

Arty Bolick Authors Construction Law Article for *Law360*

09.18.2023

In an article published by *Law360*, Arty Bolick discusses material price escalation clauses in construction contracts, a pandemic-related development within the construction industry that persists despite the easing of supply chain issues and leveling inflation.

"From April 2020, contractors began insisting upon material escalation clauses in their contracts, thus shifting the risk of price increases from the contractor to the owner. Significantly, many of these provisions offered no corresponding provision that entitled the owner to reap the benefits of possible savings should prices fall," said Bolick. "Owners are particularly concerned with material price escalation clauses in the context of a fixed-price contract because these clauses allow the contractor to pass the downside risk of price increases to the owner without sharing any of the upside of potential savings."

The full article is available to *Law360* subscribers [here](#).

PEOPLE

H. Arthur Bolick II

SERVICES

Construction & Development