

Diversified design

Masterpiece Interiors branches into new niches

BY JEFFREY RILEY

For Christy Scanlon, president and chief operating officer of Masterpiece Design Group, diversification is the only way to survive any economic storm.

The 12-year-old Masterpiece Design Group, and its corporate entity, called Masterpiece Interiors, was at its pinnacle in 2005, growing to 25 employees in the middle of the housing boom. At that time, Masterpiece was furnishing 60 model homes in Central Florida, as well as in Jacksonville, Tampa and in Georgia. Annual revenue for the Winter Park-based model merchandising company was more than \$5 million.

However, when the real estate market crashed and the number of new model homes being built dwindled, it left Scanlon to find another source of revenue.

So the company decided to branch into other design markets, Scanlon said.

Today, Masterpiece does work in the hospitality industry, while still maintaining its commercial business.

One of its new offerings: furnishing specialty boutique rooms for resorts, including Reunion Resort in Orlando, Scanlon said.

“We found a niche, doing more of a stylish, unique design,” Scanlon said.

Unlike a standard hotel that stocks the same furniture in every room, resorts make each boutique room have its own individual design, which is where Masterpiece steps in.

Scanlon said the main challenge is keeping everything on budget. Designing multiple resort and hotel rooms simultaneously requires buying large amounts of items at once, from fabrics to furniture, so the need to get the best goods for the money allotted is key.

Another new venture Masterpiece started is called “Saturday Models.”

On the first Saturday morning of every month, Masterpiece opens the doors to its storeroom and sells off excess model furniture and furnishing materials. Some of the material was ordered but never used, and some was collected from homes that were furnished by other design companies that went out of business.

Due to demand, Masterpiece now is planning for more than one open sale per month.

Even the core of the company’s business – model homes – has changed since the beginning of the economic recession.

Scanlon said some builders cut costs by having only the main rooms of models decorated. The total square footage of homes worked on has dropped, as well.

But despite the cutbacks, consistency from job to job has helped the company gain a strong reputation, Scanlon said.



Left to right: Christy Scanlon, president of Masterpiece Design Group, and Lisa Mulholland, director of design, branched into hospitality industry interior design after the housing bust

Linda Kling, director of sales for McNally Construction Group, has used Masterpiece to furnish model homes, a decision she calls “Better than good. It’s been outstanding.”

Scanlon said the company’s diversification into different markets won’t be an instant fix in the troubled economy. In fact, she still expects 2009 revenue to be 40 to 50 percent less than the \$5 million Masterpiece made in 2008.

However, she believes the diversification the company is going through now ultimately will make it stronger. Her goal is to pick up clients who have used other design companies that have gone out of business during the recession.

“When the economy turns, you have to make sure every little bit counts,” Scanlon said. “That’s one of the main reasons we have survived.”

Masterpiece Interiors

Top local official: Christy Scanlon, president and chief operating officer

Location: Winter Park

Description: Interior design, model home furnishing, boutique design

In the works: A 17,000 square-foot, multi-purpose clubhouse at Heritage Hills, built by Lennar Homes; and a 4,500 square-foot model home for Imperial Homes

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