



RISINGgiants
rise to the challenge

Fogarty Finger Architecture [5] redesigned the lobby at 437 Madison Avenue in New York. ➤

The student union at the University of British Columbia in Vancouver is by Dialog [27].

They had every reason to be optimistic.

Interior Design's Rising Giants, the 100 firms right behind the top 100 Giants, had seen steady revenue growth for years, ever since the Great Recession faded away, and were forecasting a robust \$536 million in design fees, which would have amounted to double the actual total of five surveys before. Not only did that not happen, but we actually saw fees go down for the first time since 2009. Though a very respectable number, \$456 million is still off 3 percent from last time and, of course, nowhere near the forecast.

This isn't great news. Numbers trending downward is a good thing in golf, not business. But we're hardly talking catastrophe. Despite a leveling off, even a slight retreat, let's not lose sight of the fact that business, on the whole, is very good. Nearly 60 firms reported average

5,000 football fields, for those keeping track. However, an average of \$87 per square foot is off quite a bit from the previous \$103.

Where big money is still being made is in hospitality, corporate, and residential work. Hospitality grew by 28 percent to account for 38 percent of total fees. Corporate remained the second-biggest earning sector, providing 25 percent of fees, but that was a 23 percent drop. Government work fell 62 percent, and health care and educational work also descended. Residential provided a bright spot, growing 20 percent, to \$67 million.

U.S. projects continue to dominate the ledgers—89 percent of the firms do some kind of domestic work. Only 22 percent work beyond U.S. borders, but the international hot spots are changing. Work is up significantly in Canada, Mexico, and the Caribbean. Meanwhile, the runaway growth of the Pacific Rim, especially Asia, has in fact reversed, dropping 10 percent. More growth is predicted in the U.S., specifically the Northeast, South, and West—nearly double the number of Rising Giants think so this time, as opposed to last.

Employment was a mixed bag. Design staff totals remained high at 2,742 positions, off slightly from 2,811. Salaries went down as well, with designers earning an average of \$68,500 rather than \$75,000. Project managers or job captains also took a \$5,000 hit, earning \$95,000. The only folks to see more money? Principals or partners, whose average salaries jumped from \$150,000 to \$175,000. The Rising Giants now predict hiring another 361 employees, and 84 percent of firms say that recruiting qualified staff is the number-one business issue they face—that's the highest total since we've been gathering data.

With all the mixed results, the Rising Giants remain bullish for the reporting period to come. Nine out of 10 firms are rosy on the economy and the business environment, with forecasts up across the board: \$506 million in design fees, \$12.6 billion in furniture-fixtures and construction, and a whopping 321 million in square footage. Best of all, 91 firms predict growth ahead.

There's lots to like in the current data. For the first time in a while, though, there's reason for the Rising Giants to be vigilant, too.

—Mike Zimmerman ▶



revenue growth of 17 percent. Only 28 earned less, 16 percent on average. Those numbers are the highest and lowest, respectively, since the pre-recession days of 2007.

Part of the challenge is that, while doing a huge volume of work, firms didn't get paid for it as robustly as they had. Total square footage rose 13 percent, to 270 million—that's almost

RANK 2016	FIRM headquarters, web site	WORK INSTALLED				RANK 2015
		DESIGN FEES (millions)	VALUE (millions)	SQ. FT. (millions)	DESIGN STAFF	
1	HARTMAN DESIGN GROUP Rockville, MD, hartmandesigngroup.com	\$8.500	\$7.500	0.63	18	10
2	ARIA GROUP ARCHITECTS Oak Park, IL, ariainc.com	\$8.475	\$125.000	1.15	84	6
3	MARGULIES PERRUZZI ARCHITECTS Boston, mp-architects.com	\$8.400	\$170.000	1.00	39	23
4	KASIAN ARCHITECTURE INTERIOR DESIGN & PLANNING Vancouver, British Columbia, kasian.com	\$8.300	NR	NR	53	4
5	FOGARTY FINGER ARCHITECTURE New York, fogartyfinger.com	\$8.150	\$10.000	3.00	53	37
6	HFS CONCEPTS 4 Long Beach, CA, hfsc4.com	\$8.100	\$110.000	NR	52	1
7	ANDERSON MIKOS ARCHITECTS Oakbrook Terrace, IL, andersonmikos.com	\$7.878	\$148.500	0.99	44	2
8	BAMO San Francisco, bamo.com	\$7.850	\$4.000	NR	35	--
9	SIMEONE DEARY DESIGN GROUP Chicago, simeonedearry.com	\$7.800	NR	NR	48	18
10	SKB ARCHITECTURE AND DESIGN Washington, skbarch.com	\$7.692	\$124.000	0.93	24	11
11	EDG INTERIOR ARCHITECTURE + DESIGN Novato, CA, edgdesign.com	\$7.500	\$120.000	0.60	66	22
12	DYER BROWN ARCHITECTS Boston, dyerbrown.com	\$7.490	\$290.000	4.25	38	27
13	STG DESIGN Austin, TX, stgdesign.com	\$7.425	\$106.400	2.00	29	29
14	DESIGN DUNCAN MILLER ULLMANN Dallas, designdmu.com	\$7.290	\$68.000	6.50	63	24
15	ROSSETTI Detroit, rossetti.com	\$7.250	\$100.000	2.00	8	--
16	LOONEY & ASSOCIATES Dallas, looney-associates.com	\$7.200	\$1,100.000	5.20	48	21
17	SMMA SYMMES MAINI & MCKEE ASSOCIATES Cambridge, MA, smma.com	\$7.150	\$68.000	2.50	30	20
18	WHITNEY Oak Brook, IL, whitney-architects.com	\$7.100	\$200.000	1.50	40	26
19	JGA Southfield, MI, jga.com	\$7.000	\$68.000	0.70	28	17
20	ICRAVE New York, icrave.com	\$7.000	NR	0.64	38	--
21	LAUCKGROUP Dallas, lauckgroup.com	\$6.800	\$200.000	7.43	37	39
22	ARRAY ARCHITECTS Conshohocken, PA, array-architects.com	\$6.500	\$224.000	2.80	19	28
23	KZF DESIGN Cincinnati, KZF.com	\$6.443	\$592.500	5.27	25	31
24	CHAMBERS Baltimore, chambersusa.com	\$6.402	\$76.500	1.77	26	33
25	LOFFREDO BROOKS ARCHITECTS New York, lbarch.com	\$6.200	\$300.000	2.00	25	38
26	SMALLWOOD, REYNOLDS, STEWART, STEWART & ASSOCIATES Atlanta, srssa.com	\$6.076	NR	NR	37	30
27	DIALOG Calgary, Alberta, dialogdesign.ca	\$6.014	NR	NR	36	--
28	HENDRICK Atlanta, hendrickinc.com	\$6.000	\$200.000	5.50	28	12
29	VERMILION ZHOU DESIGN GROUP Shanghai, vermilionzhou.com	\$5.795	\$9.160	0.13	40	59
30	DAVIS, CARTER, SCOTT McLean, VA, dcsdesign.com	\$5.616	NR	3.50	19	53
31	AWDA Irvine, CA, awdadesign.com	\$5.500	NR	0.96	25	36
32	FORRESTPERKINS** Dallas, forrestperkins.com	\$5.333	NR	NR	43	35
33	AAI San Jose, CA, aaidesign.com	\$5.300	\$120.000	5.00	32	42
34	S/L/A/M COLLABORATIVE Glastonbury, CT slamcoll.com	\$5.190	NR	1.70	16	--
35	TSOI/KOBUS & ASSOCIATES Cambridge, MA tka-architects.com	\$5.184	\$32.787	0.11	9	25
36	KAMUS & KELLER Westlake Village, CA kkaia.com	\$5.080	\$4.135	1.30	31	51
37	SMITH FIRESTONE ASSOCIATES Los Angeles, sfadesign.com	\$5.000	\$40.000	2.00	24	41
38	HICKOK COLE ARCHITECTS Washington, hickokcole.com	\$4.950	NR	NR	26	47
39	R.D. JONES & ASSOCIATES Baltimore, rdjones.com	\$4.900	NR	NR	35	52
40	INTEC GROUP Fairfax, VA, intecgroup.net	\$4.887	\$7.130	NR	28	13
41	RATCLIFF Emeryville, CA, ratcliffarch.com	\$4.785	NR	1.18	14	46
42	L2PARTRIDGE Philadelphia, l2Partridge.com	\$4.735	\$55.000	0.61	29	65
43	H. HENDY ASSOCIATES Newport Beach, CA, hhendy.com	\$4.700	\$150.000	5.00	29	49
44	ODA NEW YORK New York, oda-architecture.com	\$4.530	NR	NR	18	43
45	NICHOLSBOOTH ARCHITECTS San Francisco, nicholsbooth.com	\$4.500	\$6.000	0.30	24	54
46	BRAYTONHUGHES DESIGN STUDIOS San Francisco, bhdstudios.com	\$4.423	NR	NR	30	34
47	KING RETAIL SOLUTIONS Eugene, OR, kingsr.com	\$4.350	\$1,000.000	4.00	67	66
48	DAWSON DESIGN ASSOCIATES Seattle, dawsondesignassociates.com	\$4.325	\$230.000	NR	23	72
49	DSP DESIGN ASSOCIATES Mumbai, dspdesign.co.in	\$4.128	\$276.140	6.50	144	--
50	TAL STUDIO Las Vegas, tal-studio.com	\$4.100	NR	NR	22	45

**Perkins Eastman and ForrestPerkins merged on January 1st, 2016.

*NR - not reported

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51	ROWLAND+BROUGHTON Aspen, CO, rowlandbroughton.com	\$4.027	\$204.056	1.20	17	62
52	PHILPOTTS & ASSOCIATES Honolulu, philpotts.net	\$4.010	\$7.087	NR	20	--
53	BALLINGER Philadelphia, ballinger.com	\$4.000	\$100.000	1.43	20	94
54	DESIGN DEVELOPMENT COMPANY Agoura Hills, CA, Designdevelopment-group.com	\$4.000	\$30.000	NR	15	61
55	J BANKS DESIGN GROUP Hilton Head Island, SC, jbanksdesign.com	\$3.994	\$10.036	0.55	23	57
56	JOI-DESIGN Hamburg, Germany, joi-design.com	\$3.950	\$50.000	NR	32	60
57	LEGAT ARCHITECTS Chicago, legat.com	\$3.913	\$3.600	8.45	6	86
58	API(+) Tampa, FL, apiplus.com	\$3.840	NR	NR	24	75
59	MOJO STUMER ASSOCIATES ARCHITECTS Greenvale, NY, mojostumer.com	\$3.825	\$30.000	0.13	23	67
60	MSA ARCHITECTURE + DESIGN San Francisco, msasf.com	\$3.795	\$75.002	1.00	25	--
61	PUCCINI GROUP San Francisco, puccinigroup.com	\$3.780	\$19.500	0.06	42	88
62	SLIFER DESIGNS Edwards, CO, sliferdesigns.com	\$3.756	\$9.919	NR	16	70
63	JRS ARCHITECT Mineola, NY, jrsarchitect.com	\$3.500	\$63.000	1.25	15	64
64	KAY LANG + ASSOCIATES Los Angeles, kaylangassocs.com	\$3.400	\$108.000	1.45	16	69
65	DAS ARCHITECTS Philadelphia, dasarchitect.com	\$3.340	NR	0.40	18	82
66	PARKER-TORRES DESIGN Sudbury, MA, parkertorres.com	\$3.300	NR	NR	26	76
67	PHILLIPS ARCHITECTURE Raleigh, NC, Phillipsarch.com	\$3.244	\$50.000	0.80	22	--
68	FAULKNER DESIGN GROUP Dallas, faulknerdesign.com	\$3.241	\$10.959	NR	42	58
69	DESIGN 360 UNLIMITED Los Angeles, design360unlimited.com	\$3.200	NR	NR	15	--
70	KLAWITER AND ASSOCIATES Los Angeles, klawiter.com	\$3.166	\$45.000	0.60	14	81
71	HNEDAK BOBO GROUP Memphis, hbginc.com	\$3.150	NR	NR	20	--
72	SPACESMITH New York, spacesmith.com	\$3.146	\$22.400	0.39	17	83
73	MEYER DESIGN Ardmore, PA, meyerdesigninc.com	\$3.100	\$5.000	NR	38	73
74	ABEL DESIGN GROUP Houston, abeldesigngroup.com	\$3.023	NR	NR	30	63
75	COLE MARTINEZ CURTIS & ASSOCIATES Marina del Rey, CA, cmcadesign.com	\$3.000	\$20.000	1.75	9	84
76	C² LIMITED DESIGN ASSOCIATES Fairfield, CT, c2limited.com	\$2.875	\$59.950	NR	14	78
77	BAR NAPKIN PRODUCTIONS Phoenix, bnp-llc.com	\$2.847	NR	0.17	14	74
78	HATCH DESIGN GROUP Costa Mesa, CA, hatchdesign.com	\$2.796	\$77.969	0.21	23	71
79	STYLE INTERIOR DESIGN Irvine, CA, style-interiors.com	\$2.700	\$25.000	0.04	18	87
80	CETRARUDDY ARCHITECTURE New York, cetraruddy.com	\$2.500	\$93.000	0.75	20	92
81	SOSH ARCHITECTS Atlantic City, NJ, sosharch.com	\$2.500	\$55.000	0.48	14	79
82	INDIDESIGN Los Angeles, indidesign.com	\$2.500	\$50.000	NR	16	85
83	RULE JOY TRAMMELL + RUBIO Atlanta, rjtrdesign.com	\$2.500	\$10.535	1.71	26	48
84	C+TC DESIGN STUDIO Atlanta, ctcdesignstudio.com	\$2.387	NR	NR	21	97
85	CARRIER JOHNSON + CULTURE San Diego, carrierjohnson.com	\$2.328	\$9.310	1.16	14	40
86	BILL ROONEY STUDIO New York, billrooneystudio.com	\$2.250	\$20.000	1.00	12	--
87	K2M DESIGN Cleveland, k2mdesign.com	\$2.200	\$55.000	5.20	13	--
88	ADM GROUP Tempe, AZ, admgroupinc.com	\$2.160	NR	NR	9	68
89	GROUP ONE PARTNERS Boston, grouponeinc.com	\$2.126	\$75.000	NR	14	--
90	HIXSON Cincinnati, hixson-inc.com	\$2.079	NR	NR	18	96
91	GRAY DESIGN GROUP St. Louis, graydesigngroup.com	\$2.072	\$21.690	2.07	23	99
92	ORSINI DESIGN ASSOCIATES New York, orsinidesignassociates.com	\$2.020	\$30.000	NR	5	95
93	MARMOL RADZINER Los Angeles, marmol-radziner.com	\$2.000	\$5.000	0.08	10	--
94	CLEO DESIGN Las Vegas, cleo-design.com	\$2.000	NR	NR	14	--
95	RDH INTERESTS Frisco, TX, rdhinterests.net	\$1.903	NR	NR	8	--
96	HVS DESIGN Rockville, MD, hvsdesignservices.com	\$1.900	\$34.000	2.40	15	100
97	MONTGOMERY ROTH Houston, montgomeryroth.com	\$1.802	NR	NR	15	--
98	FORUM ARCHITECTURE & INTERIOR DESIGN Altamonte Springs, FL, forumarchitecture.com	\$1.800	\$32.000	0.22	40	80
99	PDT INTERNATIONAL Ft. Lauderdale, FL, pdtintl.com	\$1.780	\$26.274	2.03	10	--
100	DESIGNONE STUDIO Atlanta, designone-studio.com	\$1.761	\$45.000	0.90	12	89

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