



Necessity is the mother of invention: Problems can create opportunities for smart entrepreneurs

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Does this sound familiar? A contractor fought to get the job. When he wrote up and submitted his bid, he kept his margins tight because he needed the work to keep his crews busy. Now the job is done and he is having trouble getting paid.

It seems the story never changes. Winning bids, complying with antiquated codes, co-coordinating with subs, meeting deadlines, scheduling conflicts, labor issues and weather delays are problems that can't be avoided. Getting paid for the work done just shouldn't be one of them. Especially when you're talking about what could be 20% of the \$25 billion spent in 2010 alone - that's \$5 billion in uncollected funds.

Contractors have recourse when clients fail to pay them. The first steps in recovering money owed is the filing of a mechanic's lien. Unfortunately, a mechanic's lien does not guarantee payment and it can take quite a bit of time to recover the monies due. Another option is hiring a collection agency. They are costly, inconsistent in their results and also time consuming. Litigation is another option. It represents a last resort because attorneys are costly and time consuming and there is always a chance of not winning a judgment.

Problems create opportunities for smart entrepreneurs, especially when the sums involved are as large as those in the greater New York construction industry. Mediation, investigation and consulting services developed as a niche service to fill a gap in collections. These services started with the premise that the reason the contractor wasn't being paid was because there were problems on the punch list towards the end of the project that weren't resolved. The investigator determined what needed to be done by the contractor, mediated between the contractor and his client and ultimately payment was remitted. The process was often faster and less expensive than the alternatives. It was also a bit inconsistent.

Just as businesses have evolved, so has mediation, investigation and consulting of contractor claims. Norman Nelson, the owner of IIC Consultants LLC, is a seasoned entrepreneur and 36-year veteran of mediating and investigating claims for his construction clients. Over the years he identified key steps in the mediation, investigation and consulting process and began to refine them. His process works so well that he has submitted a method patent to protect it.

With the nation in the throws of a recession, IIC Consultants is becoming a popular solution for construction companies. Its carefully structured step-by-step methods offer relatively quick resolution of the underlying disputes that cause the delay in payment. But with success came new challenges for Nelson's company. He plans to train processors in his methods in order to meet the growing demand for the services that IIC Consultants offers.

Nelson also reports that he is offering sale's licenses to qualified construction professionals who are looking for a new career opportunity in an industry that they already have familiarity with. For a

modest fee he teaches licensees about his methods, provides them with sales literature and instructs them in how to present IIC Consultants to prospective clients. Once the licensee signs a client, IIC takes over, applying the patent pending methods that have proven so productive for resolving disputes and collecting monies due. Licensees can build their own sales organization, recruit their own personnel and operate their own sales enterprise, secure in the knowledge that they are supported by methods that yield impressive results.

One could almost say that the need to collect on so much money due to so many construction companies has created an opportunity that pays off for everyone - employment for some, a new business for others, resolution of disputes for construction companies that need the money and a new career for others.

Sound familiar? There is one difference, with the help of IIC and its new partners construction contractors will now get paid without the drama.

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