

National & Regional News

Architects advised to get smart about design competitions

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THE UNIVERSITY OF BRITISH COLUMBIA placed a full-page advertisement in the Nov. 7 edition of the *New York Times*, seeking interest from architects for competing in the design of its campus master plan and several buildings. The state of Alaska recently issued requests for competitors for its state capitol. A couple of years ago, New York City and the leaseholder invited architects to compete for the re-design of the World Trade Center site. A shopping center developer invited several architects to present their best ideas for a particular site in exchange for a modest stipend and the possibility that the developer would award one of the competing firms the commission to design the project. These are but a small fraction of the total number of design competitions out there.

Many architects cite particular competition victories as having been instrumental in elevating their respective firms in marketplace visibility. A few can even cite competition victories as the catalyst that created their practice, an example of which is the Berkeley firm ELS. The firm was formed many years ago when Barry Elbasani, Donn Logan and Michael Severin won a competition for a civic auditorium project in Binghamton, N.Y. They had formed themselves into a team, working in Boston at the time, and upon winning the competition they decided to set up a practice in Berkeley to undertake the project. At the time, they ranged in age from 26 to 36 years old. Without the competition, there's a good chance they would have gone their own ways and not started the firm. Add to those organizational boosts the *personnel* - energizing young and older staff alike - that comes from entering competitions and engaging in the charrette process that is so often the approach, and what may surface is the question of why competitions require "getting smart."

It distills to the simple fact that competitions are wonderful ways for clients to get architects' creative, and even great,

ideas at little or no cost. The situation gets worse when competition organizers - clients or their representatives - see it entirely within their purvey to take the good ideas from the competition entries and pass them on to their chosen architect, who may not even have been among the competitors. Every time an architect succumbs to enter a competition that is unscrupulously handled, that architect diminishes the value that every architect offers. That value diminution fuels clients' ability to squeeze architects' fees and, even more importantly, reduces clients' respect for architects in general, both of which increase the likelihood of those trends continuing.

The logic that "if we don't enter it, someone else will" is true so long as some other architect will, in fact, enter the poorly structured competition. When architects get smart, they will not enter the disadvantageously structured competitions, and they will also voice their opinions. Fortunately, there are at least some clients who will listen and who are receptive to the idea that architects' value is greater than what shows up in a design competition. Consider the fourth example noted in the opening paragraph: An architecture firm, XYZ, had been developing a relationship with a prospective client for about a year, primarily through the efforts of X, at which point the primary contact in the prospect's organization asked one of the partners in the firm to suggest the names of other firms, in addition to his own, that the client might want to consider for some of its work. X decided that offering names of strong firms reinforced his firm's image as a member of that circle of firms, and consequently suggested three firms well regarded in that particular market sector. About a month later, the prospect issued an invitation to all four firms to "offer their best ideas" for the project in exchange for a \$7,500 stipend and the possibility that it would award the commission to one of them. X's immediate reaction was annoyance at this turn of events, and then decided that this was the client's game and therefore one had to play by the client's rules. But with a little more

reflection, X developed a different perspective. X declined the invitation and explained to the client why:

"Our ideas are worth much more than \$7,500." (This, incidentally, is similar to the conclusion that Frank Gehry is reported to have reached when asked to compete for the World Trade Center project for a stipend of \$40,000.)

"With all these ideas in hand, wouldn't it be logical to expect you, the client, to give them to whomever you select as your architect?"

"The relationship and understanding between client and architect is important; this particular approach to a competition doesn't reflect that."

X fully expected a cordial, but lasting, parting, so imagine his surprise when the client called two weeks later with the news that "we agree with you, and we want to go forward with you as our

architect." Smart architect. Smart client. (And why would a good architect want to work with a client who isn't smart?)

Is this just a rare situation? What can architects learn from it? While it may be rare, it is not unique. Part of the pattern of poorly thought out competitions results when the real client delegates the selection, or at least the screening, to subordinates who don't necessarily share the same values as those who delegated the responsibility. A key point they miss is the value of the *relationship* that is so often a component in great and even in highly successful projects. Another part of the

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AIA crafts Contract Documents revenue-sharing plan

LOCAL AIA CHAPTERS RECENTLY RECEIVED CHECKS from the year-to-date sales of electronic format (EF) AIA Contract Documents licenses (Documents). The AIA Board expressed the desire that all components benefit from the valuable intellectual property embodied in the Documents. They hope this broader sharing of resources will foster a sense of unity in the Institute and enable local and state chapters to serve all AIA members better.

The revenue-sharing model will transfer a total of 25 percent of gross revenues from the sale of Documents to AIA state and local components as follows: Fifteen percent of Documents gross revenue will continue to be shared with Full Service Distributors using the distribution system formula and timing already in place for the past few years.

An additional 10 percent of Documents gross revenue will be shared with all state components. The amount each state receives is based on their proportionate share of total AIA membership. Where there are no local components in the state, the state's entire 10 percent share will go to the state component. Where there are local components in the state, 5 percent (one-half of the state's share) will go to the state component, and the remaining 5 percent (one-half of the state's share) will be divided among all local components in the state; the amount each local component receives is based on their proportionate share of total AIA membership in the state. When appropriate or desired, an individual state component and its local components may decide collaboratively to redistribute monies received by them collectively to accommodate financial circumstances in their state in a mutually advantageous and acceptable manner. After this initial distribution, the AIA national component will distribute revenue representing the 10 percent share to all state and local components on a quarterly basis.

AIA's ArchiWire to help promote profession

THE AMERICAN INSTITUTE OF ARCHITECTS has launched ArchiWire, an Internet-based news service to help designers connect with the local and national press.

Firms can use ArchiWire to post announcements about projects, awards, staff changes and financial reports, among other things. Architecture writers can monitor the site, viewing

postings from the past month or registering for access to postings during the past year. ArchiWire also stores search results by area of interest and notifies media members by e-mail when relevant new information has been added to the site.

In addition, the news service serves as a one-stop information source for the business of architecture. The database allows potential clients, students, academics, vendors and anyone else with an interest in the architecture community to monitor firm and component news.

AIA members receive a 50 percent discount for this service. For more information, visit <http://archiwire.aia.org>.

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pattern results from clients' awareness that they can get far more value from architects, notably their *ideas*, by paying very little. A third aspect may be that clients don't see it from the architects' perspective, and architects do little to help them understand.

With this understanding, there are some things that all architects should do to avoid ending up crying in their beer about being abused by competitions (and in case anyone in the Justice Department is reading over your shoulder, none of these is intended to infer collusion in pricing). Here are a few:

1. **Identify and understand the client's true and complete motives in having a competition.** Avoid competitions where the motivation appears to be "get-a-lot-by-paying-very-little-and-let's-throw-in-disrespect-of-the-architect-for-good-measure."
2. **Do enough research about the client** to determine if you want to work with the client if you win the competition. Don't be blinded by the glory of the potential win.
3. **Don't spend out-of-pocket more than your firm can afford to lose.** It's kind of like gambling. In fact, it is gambling. In other words, have

a good idea of the costs associated with competing, subtract that cost from the stipend, and the result, if it's a negative number, becomes your loss (unless you win, and even then, not all "wins" are financial winners). Can you afford that loss? What other things that might be beneficial to the firm does that loss preclude? And what opportunities are lost by the energy that could be going elsewhere instead of going into the competition?

4. **Value your ideas.** While it's not mandatory to receive compensation, or full compensation, for the cost of competing or the hopefully higher *value* of your ideas, it still helps to have a good idea of cost and value.
5. **Assure legal retention of ownership of your ideas.** Make sure the client can't pass those ideas on to another firm without compensating you fairly (meaning compensation above the stipend that might have been paid).
6. **Help the client understand the value of relationships.** This may dissuade the client from having a competition.

Perhaps more architects getting smart about competitions will become a bandwagon on which others will jump, and when that occurs we can expect that competitions will become better for both clients and architects.

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