Serial NSC (Nominate Sub-Contractor) system

In Japan, building construction, M&E construction, pile construction etc. are considered as one project and it will be ordered as a general contract work. But the former British governorate under British Standard (BS) such as Hong Kong, Singapore and Malaysia are using Nominate Subcontractors (NSC) system which clients do tender directly for each parties, negotiates prices and places an order.

This seems to be just a separation ordering method, but using the NSC system the main contractor instructed this NSC and they need to have responsible for management too. This makes it easier for the ordering party to control the cost of subcontract work, you can put management risk on the main contractor. It is a cost on method called in Japanese.

Please refer to below case.

A factory project is ordered to a local contractor and following costs have been estimated as a bulk contract construction.

[Breakdown] Building construction: 7.2Million, M&E construction: 3.3Million, Pile construction:

0.4 Million Others (crane, compressor, etc.): 1.2 Million, Total: 12.1 Million as contracts work.

By using NSC system, each subcontractors has been bid and cost reduction was achieved as below.

[Breakdown] Building construction : 6.8Million, M&E construction : 3.0Million, Pile construction : 0.35Million Others(crane, compressor, etc.) : 1.05Million, Total : 11.2Million. Total cost down by 0.9Million and cost reduction by 8%. It looks like simple but selection of subcontractors, prepare of tender documents, price negotiation, NSC management negotiation to the main contractor, etc. works will occur. However, contents of the construction cost became clearer than bulk contract construction, even when additional construction work occurs later, it will be easier to investigate the cost.

[Case]

Case of incorporating the NSC system in an practical factory project \rightarrow Successfully reduced costs by about 8%.



Staff introduction

I am in charge of sales and marketing.

And I always think in the customer's position and propose the best solution to solve their problems.

Living a positive spiral that constantly fills up the antenna and fulfils even small things to create a good relationship is my motto.

I will continue to devote as a member of Plus PM Consultant.



Business Development Manager

Chiemi Yamaguchi





*We are waiting for your feedback to this journal. For more inquiries, please contact the above e-mail address.

Plus Update



Sakamoto MFG (M) factory's completion

Sakamoto MFG Malaysia factory invested by SRD HOLDINGS Ltd. has been completed to manufacture plastic automobile gas tanks. We have been involved from the land selection stage in 2015, after comparing the candidate sites and extracting issues related to infrastructure, we checked production lines and building specifications by observing existing factories in Japan. After that, we compiled basic planning drawing, building requirements, M&E requirements, master schedule and other customer's requests as bidding materials, and we assisted management of bids by multiple Japanese general contractors. After collecting quotations from each company, we evaluated the estimate contents, compared the results of each company, and supported client on general contractor decision ground of. The construction works were able to be completed without delay, without major problems by close coordination such as technical information exchange, regular meetings with our selected general contractor.

We sincerely appreciate the efforts of the client and all parties concerned in making this project successful.

Message from CEO

What is added value?

After three years since we established the overseas subsidiary, we finally grasp the key points of management. When we provide customers with added value beyond expectation then the management has been successful. Depends on the project, Plus PM Consultant always provide our customers with value-added services that other companies can't do. For example, the general contractor may decline a client's project due to tight construction schedule or budget. Under these situations, we always propose solutions that can be done by using our advantage of technology and network for the customer's. Likewise for local employees, we keep telling them to work with such feelings at daily conferences so that they are growing. Recently, we enhance our planning for the design know-how of freezing refrigerated logistics center and senior housing in Japan as our value-added service. Plus PM Consultant aims for speedy management by going one step ahead and makes efforts to add value to our customers.



Plus PM Consultant Sdn.Bhd. http://www.plus-pm.com

2016 December 💿 Vol. 8

Sakamoto MFG (M) S/B

Client	:	Sakamoto MFG (M)
Location	:	Selangor Malaysia
Usage	:	Factory & office
CM	:	Plus PM Consultant
Design	:	Shimizu Corporation
Build	:	Shimizu Corporation
Total area	:	6,362.25m
Structure/Scale	:	RC / 2F

Plus PM Consultant Sdn Bhd Managing Director/CEO Joji Kimura

On-going Project

O'hako Project

O'HAKO RESIDENSI (condominium) project is located about 30 minutes by car from Kuala Lumpur Malaysia and currently many new condominiums are under construction in Puchong area. On 20th November 2016, the ground breaking ceremony was held and the main construction work has been started in full swing. MARIMO LAND SDN BHD who is the first Japanese developer in the vicinity of Kuala Lumpur is directly doing business independently. This condominium is a large-scale project with 33 floors above ground, and 5 basement levels, and a total of 718 units consisting of twin towers. The main contractor of this project is done by a local general contractor. Plus PM Consultant is providing high-quality control (QC) service with "Look in the eyes of Japanese"

From now on we will work closely with our client about 40 months and try to understand with local general contractor and local staff each other with value communication, we will continue doing our best for success of this project.



Client : Marimo Land S/B Location : Malaysia Puchong Usage : Condominium CM : Plus PM Consultant S/B Design : Atelier Alan Teh Architect : Pembinaan Infra E&J S/B Build Total area : 167,554.16m Structure/Scale: RC / 33F B5F

We will report latest progress status in our next publication.

Japanese factory renovation project in JB

This is a project needs to be quickly started by a Japanese company. Since the schedule to completion is tight, our client purchased an existing factory instead of building a new factory, and make the factory operate on the target schedule by doing interior work and M&E facility on this project. Since the existing factory is an old factory that has been 15 years old since its establishment, we have studied the extraction of problems and their solution from sufficient inquiries in advance and shared it with client. Subsequently, construction company selection was carried out by comprehensive evaluation method, and construction contract was supported. Also, since application process will affect the progress, we responded promptly on behalf of client.

Our work contents are as follows.

[Work content]

- ① Risk assessment and advice of purchasing existing factory
- Creating a master schedule for the project and management 2
- (3) Survey of government office/ Creating official drawing and application
- Advice on GC selection/ Estimates review/ Design implementation 4
- (5) Construction guality and schedule control
- 6 Client's production equipment construction adjustment
- Joint inspection

Renovation work will test the project management ability compare to general construction work because there are many technical items and problems to be grasped and resolved.

Because the client's product is a new product that makes use of technology from Japan, it is a very worthwhile project for us. And we are really looking forward to completion of this project.

Point of GC selection in ASEAN

Speaking of the benefits of choosing Japanese general contractors, it is definitely a "sense of security".

There is nothing better than this. Of course there are disadvantages. That is "construction cost". It is not exaggerate to describe choosing a Japanese general constructors as "Buying sense of security with money". If clients want the same level of quality as in Japan we recommend Japanese general contractors without hesitation. For clients who really have to lower the construction cost, we propose alternative options other than Japanese general contractors.

However, there are many parts that differ from Japan in how to proceed and finish projects. It is important to understand that fact. We often hear the word "Japanese goods are good quality but high price". Certainly Japan's technology and quality are great, it has been branded and as Japanese we are proud of this.

However, in the globalizing society, "cost" is one of the big factors in the competitive society. From now on, we believe that Japanese companies will increasingly choose general contractors other than Japanese general contractors in a competitive society. In fact, some of local companies have hired ex Japanese general contractor so the quality standards are rising.

We will provide services to construct safe and secure buildings at optimal cost.

Management of Plus PM Consultant is offering it.

Warehouse system in Malaysia

Recently we often hear about topics on freezing and refrigerating delivery systems in Malaysia or ASEAN region. Logistics network has developed however in Malaysia the freezing and refrigeration system is still lagging behind so still ice is used as a means of transport storage. In this tropical country, fresh foods were delivered with a large amount of ice and exposure to outside air exceeding 30°C during transshipment. The freshness of ingredients can't be kept, and hygiene also becomes a problem. Meanwhile, a Japanese company has established a JV with a local logistics



company, and they established a new delivery system that installed with a freezing refrigeration system in existing warehouse, uses exclusive car for freezing and refrigerating. As expected, there seems to be a considerable demand, and this local company is planning a new large-scale freezing and refrigerating logistics system. This situation is the same not only in Malaysia but also in ASEAN countries where needs are high for fresh ingredients. Logistics realignment in the ASEAN region has been called, but the need for freezing and refrigerating systems to the logistics industry will continue to increase in the future.

ASEAN Information



