


PREFAIR CASE	GERMANY 	ACTIVE
BUSINESS MODEL CATEGORY	One Stop Shop Model – contractor’s cluster cooperation	
TARGET BUILDINGS RENOVATION	Every type of building (local, regional, national and international clients of the network of the service provider)	
DESCRIPTION	<p>Prefair business model is a collaborative business model comprising the management and manufacturing methods for buildings refurbishment towards a more collaborative construction industry working environment and a value-driven competition. In order to improve the collaborative work between all participating project partners the Hochtief AG introduced the PreFair business model in 2003 and caused a paradigm shift in the construction industry. Within the PreFair business model the entire know-how and the potential of innovation of all project partners are concentrated in one team at the earliest date. The planning process is then deployed in a holistic approach. Key activities are: risk and safety management, planning management, expertise in structural design, expertise in technical building services, budget development, regular progress report, contractual model development, integration of customer network into planning, needs and feasibility analysis, financing, facility management.</p>	
SERVICE PROVIDER	Leading construction group (HOCHTIEF) that foster its partnering approach to include all project partners into the project execution at the very beginning of the construction project in order to maintain communication (Integrated Project Delivery)	
KEY PARTNERS IN THE SUPPLY CHAIN	Architects, Planners, Suppliers, ESCOs	
COST AND REVENUES	Cost structure: capital expenditure (CAPEX); Revenue stream: Cost-plus-fee contract, maximum cost contract, package price contract, budget contract, financing	
CONTACTS	Website: https://www.hochtief-solutions.com/solutions_en/23.jhtml?pid=7463 Email: info@hochtief.de	



SWOT Analysis

<p>S</p> <ul style="list-style-type: none"> The company is responsible for prices, deadlines, and quality. At the end of the planning performed in the preconstruction phase, the company names the estimated budget, which is considered binding. The planning itself is improved by the usage of professional planning management and innovative technologies; the building goal is also well defined. These aspects reduce the risk of planning gaps which can lead to higher costs and longer building periods in the construction phase. The planning and construction periods are minimized also by the partnering model applied to all the involved actors, the professional coordination and the synchronization of the planning processes. 	<p>W</p> <ul style="list-style-type: none"> This business model has a limited applicability for smaller customers/contracts and SMEs. There is no possibility to combine the steps from the two phases.
<p>O</p> <ul style="list-style-type: none"> High flexibility in the contract selection (i.e. alternative price models). The offered price models – Maximum price contract, Budget contract, Cost-plus-Fee contract and Lump-sum Contract – allow clients to select the optimal one for them. 	<p>T</p> <ul style="list-style-type: none"> In 2013, the Hochtief AG decided to specialize towards the four major fields of transportation infrastructure, energy infrastructure, social and urban infrastructure as well as towards the contract mining business meaning that the Hochtief AG tries not to focus on covering the entire value chain any more per se. In fact, these business areas could not be addressed by Prefair anymore, because one of Prefair's main ideas is the full value chain coverage.

