

# Contractors warm to Internet bidding; state agencies see results

Gainesville, Fla. -- More and more state transportation agencies around the US are taking the leap over to Internet bidding and these organizations and the contractors that bid in their states are experiencing the associated benefits.

There are currently eight states where contractors can do Internet bidding by downloading letting data over the internet, preparing bids electronically and, in some cases, uploading their bids. The Internet bidding service, called Bid Express™ and offered by BidX.com, an Info Tech Company, is available in Georgia, Iowa, Michigan, Minnesota, North Carolina, South Carolina, Virginia and Wisconsin. Contractors in these states have experienced a reduction in paperwork and the significant time and cost savings associated with Internet bidding.

The state of Georgia has had Internet bidding available on a voluntary basis for over two years. In the first two years, 70% of all bids were submitted over the Internet for a total of 1813 bids worth over \$4.55 billion.

Wayne Boatright, a contractor with Shepherd Construction in Georgia was one of the first users to conduct Internet bidding. His company has experienced time and cost savings by using the service. They also see value in the way Bid Express checks bids for errors and omissions.

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One of the key benefits of Internet bidding is in not having to attend lettings in person to assure a bid is submitted. Boatright has seen the time and cost savings of not attending lettings start to add up in his organization.

State transportation agencies that have implemented the system are also reaping the benefits. Roger Bierbaum, Contracts Engineer for the Iowa Department of Transportation is highly involved in that state's implementation of Bid Express. He states that Internet bidding has already saved the state of Iowa “big bucks.”

“We had a contractor request a Confidential Bidding Document. He did not go to the letting hotel and tip his hand that he would be bidding. He submitted his bid from his office in a far corner of the state. We had one other bidder who thought they were the only bidder and bid \$30.8 million on a project. The confidential Internet bidder gave us a bid of \$23.2 million. Saving \$7.6 million made it worthwhile for us to implement Internet bidding.”

Bierbaum reports that the use of Internet bidding by contractors in Iowa is steadily increasing as more and more contractors become comfortable with the technology. In the first year of bidding, a total of 793 winning bids were submitted over the Internet for a total of \$280 million. During a recent letting, over half of the bids were



electronic and over 60% of those using Expedite submitted a bid over the internet. He reports that users are “generally happy” with the service and that the only change is that there is no “monthly pilgrimage to Des Moines” for the lettings.

Until recently, many states were not moving forward with Internet bidding because paper bid bonds were still required. BidX.com recently announced a new function that provides electronic verification of bid bonds and has therefore eliminated this obstacle. Now, the entire bidding process can truly be paperless.

“The new bid bond verification function was developed based on the feedback we were getting from Bid Express users,” said Randy Ewald, project manager for Bid Express. “They wanted a complete bidding solution that did not require the submission of a bid on paper. The new function delivers just that.”

Use of Bid Express continues to expand. The most active year of Internet bidding yet was 2001 when over \$4 billion in contracts was successfully handled by Bid Express. For more information about implementing Internet bidding, visit BidX.com at [www.bidx.com](http://www.bidx.com). •