

INTERIOR DESIGN[®]

JULY
2014



RANK 2014	FIRM (HEADQUARTERS WEB SITE)	DESIGN FEES (MILLIONS)	WORK INSTALLED		DESIGN STAFF
			VALUE (MILLIONS)	SQ. FT. (MILLIONS)	
51	Rossetti (DETROIT rossetti.com)	\$4.000	\$45.000	0.63	29
52	Rowland+Broughton Architecture and Urban Design (ASPEN, CO rowlandbroughton.com)	\$3.989	\$38.000	0.62	23
53	Shea (MINNEAPOLIS sheadesign.com)	\$3.984	NR	0.38	20
54	Brereton Architects (SAN FRANCISCO brereton.com)	\$3.828	\$168.500	3.25	25
55	SFA Design (SANTA BARBARA, CA sfadesign.com)	\$3.760	\$25.000	NR	20
56	Meyer Design (ARDMORE, PA meyerdesigninc.com)	\$3.711	\$15.481	NR	33
57	J/Brice Design International (BOSTON jbricedesign.com)	\$3.693	\$225.000	0.64	15
58	Mojo Stumer Associates (GREENVALE, NY mojostumer.com)	\$3.650	\$28.000	0.17	23
59	Slifer Designs (EDWARDS, CO sliferdesigns.com)	\$3.604	\$8.174	NR	13
60	JRS Architect (MINEOLA, NY jrsarchitect.com)	\$3.600	\$70.000	1.50	14
61	RD Jones & Associates (BALTIMORE rdjones.com)	\$3.600	NR	NR	23
62	Ratcliff (EMERYVILLE, CA ratcliffarch.com)	\$3.575	NR	0.77	8
63	Parker-Torres Design (SUDBURY, MA parkertorres.com)	\$3.507	NR	NR	17
64	Kay Lang + Associates (LOS ANGELES kaylangassoc.com)	\$3.500	\$170.000	1.36	16
65	Design Development (AGOURA HILLS, CA designdevelopment-group.com)	\$3.350	\$30.000	NR	14
66	Legat Architects (CHICAGO legat.com)	\$3.234	\$186.643	4.92	6
67	RDH Interests (FRISCO, TX rdhinterests.net)	\$3.230	NR	NR	9
68	AAI Design (SAN JOSE, CA aaidesign.com)	\$3.200	\$90.000	5.00	25
69	Kamus + Keller Interiors Architecture (WESTLAKE VILLAGE, CA kkaia.com)	\$3.150	NR	NR	28
70	Orsini Design Associates (NEW YORK orsinidesignassociates.com)	\$3.105	\$30.000	NR	6
71	Ábel Design Group (HOUSTON abeldesigngroup.com)	\$3.100	NR	NR	22
72	ADM Group (TEMPE, AZ admgroupinc.com)	\$3.091	\$140.267	1.17	11
73	J. Banks Design Group (HILTON HEAD ISLAND, SC jbanksdesign.com)	\$3.068	\$38.000	1.30	19
74	King Retail Solutions (EUGENE, OR kings.com)	\$3.000	\$750.000	30.00	41
75	Faulkner Design Group (DALLAS faulknerdesign.com)	\$3.000	\$6.600	0.21	23
76	Rule Joy Trammell + Rubio (ATLANTA jrtrdesign.com)	\$2.956	\$250.000	5.00	20
77	RPW Design (LONDON rpwdesign.co.uk)	\$2.870	NR	6.90	18
78	C2 Limited Design Associates (FAIRFIELD, CT c2limited.com)	\$2.786	\$54.600	NR	11
79	Hatch Design Group (COSTA MESA, CA hatchdesign.com)	\$2.703	\$86.581	0.26	27
80	Forum Architecture and Interior Design (ALTAMONTE SPRINGS, FL forumarchitecture.com)	\$2.700	\$4.500	0.50	7
81	Dawson Design Associates (SEATTLE dawsondesignassociates.com)	\$2.600	\$130.000	NR	27
82	Montgomery Roth Architecture & Interior Design (HOUSTON montgomeryroth.com)	\$2.592	NR	NR	11
83	Spacesmith (NEW YORK spacesmith.com)	\$2.477	\$18.000	0.24	13
84	DAS Architects (PHILADELPHIA dasarchitects.com)	\$2.450	\$55.000	0.45	14
85	Style Interior Design (IRVINE, CA style-interiors.com)	\$2.430	\$24.000	3.20	14
86	Klawiter and Associates (LOS ANGELES klawiter.com)	\$2.425	\$40.000	0.45	12
87	Design Directions International (MARIETTA, GA designdirectionsinc.com)	\$2.410	\$17.000	1.43	7
88	Philpotts Interiors (HONOLULU philpotts.net)	\$2.400	\$3.200	NR	17
89	Thomas Hamilton & Associates (RICHMOND, VA thomashamiltonassociates.com)	\$2.311	\$56.023	0.26	10
90	CetraRuddy (NEW YORK cetraruddy.com)	\$2.310	\$90.000	0.67	17
91	Indidesign (LOS ANGELES indidesign.com)	\$2.300	\$200.000	NR	16
92	SKIN Design Studio (LOS ANGELES skindesignstudio.com)	\$2.245	NR	NR	9
93	Puccini Group (SAN FRANCISCO puccinigroup.com)	\$2.200	\$5.000	0.50	16
94	CMMI (ATLANTA cmmi-redlines.com)	\$2.193	\$0.154	1.40	16
95	Heitz Parsons Sadek (WEST PALM BEACH, FL heitz-parsons-sadek.com)	\$2.170	\$31.000	0.89	12
96	Gray Design Group (ST. LOUIS graydesigngroup.com)	\$2.146	\$140.532	1.87	13
97	Gallun Snow (DENVER gallunsnow.com)	\$2.126	\$83.535	1.56	15
98	McCarthy Nordburg (PHOENIX mccarthynordburg.com)	\$2.080	\$46.151	1.15	12
99	Goettsch Partners (CHICAGO gpchicago.com)	\$2.076	\$40.000	0.80	12
100	WHR Architects (HOUSTON whrarchitects.com)	\$2.063	\$91.364	0.31	11

risingGIANTS

here's to good times

A steady recovery

from the Great Recession has been tracked by *Interior Design's* research department for several years. Now, it's time to formally say that the profession has exited recovery mode and entered a period of prosperity.

Our Rising Giants, the 100 firms right behind the top 100 Giants, are having a very good run.

"After the recession, there was a pent-up backlog of entrepreneurs who had money and concepts waiting to be developed," Aria Group Architects president James R. Lencioni says. "So our staff has almost doubled since 2008."

Part of that success comes from learned efficiency. The Rising Giants' average earnings per designer rose to \$213,000 from the \$190,000 range we saw stagnating for the previous six years. The percentage of a designer's time that's billable has also crept up to a high of 83 percent. "The recession was a moment to regroup and return to solid business practices,"

Spacesmith's Jane Smith says. "With change and challenge, our team has gotten stronger and more cohesive." Total design fees increased as well, 14 percent to \$428 million, and the Rising Giants forecast \$479 million for our next reporting period.

Total earnings have already topped \$1.1 billion. That's exciting. ▶



#10 Aedifica designed the Rio Tinto Alcan Planetarium in Montreal.



#22

What's bringing in all this cash? Office and hospitality work combined to account for 64 percent of income. And hospitality is really hot, with firm revenue from it jumping 34 percent. The group didn't see the hospitality bump coming—the previous forecast was that the office, retail, and health-care sectors would be better than they were. (Retail and health-care revenue actually dropped about 15 percent each, but both are predicted to have over 20 percent growth this year.) Educational and residential rose 22 and 26 percent, respectively.

A key factor in the income surge: square footage. The total number of jobs has risen, to 15,229 from 13,153. A bigger marker is the sheer size of those jobs. Total square footage skyrocketed 51 percent, from 135 million to 205 million. Firms aren't getting the same dollars per square foot, however. We've seen drops for three years straight, \$98 to \$91 and now to \$85. It should be interesting to see if that continues with the forecast of a whopping 244 million square feet from 16,000 jobs.

Here's another big number: \$10.9 billion. That's the total for furniture, fixtures, and construction materials, up 14 percent. The Rising Giants predict \$12.6 billion for the following year.

Where is all this work coming from? The U.S., primarily. Only 14 percent of projects from responding Rising Giants are international, and that's held steady for four years. The geography has trended in certain directions. For example, 40 percent of responding firms now work in Canada, up from only 26 percent. Compare that with Asia (54 percent, no real change), the Middle East (42 percent, up from 30 percent), and Europe (29 percent, dropping from 37 percent). Back home, firms predict a slight drop-off in the Northeast simultaneous with improvement in the South, Midwest, and West. "In 2013, our San Diego office exploded, and our Bay Area work increased exponentially," LPA principal Karen Thomas says. According to STG Design principal Jim Susman, the Lone Star State is also "extremely active—our Houston office doubled in size in a year." With all that activity, staffing is by far the biggest business issue. Concerns about recruiting, retaining, and training staff dominated our survey responses.

More proof of how busy everyone is: There's less time for extracurricular activities, 81 percent of responding firms agree. Last time, that number was 70 percent. Help is on the way, however, as responding firms predict 348 design hires, unfortunately not at higher salaries. Both designer and manager paychecks have stayed the same, averaging \$62,000 and \$85,000 respectively. Principals' average salaries did rise, from \$132,500 to \$150,000.

Growth and optimism are truly the operative words, with 49 percent of responding firms reporting growth and only 32 percent of responding firms reporting no growth or a contraction. And it's nearly unanimous: 95 percent of responding Rising Giants are optimistic about their firm's business and the economy overall. Of course, you're free to choose your own words to describe the climate. RD Jones & Associates principal Bernard Holnaider has some pretty good ones: "We're swamped!" —Mike Zimmerman

Metropolitan State University of Denver's Hospitality Learning Center is by RNL. ➤