

Leading Online Claims System Arrives in Australia

Textura® Construction Payment Management (CPM) arrives at a pivotal time for an industry in flux

In the current economic environment, governments are contemplating steps to boost regional economies and are introducing heavy-handed measures to address construction insolvencies. In this climate, builders bid for jobs with increasingly narrow margins, hoping to keep volume up while riding out the storm. At the same time, subcontractors are stretching to keep suppliers and customers content. For each party, the risk is high and the path uncertain.

Enter Textura CPM—a collaborative, web-based solution, built and tested for these challenging times. This revolutionary product provides the construction industry with a shared platform for the exchange of claims, compliance requirements, and payments. Textura CPM reduces risk and increases productivity for organisations of all types and sizes, regardless of their role within a construction project.

A Proven Solution

The in-demand system currently hosts more than 300 builders, 60,000 subcontractor customers and is on-boarding 8+ new projects every day. Renowned in the U.S. and Canada for its efficiency, effectiveness, and client support, Textura CPM has received widespread interest from across Australia in the lead up to its official February 2013 launch.

Textura has been working with leading construction companies and Minter Ellison lawyers to refine the system and ensure it meets the requirements of Australia's unique market.

Following a year of customisation and planning, Textura CPM is poised to become the standard for claims management on projects of all sizes. Particular focus has been paid to facilitating Security of Payment (SoP) claims and notifications, tracking potential variations, and the details of the Australian billing process. The result is a comprehensive, adept, Australian solution.

"Textura CPM is the only industry solution that fully automates the billing and payment process. Implementing Textura accelerates our strategy of applying leading edge technologies to strengthen our bottom line."

-Thomas Gilbane, Jr., Chairman and CEO
Gilbane Building Company
ENR Top 20 Head Contractor

Textura CPM was first launched in the US in 2005 to bring efficiencies to the construction claims and payment process. The subsequent GFC and construction slowdown in North America brought thinning margins and all-too-common insolvencies. Amidst the uncertainty, more and more owners, builders and subcontractors turned to Textura CPM as a sound investment and process to manage risk and help weather the storm.

As the industry stabilised, early adopters in North America reaped the benefits of improved cash flow, more collaborative relationships with subcontractors, suppliers, and owners, and gained a streamlined paper-free process that reduced project risk.

Benefits All Parties

With Textura CPM the days of manual, ad-hoc claims systems have passed. Subcontractors finally have a single platform to submit claims to all their builders, regardless of what system and processes each builder has. As a

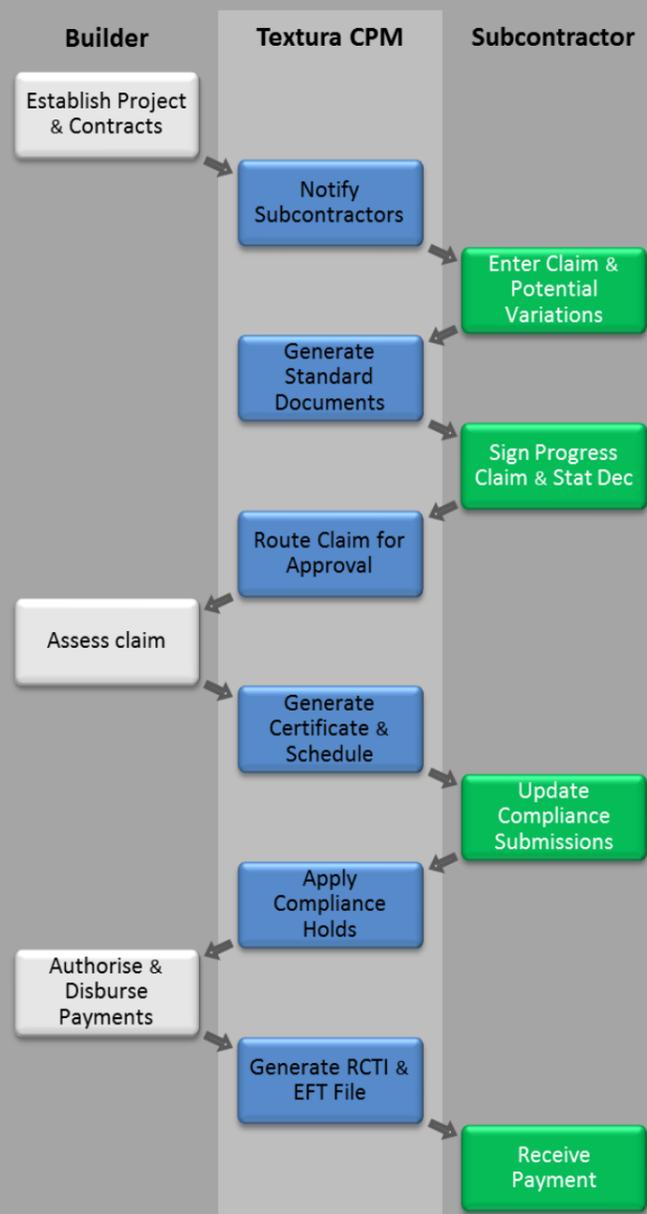
Textura® CPM – Improving the Claims Process

As a web-based application, Textura CPM brings all users onto a standard platform, thereby creating one shared version of each claim, variation, rejection, modification and payment. Having a shared view of the world significantly reduces the likelihood of dispute.

Builders establish the framework by entering project, subcontract, and compliance information. From there, subcontractors enter and sign their claims online. The process for entering claims is simple and all data including amount claimed, percentage complete, previously paid amounts, and retention are calculated automatically (and correctly—first time!).

The appropriate person(s) at the Builder can quickly assess the claim and make necessary modifications. Once the review is complete, Textura CPM generates all required documentation, including an accurate certificate and schedule, and provides it to the subcontractor with a notification.

With the assessment complete, compliance certificates are automatically checked for expiration. At the appropriate time an authorised user can, if desired, disburse funds via EFT directly to the subcontractor and an RCTI is generated and forwarded to the appropriate parties.



collaborative platform, Textura CPM also provides the appropriate level of visibility into claim, compliance and payment status, protecting subcontractors from unfair practices. Subcontractors appreciate having a fast, useful claims tool, fully supported by local Textura staff.

Head contractor employees, regardless of their location, realise the benefits as well. In the field, standard documents and online access make claim assessment a snap. Even the most complex claims can be viewed in detail, adjustments made, and schedules can be turned around in minutes. Notification of requested variations ensures costs are controlled early, are visible to senior management, and don't balloon as the project advances.

"We are able to process subcontractor payments faster while lowering our overall labour burden. We have eliminated lost or misplaced pay applications and reduced payment cycles by more than 3 days resulting in more than \$400,000 in savings in the last year."

-Dale Rohling, Accounting Manager
Knutson Construction Services
ENR Top 200 Head Contractor

Claim information is always immediately available in the head office. If a claim requires secondary approval, or a new compliance certificate is submitted, or a hold needs to be placed for defective work it can be managed by the appropriate party. Once approved, the claim is imported directly to the accounting system, eliminating manual entry of claim information. Real-time reporting ensures SoP requirements are met and accurate data is available to finance and operations groups alike.

Textura CPM can also be configured to include owners, architects, or consultants. Claims can be routed directly to these participants for approval and payments can be made by owners from their accounts. Alternatively, owners can receive confirmation of every subcontractor payments processed for their project. At any level, these assurances can prove to be critical risk management tools in the eyes of financiers or insurers.

Now available in Australia, dozens of head contractors and owners are pursuing Textura CPM as a solution to the well-documented problems of the construction claims and payment process. Textura CPM addresses many of the outstanding concerns around the efficacy of the SoP legislation and ensures payment to all parties.

Textura CPM's workflow, hierarchical structure and automated document creation processes are protected by patents around the world, including six registered patents in Australia – making it a unique solution to improve and streamline the management of construction projects within Australia.

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Textura® CPM – Features

A shared platform allows for clear communication and efficient claim processing for organisations across thousands of projects.

Collaborative Claims Process

Tracking multiple claims, back and forth, from fax to email to paper, with different versions can cause headaches and delays. By moving the process online to a standard, easy-to-use system all parties benefit from an improved process and often faster payments with fewer disputes.

Compliance Management Module

Textura CPM integrates compliance management with the claims and payment process. Colour coded summary display and on-demand reporting allows for easy tracking of contractor compliance in a single, shared location. Automated notifications and expirations ensure accurate decision making and reduce the risk of non-compliance.

Security of Payments (SoP) Controls

With limited time and potentially large, detailed claim requests, the manual process means the risks of not responding correctly within short timeframes are significant. Textura CPM tracks the date of submission, records claim modifications, and generates accurate documents allowing you to spend time focusing on the details of the claim.

Integrates with Accounting Systems

Textura regards the builder's accounting system as the system of record. Textura CPM integrates with accounting systems to ensure financial integrity. Progress claim data and documents are imported into your accounting system, eliminating manual data entry activities and reducing the risk of error.

Unapproved Variation Tracking

Textura CPM provides a module for receiving variation requests from subcontractors before their claim is due. Builders can respond to the variation request and incorporate the variation in the appropriate billing period, ensuring new costs are accurately tracked.

Paperless Process

By converting claims, certificates, schedules, and other documents into emails and electronic files, Textura CPM minimises paper and ink consumption, eliminates courier costs, and reduces your projects' carbon footprint. Long-term document storage ensures project information is maintained long after completion.

World Class Support

Textura provides free, unlimited training and support to all project participants. Our support team is based in Victoria and staffed with certified consultants, ready to answer your questions.