Xactware®
Verisk Insurance Solutions

CASE STUDY

R.A.R. CONTRACTING

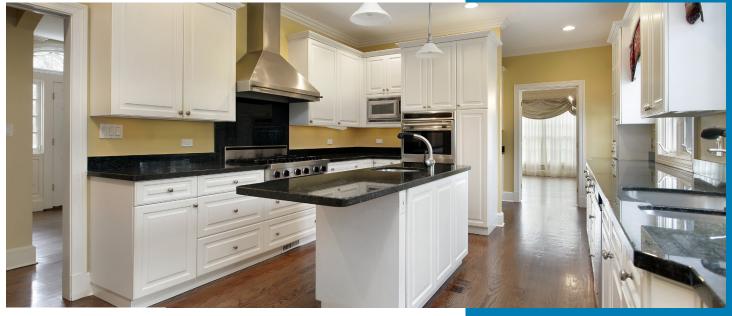## RAR CONTRACTING USES XACTREMODEL TO SAVE TIME, GAIN COMPETITIVE EDGE

RAR Contracting has created a successful formula to estimate a wide range of remodeling projects for its customers – including The Home Depot's Home Renovation Services (HRS) – by using XactRemodel. Based on this new approach, RAR Contracting can now finish estimates much faster and more accurately than with previous methods.

THE COMPANY

Since 1996, RAR Contracting has remodeled kitchens and baths for customers through The Home Depot's stores between Provo, Utah, and Logan, Utah, as well as in Rock Springs, Wyoming. The company completes up to 120 remodels per month that range from $6,000 to more than $65,000.

INDUSTRY
Remodeling

SOLUTION
XactRemodel

KEY CHALLENGE
Find a solution that can easily estimate the wide range of remodeling projects

KEY BENEFITS
By adopting XactRemodel, RAR has:

- Reduced estimating workflows by 30 percent

- Improved accuracy of remodel estimates

- Gained competitive edge in bidding for work projects

THE CHALLENGE

In early 2009, The Home Depot recruited RAR Contracting for its HRS program. Under the HRS program, participating lending firms assign RAR Contracting to inspect foreclosed homes and compile lists of the renovations needed – such as paint, carpet, and appliances – to make the properties sellable. The HRS program also allows RAR Contracting to work with homeowners who qualify for a renovation loan through their mortgage lender.

The HRS program typically follows this pattern:

- A home falls into foreclosure or gets approved for a loan.

- The lending firm submits a work order.

- RAR Contracting receives an express renovation authorization.

- RAR Contracting assesses the home and makes a list of recommended repairs.

- RAR Contracting sends its estimates to the lending firm.

- The lending firm approves the estimate.

- RAR Contracting renovates the home.

At the time, RAR Contracting used niche estimation software and in-house price lists to calculate the cost to remodel kitchens and baths. These programs worked well for those types of projects, but the HRS program often required RAR Contracting to estimate projects that fell outside the scope of their estimating platform.

"From roof renovation, repair, and replacement all the way down to foundation work, we really needed something that would cover the whole spectrum of home and commercial remodeling," said Skip Renza, Managing Partner of RAR Contracting.

AREAS RAR CONTRACTING WANTED TO IMPROVE

RAR Contracting wanted to adopt a versatile solution that could easily estimate the gamut of projects it received, from roofing and framing repair to flooring and appliance replacement. The company also sought a solution that would ensure accuracy by providing access to comprehensive local pricing data for building materials, labor rates, and equipment lists. And since participating lending firms requested highly detailed reports of proposed work, RAR Contracting wanted the ability to itemize each repair cost for assigned projects.

RAR CONTRACTING DISCOVERS XACTREMODEL

RAR Contracting learned about Xactware from several other contractors participating in the HRS program and decided to research the solution further. RAR Contracting soon concluded that one of its products, XactRemodel, filled its needs for a versatile estimating solution.

"When we are generally quoting jobs, it is a lot easier to use XactRemodel over any other program. We're seeing a 30 percent time savings at a minimum."

XactRemodel is Xactware's software solution designed specifically to help remodelers quickly and easily estimate the cost to renovate residential and commercial structures. With its patented Sketch technology, users can quickly draw floor plans and building features – such as rooms, stairs, and railings – in 3D or plan view. The Sketch feature saves time and assures accuracy by automatically calculating surface areas such as square footage of walls and ceilings, lineal feet of perimeter, and much more.

XactRemodel users can also access reliable local pricing research for more than 460 regions in North America. Xactware collects this data through surveys with material and labor providers and from live estimates to give remodelers a baseline that helps them build competitive, detailed estimates. XactRemodel's powerful search features let remodelers easily find prices for materials, labor, and equipment. "I like the Sketch feature," Skip said. "Quick 3D rendering gets the point across to customers. And the reference search is a very powerful feature to track and quickly find products related to framing, flooring, or stairs systems."

As remodelers compile estimates in XactRemodel, they can attach notes to provide customers with highly detailed work reports. In addition to these features and many other powerful tools, XactRemodel's user-friendly design provides remodelers with an easy-to-follow workflow to ensure they haven't left out essential components or skipped a step in the estimating process.

"The drop-down menus and the way XactRemodel is set up make it really simple to use," said Ron Sandmire, and RAR Contracting estimator. "Everything follows a certain pattern and you just follow that right down to the final step."

THE IMPLEMENTATION

Incorporating XactRemodel into RAR Contracting's business model was easy and pain-free. Ron enrolled in one of Xactware's Virtual Classroom Training courses so he could teach the rest of RAR Contracting's crew how to use the program effectively. In addition, Xactware was ready to help whenever RAR Contracting had a question or issue that needed to be resolved.

"If we had a question, Xactware's people were always right there so we could call and get an answer taken care of really quickly," Ron said.

THE RESULTS

Since adopting XactRemodel as an estimating solution, RAR Contracting has significantly reduced its turnaround time for estimating costs.

"When we are generally quoting jobs, it is a lot easier to use XactRemodel over any other program," Skip said. "We're seeing a 30 percent time savings at a minimum."

"XactRemodel saves so much more time over having to write down all the materials and pricing those materials out with the store."

Xactware's researched pricing data has improved RAR Contracting's ability to produce quotes that adequately address the demands and conditions of each project they bid.

"With XactRemodel, we are able to put pricing data into our estimates that reflects actual local costs," Skip said. "We did a project where we remodeled the offices for The Home Depot. We did all the walls, drop ceiling, the restroom, and the break room for the company, and the XactRemodel bid we produced for the project scope was right on target with their expectations."

In addition to improving efficiency and reliability, XactRemodel has given RAR Contracting a competitive advantage when bidding for work projects.

"The competition out there is really tough, especially now," Ron said. "If you have someone who is efficient and can turn a quote over in 24 hours, chances are you will probably get the job. Efficiency in pricing materials and labor is important too. If you aren't even close to being in the ball park, you aren't looked at."

THE LESSON

A hard-working, forward-thinking contracting company can achieve significant improvements in efficiency, enhance estimate accuracy, and win more work bids by adding XactRemodel to an already-successful business model.

"I always try to look for ways to streamline, and for that you have to look into the future," Skip said. "What XactRemodel is providing is the future."

"If you have someone who is efficient and can turn a quote over in 24 hours, chances are you will probably get the job. Efficiency in pricing materials and labor is important too. If you aren't even close to being in the ball park, you aren't looked at."