ULI Fall Meeting 2017
Technology Infusion: The Future of Real Estate & Construction
October 25, 2017
AEC Industry Today
Fragmentation leads to waste and lack of investment

- US AEC Industry Accounts for 5% of US GDP at Over 1 Trillion Dollars Annually
- The AEC Industry Possesses the Lowest Productivity of any US Industry
- 40% of Every Dollar Spent by an Owner Never Makes it Into a Project
- Other Major Industries have Consolidated and Have Integrated Their Processes
- The AEC Industry is Fragmented and Poorly Integrated
- Lack of Integration Leads to Waste, Increased Risk and Cost
- Model Centric Design and Planning Hold the Promise to Better Integrate Project Teams
- Reducing Waste and Inefficiency and Improving Outcomes for All Stakeholders`
The state of technology spend in E&C

IT Spending Percent Change, by Industry, 2016. Up 0.6% from 2015, expected 2.5% jump in 2017.

*SOURCE: GARTNER IT KEY METRICS DATABASE, March 2017*

IT Spending Percent of Revenue, by Industry, 2016. Same as 2015.
The state of technology spend in E&C (cont.)


IT Spending Percent of Operating Expense, by Industry, 2016. Same as 2015

*SOURCE: GARTNER IT KEY METRICS DATABASE, March 2017*