

## MEETING OF "LARC" STUDY GROUP AT HKU

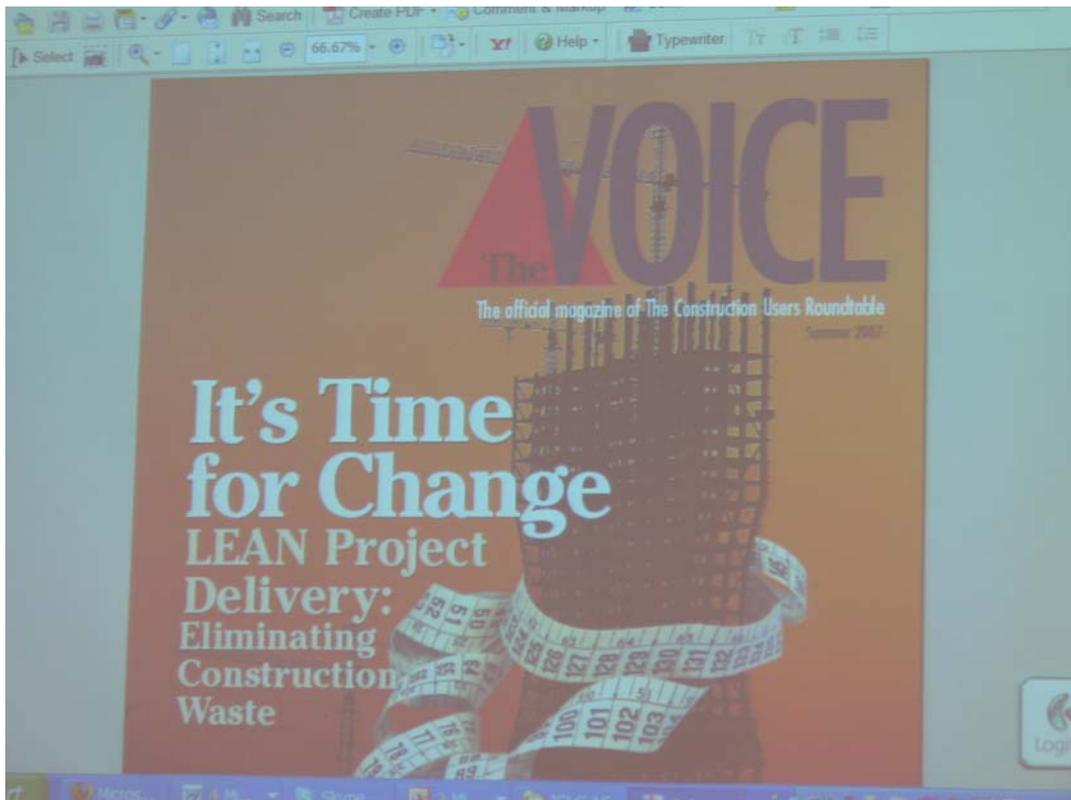
'LARC' is the CICID initiated Study Group on Legal Aspects of Relational Contracting. It was launched by the CICID Construction Law Task Force, and has strong support from the CIB (International Council for Research and Innovation in Building & Construction), through the relevant Working Commission CIB W113.

The first formal meeting of LARC was held on 27 Aug. 2007 at The University of Hong Kong. Dr. Cynthia Tsao's interesting presentation on recent experiences in the USA, was followed by discussions on initiating comparative case studies.



The first picture shows, from left to right, Mr Gary Soo, Chairman of the CICID Construction Law Task Force and Adjunct Professor at HKU, Prof. Mohan Kumaraswamy of HKU (present co-ordinator of LARC), Dr. Cynthia Tsao of University of Cincinnati, Mr. Sammy Wan of ATAL and part-time HKU research student, Mr. Aaron Anvuur of HKU and Mr. Gangadhar Mahesh of HKU.

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### Profit Distribution

$$P_N = [f(\alpha * L_N, \beta * MR_N, \gamma * E_N, \mu * S_N)] * P_{Total}$$

- P = Profit
- L = Labor cost
- MR = Material & rental
- E = Equipment cost
- S = Subcontracts cost
- N = Team Member N
- f = Cost function
- $\alpha$  = Weight of labor
- $\beta$  = Material and rental
- $\gamma$  = Equipment
- $\mu$  = Subcontracts
- $\alpha > \beta > \gamma > \mu$



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