



## Making More Green From Being “Built Green”

By Charles P. Schneider  
President, Builder Sourcing Corp.



Being *Built Green* is without question one of the most socially and environmentally responsible choices a homebuilder can make – a commitment to building a better home. *Built Green* also comes with construction processes and products that can increase costs. Perhaps a buying group for homebuilders can help.

There are four ways in which a buying group can help homebuilders make more money while being *Built Green*:

**1) Better information.** A buying group has the resources to gather and disseminate information, helping homebuilders make better buying decisions. At first glance, aspects of being *Built Green* can appear more expensive than conventional construction methods. However, with better information, there are times when being *Built Green* is both better construction and the economical choice.

Consider the experience of a builder who contemplated a change from hardboard siding to fiber cement. The builder talked to his framer and lumber dealer, and found that board foot for board foot, fiber cement was more expensive.

But as a member of a buying group, the builder had access to research on this choice. While the initial expense of fiber cement siding was greater than hardboard, there were also savings. When using fiber cement siding, joint covers are not required because there is no swelling between board ends. Plus, less expensive 4/4 trim could be used instead of 5/4 trim because fiber cement is thinner than hardboard. In the end, the installed cost difference between the two products was negligible, even before factoring in the group's buying power.

By using fiber cement, the builder ended up with a better product for the homeowner in terms of longevity, fire-retardance, and lower maintenance requirements. It also conserves natural resources. Add one to the *Built Green* checklist.

**2) Better marketing.** A buying group can provide builders access to marketing programs that were once only available to national builders. Many believe that being *Built Green*

should have been called *Built Better*. However, consumer education is the key to obtaining value from these efforts. Manufacturers can help. They offer co-branded marketing literature for builders, and they also provide marketing funds and advertising campaigns to get the benefits of being *Built Green* out to potential homebuyers.

**3) Better buying power.** One asset of a buying group is lower costs, thanks to the group's size and its commitment to do as much business as possible with as few competing suppliers as possible. In the example of hardboard vs. fiber cement, when the group buying power is factored in the fiber cement siding turned out to be the less expensive choice. In another case, a builder took the savings that came from volume purchasing of windows and made Low-E glass standard in all the homes he builds. With a buying group, being *Built Green* doesn't have to mean higher costs.

“We will never sacrifice quality for cost,” said George Hess, III, president of Vantage Homes. “We have tried new products based upon the savings but also based upon the commitments made by the manufacturer for training and support that had not been previously available to us. A true win-win.”

**4) Better relationships.** If you ask builders why they decided to join a buying group, they will tell you the main reasons were to save money and time, so they can focus on building homes. If you ask them what they like most about being in a buying group, most say it's about the relationships that they never had before.

Builders know their sub-contractors, but rarely do they know the manufacturers or the distributors that serve them. Why is this important? Because the people in these companies ultimately help builders build better homes. Keeping them up to date on new products, special programs, and trends in the industry is very valuable. This is especially true for the *Built Green* builder who seeks to take advantage of ever improving green products and construction techniques.

In the end, homebuilding is a people business and better relationships formed in a buying group lead to better business. That allows both builders and suppliers to get *more green* out of being *Built Green*.

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*Charles Schneider is president of Builder Sourcing Corporation. Headquartered in Denver, Colorado, Builder Sourcing is a national buying group for homebuilders and a select set of high-quality suppliers. Prior to Builder Sourcing, Schneider lead the national purchasing and design center business for MDC Holdings/Richmond American Homes. Visit Builder Sourcing at [www.buildersourcing.com](http://www.buildersourcing.com).*