

Leading Designers Discuss the Business of Design



BY ANNE McCARTHY STRAUSS, *DTM Correspondent*

At panel of elite designers offered insight at a design forum recently on how they overcame business obstacles to become the leaders of some of the most successful design firms in the industry.

Every panel member on the Design Forum at New York City's famed D&D Building talked about the struggles they had to overcome with the business end of designing and offered advice to the nearly 300 attendees. All panelists are included in *Architectural Digest's* AD 100 list of Designers for 2007.

Elissa Cullman
Principal
Cullman & Kravis, Inc.
Interior Decoration for Collectors of Fine Art and Antiques

Elissa (Ellie) Cullman, principal, Cullman & Kravis, Inc., City, State, is a designer who has truly achieved that elusive combination of stellar design sense and business smarts. Cullman, whose firm specializes in interior decoration for collectors of fine art and antiques, presented her tips for managing the business of design—with a strong focus on marketing—in an organized seven step presentation.

Establish an identity.

In Cullman's mind, establishing an identity for yourself is the first and most important business aspect of being a designer. She cited the example of having an identity as a collector of fine art. Whatever your identity, she said, you must admit that you cannot know it all and need to surround yourself with subject matter experts and technicians who will help you to grow into your identity.

Ask the experts.

Cullman encouraged the audience to work only with the most reputable dealers and auction house representatives. By living up to your end of the partnership, she said, you will be providing support to your experts. These mutually supportive relationships often last for decades.

Getting published is key.

And, as any writer or designer who has tried to get published knows, learning to deal with rejection is also key. Cullman knows this firsthand. Her firm was continuously rejected, yet they persisted in their quest for publication. “We sent photos to Architectural Digest for ten years,” she said, before we finally broke in. She emphasized the importance of always taking professional pictures of your installations. Architectural Digest’s Editor-in-Chief Paige Rense backed up Cullman’s claim. “We look at everything,” she said.

Have a public presence.

Cullman reminded the audience that every designer has the opportunity to participate in charitable events that showcase design as well as in other charitable opportunities. She said that, because people like to do business with others who take on charitable responsibilities, such activities both make you feel good about yourself and serve to enhance your reputation. Cullman also emphasized the importance of participating show houses, contests, and other public opportunities that will put you in the public eye and give you the endorsement of others as an expert designer.

Word of mouth.

Cullman believes that word of mouth is the best way to get new business. To ensure that what’s being said about you is positive, she emphasized the important of giving prospective clients detailed contracts and accurate written estimates. And your beautiful design work? That will speak for itself.

Relationships with vendors are as important as relationships with clients.

Like most designers, Cullman has established ongoing relationships with the vendors and suppliers she uses. And, as with most relationships, she said, the designer will get from the partner what he or she puts into it. “While maintaining your professional demeanor, make a point to be as polite and friendly with these partners in design,” Cullman told the group. “Grant them the consideration you want from them by paying bills on time, returning samples promptly, and referring their services to your colleagues. Your efforts will pay off in return referrals and rewarding relationships that are likely to last throughout your career.” Cullman expects the same respect from her clients. “If a client is rude to a driver,” she said, “I don’t want to work with her.”

Budget Comes First

Cullman ended her session with the factor that she emphasized must come first: Budget is key. If a client says the cost doesn’t matter, the successful designer will still be sure to qualify how much s/he is willing to spend, she emphasized. “Surprises in expenditures are never good, and itemized spread sheets of expenses are necessary for every job,” she said. She advised the group to take advantage of programs designed to keep their books in order, giving a special nod to

Studio Designer, a program she has used for a decade to guide her through every business step of the design process.

“Keep your eye on the business behind the beauty,” she concluded.

Alexa Hampton
Principal
MARK HAMPTON, LLC

Alexa Hampton’s work is classic, traditional and eclectic. Under her direction, her firm, MARK HAMPTON LLC, has completed a wide range of designs for domestic and international projects, including apartments and large residences, private airplanes and yachts. Hampton took over her late father’s business when she was only 27 years old. “At the time, I had no business sense,” she said without hesitation. Of necessity, she quickly added such complex business skills as employing marketing tactics and managing contractual and legal issues to her roster of talents.

Hampton told the group that she focused on the need to maintain a steady flow of working capital. Failure to do so, she said, often means the failure of small business. Part of her strategy was diversity. While developing a signature point of view is important, she said, developing skills with various looks leads to more projects. Diversifying into furniture, fabric, and carpet, as well as taking on both large and small projects all lend to the rhythm of the company, and ensure a continuous flow of business.

Like Cullman, Hampton said she is also a firm believer in the importance of marketing. She, too, emphasized the importance of participating in show houses. “I have never participated in a show house that didn’t result in assignments,” she told the audience of over 300 standing room only designers. “Investing in professional photos of installations is also key, and can result in magazine coverage that leads to more work.”

Harry Schnaper
Principal
Harry Schnaper, Inc.

Harry Schnaper obtained a degree in psychology and tried careers in special education and cooking before becoming a designer. Today, his firm, Harry Schnaper, Inc., is known for work that is contemporary in concept but historical in reference, with a pro-architecture approach. Schnaper proudly told the group that he is a designer, not a business man, and he likes it that way. His approach to bringing the needed balance of creativity and business sense into his firm is to surround himself with some of the best business minds in the industry. He also keeps his business relatively small—also, by choice.

Schnaper freely admits that he doesn’t like being the boss and never wanted to be in business. Before choosing design, he had careers in education, the culinary arts and fashion, none of which added to his business sense. The woman who runs his office, to whom Schnaper referred only as “a goddess,” manages all the business complexities from contracts to billing. “I don’t have a business sense,” he said. “So, if you don’t, get someone who does.”

Schnaper's talents beyond design include his ability to build variety on a theme. He suggested versatility as a way to take on multiple projects without having your business outgrow you. "Try deco, modern and traditional," he suggested. "The design principles are the same; the designer simply plugs in an aesthetic.

Mica Ertegun
Principal
MAC II

Mica Ertegun is known for designs that are simple but not minimalist. Her firm, MAC II, creates spaces decorated with neutral furniture, from many eras and locations, arranged so that each piece stands on its own without being isolated.

For Ertegun, success in the design business has been largely about choosing the right clients and partners. A highly social woman, she has formed very special friendships with many of her clients. This is particularly important as she will travel the world with her clients to source products. "I cannot buy on the Internet," she says. "I have to see a product, touch it, and feel it." She recommends surrounding oneself with only the best clients and partners. "If you meet a prospective client and your assessment is that you will not get along, tell them you are too busy to take on the project."

Like many others on the panel, Ertegun eschews finance and has staff who take care of the books and break down the costs for inquiring clients. "If a client feels the material fee, for example, is high, my accountants can show them that the fabric cost \$200 a yard."

Stephen Shadley
Stephen Shadley Designs

Stephen Shadley likes to look at his projects like paintings, each with its own textures, colors and composition. His firm, Stephen Shadley Designs, has managed such a range of projects as a 1927 Spanish Colonial home in Beverly Hills, a 20,000 square foot contemporary house in rural Pennsylvania, a penthouse in New York City, an Arizona vacation home, and an Arts and Crafts lake house in the Blue Ridge Mountains.

Shadley refers to himself as the accidental designer, having struck out on his own in 1994. His own home appeared in Architectural Digest's first edition to feature the homes of designers.

Shadley chooses to keep his business small, employing only five or six people. He takes on just a few clients each year but works hands on throughout the project. Clients have included Dianne Keaton, Robert Altman and Matthew Modine.

"In addition to having professional photos of your installations," he said, "have a great story to go with your pictures." With his award-winning eclectic designs and roster of clients, Shadley surely has many stories to tell.