses BIM data to directly drive detailed take-offs, so Allen Edwin is now generating option-isolated, lot-specific estimates in an automated process.

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Now, with the power of those models, and the data they contain, coupled with BIM Pipeline's estimating capabilities, we will be able to process 680 starts with just three people in estimating and purchasing and two in drafting.

- Matt Robbins
CAD & Estimating Manager

"It has taken us two years of work, but we now have 99% of our plans in BIM models," Matt Robbins explained. "With the power of those models, and the data they contain, we will be able to process 680 starts with just three people in estimating and purchasing and only two in drafting. We really feel equipped to scale up without staffing up, and that is a real testimony to the utility of the suite of software applications."

"Even better," Stacie Gratz added, "our variance purchase orders have dropped dramatically. Last month they were

below 2%. And our goal was 3%! The software is working better than we ever imagined, and part of the low rate of VPOs is that we have CG Visions' BIM Pipeline tracking option costs, markups, and installed costs, so



we have complete visibility to our cost and what we price the options for to our customers.”

Based upon the success of Allen Edwin Homes, the game has changed. Now, builders need to evaluate their own systems and processes and focus on the product they sell. They need to make sure they are partnering with technology companies that can take their homebuilding business into the future.



“Our variance purchase orders have dropped dramatically. Last month they were below 2%. Thing is, our goal was 3%.”

- *Stacie Gratz*
Business Technology Manager

ABOUT ALLEN EDWIN HOMES

“At Allen Edwin Homes, we know that there are many important factors that go into deciding where you want to live; schools, close to work, close to downtown, suburban lifestyle, recreation opportunities, close to airport, etc. That’s why at Allen Edwin Homes we have new home communities throughout Michigan and Indiana. Combine great locations with the style, quality and unprecedented value in our new home floorplans, and it is easy to see that at Allen Edwin Homes - it’s all about you! Learn more: <http://www.AllenEdwin.com>