# <u>THE</u> <u>ROAD TO</u> <u>ARKITEKTURA</u>

# <u>MY LIFE'S</u> WORK

By Andrew Fisher

Chapter 1

View Photos

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Everyone should have at least one teacher who changes his or her life. For me, it was my high school shop teacher, Buddy Reames. He was a hard-ass dude. Took no lip from anybody. He wore pointed cowboy boots so that if someone got out of line, he could kick them in the ass.

Which he did. More than once. I have no idea why he took a liking to me. He was the establishment, I was the counterculture. Super-long hair, lumberjack shirts and blue jeans with a whiff of hand-rolled cigarettes; you get the picture. But he put up with me. Encouraged me. Turned a blind eye to me being in his shop when he knew damn well I should have been in other classes — including his wife's English class.

Pretty soon, with Reames' guidance, I started piecing together simple-minded tables for parents and friends. Next I made speaker cabinets for this band I was playing in, which morphed into complete speaker systems for my friends. The point is, at 15 or so I was making stuff myself and making money at it, and the power of those two simple ideas inspired nearly revolutionary feelings in me. It allowed me to forge a relationship with materiality, design and execution: an ideology, as it turns out, that became the cornerstone of all my further endeavors.

# SAN FRANCISCO, 1976, AND THE DESIGNER CRAFTSMAN MOVEMENT

Chapter 2

#### View Photos

As graduation neared, the herd around me prepped for college. Where I grew up in Grosse Pointe, Michigan, you were supposed to up the ante, be more successful than your dad. A lot of the parents of my classmates went to Ivy League schools and their children were expected to follow suit. Then there's me. I wanted to design and make furniture. Conformity and compliance clearly were not in my genetic makeup. While some of my chums headed for Cambridge, Ann Arbor and New Haven, I headed for Haight-Ashbury. I was in a band at the time. We sucked, but we didn't know we sucked. And the bands we revered were all San Francisco bands: the Dead, Credence, Jefferson Airplane. So my friend and I decided we were going to San Francisco. But first I had to convince my dad. That's where Laney College in Oakland came in. They had a woodworking program — I told my dad it was the best in the country. It wasn't.

"Who said that?" he asked. "I read it." (I hadn't.)

My dad said no. But eventually I wore him out. And all of a sudden I was in San Francisco. Laney proved to be the first of many lucky breaks: it had a brand spanking new shop. And fortunately San Francisco was still loose and free enough then that they'd let you drop in on classes at the nearby Art Institute, where my friend was attending. I would just show up at photography or life drawing to see the nude models. It felt very...counter-cultural. I think if I were a legit student I would have cut classes. Instead, my attendance was pretty good. The two-school arrangement also introduced me to an important aspect of art and design: the maker versus the thinker. The Art Institute was my first real foray into the thinker's side of design, into the intellectual pursuit that culminates in making an object. I hadn't experienced that yet. I thought you made stuff for the sake of making it.

San Francisco was also where I fell in love with the American Craftsman Movement. Sam Maloof, Art Carpenter, Wendell Castle, Wharton Esherick and George Nakashima became my immediate heroes. Carpenter and Maloof used to lead seminars at the now-revered Baulines Craft Guild — which I joined largely because of them. It was a stroke of luck to be in San Francisco while the Guild was so influential. In my parents' day, the dominant aesthetic was Old World European antique, or ornate production furniture. Everyone wanted to be related to King James for some reason. But the furniture was just an object, with little connection to anything. The Craftsman Movement however, was connected to the maker. It spoke to me because it had that counter-cultural sensibility: instead of conforming and buying production furniture, you did it yourself. Screw the Establishment.

For me, San Francisco was the perfect fit. And perfection never lasts. The bubble burst. My dad and uncle figured out there was a great woodworking program at a school a lot closer to home, Northern Michigan University. I think they sensed I was having way too much fun in San Francisco and summoned me home. And when your dad summons you home, that's what you do. You go home.

# NORTHERN MICHIGAN UNIVERSITY FURNITURE DESIGN PROGRAM, 1978

Chapter 3

#### <u>View Photos</u> <u>View Design Work</u>

In 1978, I moved back to the Midwest where in the company of like-minded comrades, the previous six years of exploration and dedication morphed into something that looked like an actual life direction. It was hard. In the undergraduate program at Northern, 16-hour days were the norm. But with yet another brand new shop staring back at me, I was fired up with possibility. All of us were crazy about what we were doing, about design, about craft and material, and about our sacred tools. Our German hardened-steel chisels. Our English hand planes. And the Holy Grail, our Japanese saws. The way the Japanese make and sharpen the teeth creates perfect fluid motions when cutting a dovetail, which is a rite of passage for a woodworker. If you could hand-cut a dovetail joint with a Japanese saw, you could get any girl you wanted.

And the wood itself. In this part of the world, Scandinavian immigrants had built mining towns, many of them iron mines to serve the auto industry. These beautiful towns with opera houses were disappearing, leaving a Blade Runner bonanza of leftover industrial infrastructure. Some local entrepreneurs had figured out how to use the old iron kilns to dry wood. They'd chop down maple — the whole area was a bounty of Birdseye Maple and ash — and kiln-dry it in these giant mining kilns. The wood was breathtaking. For a manic OCD (Obsessive Compulsive Designer) like me and my classmates to stumble upon something like this was like stumbling upon a goldmine. We'd jump in my friend's station wagon and drive to kilns in towns like Ishpeming and Negaunee and negotiate with the owners. They were eager for our cash and we were eager for the wood. But we didn't have two nickels to rub together so the negotiations went deep.

When we'd unload a truckload of wood back at the school it'd be like a ceremonial. We'd stand the new boards up all in a row and stare at the grain with reverence. "Look at that one." "I'll trade you this one for the one over there." Material was (and is) everything. The same way a good guitar has its own sound, each board makes a piece of furniture unique. Everything I did was infused with the belief that somehow working with tools, churning one's craft, and forging a symbiotic relationship with one's materials was something noble, something important, in its own way a higher calling. Although I had no idea at the time, what I was learning was the sacrament of tool. But the fun didn't last: undergraduate studies drew to a close, and, diploma in hand, I had no idea where I was going to land. No idea at all...

# ILLEGAL SQUATTING PROVES TO BE A LUCKY BREAK

Chapter 4

#### View Photos

By happenstance, right after graduation from Northern Michigan University in 1980, I took up residency in the only safe haven I had ever known: the woodshop. I had no place else to go. It was summer, so most of the other students were gone. And there was a storage room attached to the sculpture studio that nobody ever went in. It was padlocked shut, but there was a gap in the walls I could just squeeze through. So I'd work in the shop until 10 or so, then retire to the storage room, where I had a sleeping bag, a hot plate and some bags of noodles. Though I lived in a constant state of cat and mouse with campus security, somehow I cooked, slept and worked all under the radar, building tables, etc., for friends and family and continuing to do the only thing I ever wanted to do: design and build furniture.

One day near the end of summer — when soon I'd have to yield my hideout to the new crop of students — the phone rang. Now, if one is living illegally, it's probably not a good idea to answer the communal phone. This was long before cell phones or voicemail, and all summer long I had let the phone ring until it stopped. But that day, for some reason that continues to challenge my atheism, I didn't. And it changed my life.

"Hello, this is Kirby Smith from Cranbrook..."

Smith was the ceramics instructor at Cranbrook High School, a prep school 20 miles north of Detroit. To this day I'm fairly certain he was under the impression that the person on the other end of the line was the head of Northern's furniture department, not some kid squatting in a spare room with field mice and an air mattress. Smith told me Cranbrook was looking for a new woodworking teacher. He asked me if I could recommend anyone. "Let me think about it," I said. Click.

After the conversation ended, a little light went on in my brain. But to be honest, I didn't really know what Cranbrook was. A friend of mine was the daughter of William Kessler, a famous Detroit architect. So I called and asked what he thought of it. He said, "If you don't know Cranbrook, you should go back to college and learn something." That gives you a pretty good idea of Mr. Kessler. "Well, what do you think of it?" I continued. I can still hear his reply: "I think you need to hop in your car and drive down there."

So I did. I drove three hours south to my parents' home in Harbor Springs, Michigan, where I borrowed my dad's two-sizes-too-large suit and tie. He gave me that raised-eyebrow look as I walked out the door, but it didn't faze me. Somehow in my youthful swagger I had the confidence to fill it. Which was a good thing, because Cranbrook, I soon found out, is the wellspring from which emerged the greatest gifts Americans have bestowed on the world of furniture design. Charles Eames, Eero Saarinen, Harry Bertoia, Ralph Rapson, Florence Knoll and many others have passed through its gates. I pulled into the parking lot and headed for my interview.

You can picture the scene: There I was, Squatter Kid, sitting in an overstuffed Queen Anne's chair, trying to convince the headmaster I was the perfect candidate for the job. He listened closely as I made my case for the importance and influence of all the great designers/craftsmen who had gone before me. I didn't need to make it up. My entire world orbited around furniture. I must have said something right. Within 48 hours I was offered the job.

### TEACHING AT CRANBROOK EDUCATIONAL COMMUNITY, BLOOMFIELD HILLS, MICHIGAN, 1980-1985

Chapter 5

<u>View Photos</u> <u>View Design Work</u> <u>View Student Work</u> Cranbrook was and is a magical place. It should be better known given that it was ground zero for the quintessential furniture movement in the United States, the influence of which echoed around the world. The campus itself is a National Historic Landmark. The Cranbrook Educational Community, built during the early 1900s when craftsmanship was paramount, hosts college prep academies from nursery through high school, as well as the esteemed Cranbrook Academy of Art, which is the top-ranked U.S. graduate-only program in architecture, design and fine arts. (There is no undergraduate program.)

I was teaching at the high school for boys. I remember the smell on the first day, a beautiful late summer afternoon. Three-hundred-sixty-five acres of architecture and sculpture surrounded by the unlimited inspiration of nature. The place oozed creativity. I unpacked my boxes, hung some pictures on the walls. A week earlier I was cooking over a hotplate. Now I was "Mr. Fisher" and living in faculty housing. My friends shook their heads in disbelief.

I didn't waste time. Immediately after settling in, I began to shape the sleepy high-school woodworking elective into the Furniture-Design-slash-Theory-of-Architectureslash-Technical-Drawing Department. I wanted to teach woodworking with purpose, not as an extracurricular. Instead of the usual birdhouses and mailboxes, I was going to teach the fundamentals of design, how it's integral to furniture, why the two cannot exist independently: to honor this beautiful material — the wood, like the planks of maple and ash that my undergrad friends and I had treasured — you cannot be capricious with it. I told the students everything should be an exercise in the pursuit of excellence. If you have the privilege of working in a shop like this with tools like these, you have to approach the work with purpose. That's how I saw it, believed in it, taught it. And I taught it with crazy, dogmatic enthusiasm. I was 22 years old.

I made mistakes to be sure, but through trial and error, it became an immensely popular program. The waiting list was soon 20-30 strong. Students flocked to it. And the recognition from the parents was intoxicating. Most of them were seriously accomplished people, titans of industry, and they loved me because I was teaching their children to work with their hands. Which meant a lot to me, because there were people on the faculty who considered "fine and applied arts" (painting, drawing and woodshop) subpar to meat-and-potatoes courses like math, science and English. But the parents — and kids — felt otherwise.

It inspired me to reach even higher. I spent my days teaching, but at night I was spending every hour I could in the Cranbrook Academy of Art library studying design. That's the thing about Cranbrook and other great institutions. There's this canopy of expectations that you need to live up to. An honor factor. Once again, I found myself on a 16-hour-a-day treadmill.

And once again I began to wonder: What do I do next?

# STUDYING AT THE CRANBROOK ACADEMY OF ART

Chapter 6

<u>View Photos</u> <u>View Design Work</u> <u>Thesis</u> Despite the name, the Cranbrook Academy of Art is a separate entity from where I taught. The head of 3D design was a guy named Michael McCoy. Probably the single greatest instructor in the history of the design department after Charles Eames. He had this weird kind of magic. You weren't scared of him but you sure as hell didn't want to disappoint him either. Everyone looked up to him. During my four years teaching at the boys' school I'd hang around his department. At first he barely spoke to me, but over time he became more accessible. I was learning a lot about design. We had a few very engaging conversations. He encouraged me to apply to the Academy in, what else, furniture design.

Acceptance into the Academy was no slam dunk, even if McCoy was in favor of your application. He was just one voice. Acceptance was roughly 1/40, and certainly a long shot for someone with a designer/craftsman portfolio. Most of the students who applied had gone to prestigious undergraduate schools and pursued a pure design path. So I knew I needed to be at the top of my game. I bought a nice leather portfolio. I sweated over my work. I remember spending 12 hours photographing two tables to create the perfect image. Then I waited. And hoped. And one day it was right there in black and white. "Congratulations," the letter began. I'd been accepted into the class of 1986.

I wish I still had that letter today. Because at the time getting into that program meant more to me than anything else in the world. From Day One I began immersing myself in all things Cranbrook. Even more hours in the library inhaling every word, every story, every influence. Day after day I toiled away in my beautiful, leaded-window studio in hopes of discovering just the right formula of inspiration and composition. The conversations alone were worth the price of admission: the Wiener Werkstätte, the Vienna Secession, De Stijl, not to mention the never-ending debates of the merits of Suprematism, Abstract Expressionism and, of course, the Holy Grail — Deconstructionism. All of it pouring through my young, idealistic mind. You dared not think small in a place where the spirits of the greats loomed large.

The Academy would prove over time to be a big influence on my work at Arkitektura. In graduate school, it wasn't about woodworking anymore. It was about design. And mostly product or industrial design, only part of which is furniture. So now instead of making things in the shop, I'm constructing foam core models and making precise drawings. Everyone has their own way of approaching design. For me it was a very intuitive process, the same way I approach music. I'd start with an idea. The actions to execute that idea would spark the next bit of intuition. And so on.

It helped that I had been a teacher the previous four years because there were no classes. Just a studio. They give you a desk and then it's, "We'll see you Friday." Critique Day. The day when you present your work, justify it, cite your sources, try to gain support for your progression, your idea, your direction. It was intense. And over time it became frustrating. I came from a maker's world and many of my old friends were already making things. They had left school behind.

# STUDYING AT THE CRANBROOK ACADEMY OF ART

Meanwhile, here I sat at Cranbrook. Staring at the proverbial blank page. Trying to find my way toward a design for a chair or something — which I did. I refused to fail. And the crushing process of the Friday critique taught me to be quick on my feet — and to sell my passion. But you can only take so much of a high-pressure environment where you're not really friends with your fellow students because everyone is gunning to be the next big name. People say it takes years to recover from Cranbrook. In a way that's how Arkitektura started: I was sick of designing.

Chapter 6, cont'd

# HOW ARKITEKTURA SHOWROOM, DETROIT, WAS BORN

Chapter 7
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<u>View Photos</u> Showroom Images Graduation arrived with a mixture of pride and something closer to dread. What would I do now? It didn't help that I came from a long line of accomplished people who held forth at the dinner table about "never going to work for anybody." And here I was, at 28, after all of these years of study and hard work, not having a clue what would come next.

Then a door cracked open: Arkitektura.

There are many trajectories to the beginning of Arkitektura. The first iteration of the showroom was the inspiration of Ronald Saarinen Swanson. That's right. Ron was the grandson of Cranbrook master architect Eliel Saarinen. The nephew of Eero Saarinen, who in addition to the St. Louis Arch and the TWA Flight Center at Kennedy Airport designed a lot of the Cranbrook furniture.

Ron collected everything. From duck and fish decoys to furniture of 20th-century masters — original pieces people today would slobber over. But his first wife Nina wasn't nearly so thrilled. The house was packed with stuff. She wanted it gone. You love chairs so much? Go open a gallery. That was the first vision of the showroom: to please Ron's wife. But, Ron never had any intention of owning and running a showroom day to day; he was preoccupied with his many real estate investments and insatiable appetite for duck and fish decoys. Before the paint could dry, Ron was back at his company, Countryside Investments, and I was left to turn a spark into a legitimate business.

Today it seems almost preordained. But then it was anything but. After graduation, I didn't want to stay in Detroit; my real objective was New York. I saw Arkitektura as a steppingstone (in my mind) to an eventual Big Apple showroom. Once I'd established the Detroit location selling reproductions of classics, I would engage in designing my own furniture line and selling it at Arkitektura New York. Ahh, dreams.

At first the novelty of running a business cleansed my brain and psyche. Building a sales team, interfacing with clients, and just generally trying to figure out the puzzle of success was a welcome distraction from all of those gut-wrenching Friday critiques. But now I had a more immediate problem. Cash flow. From the beginning the company had been severely undercapitalized, and soon the daily cash flow dance and the oncoming locomotive of payrolls were keeping me up at night. Like most startups, it was a daily game of chicken, waiting to see if the last two checks we deposited would cover the next four checks due to clear.

I did anything and everything to keep the fledgling company afloat. We sold Tizio lamps, a table task lamp by Richard Sapper made with snap-together arms. Invariably, customers would knock them over and bring them in for repairs. After a while, we'd collected a ton of mismatched parts. Enough to reassemble complete lamps from scratch and sell them for maybe a hundred dollars in profit. And I must have sold 200 replacement birds for those teapots Michael Graves designed for Alessi. Remember? They had a plastic birdie on the spout that always melted. How did it go through all the R&D without anyone figuring that the crazy birdies melted? They sold a half a billion of those things. But thank God for that melting birdie. No one else in their right mind would stock a \$20 replacement bird, but those things kept me alive.

# HOW ARKITEKTURA SHOWROOM, DETROIT, WAS BORN

Chapter 7, cont'd

It was a constant struggle. The reality was the market wasn't really big enough in Detroit to support what I was doing. But I wasn't going to fail — even if I had to spend every weekend snapping together recycled Tizio lamps.

Then I came up with an even better plan: Let's add postwar Italian masterpieces to the prewar classics of Eileen Gray, Corbu, Hoffmann and Mackintosh that had been our bread and butter. Which sounds great on paper until you realize that there was a powerful system in place to prevent stores like Arkitektura from doing exactly that.

We were rebels going up against the Galactic Empire. But, like I said, I was determined not to fail. And I got lucky again — in three ways. The 1990 recession. A rise (ironically) in the demand for knockoffs. And a revolutionary piece of technology you've probably thrown out by now. *The fax machine*.

# REBEL WITH A CAUSE

Chapter 8

From day one, the most important tenet at Arkitektura was to bring the best European and American designs to the American public. Not ordinary everyday furniture, but designs conceived and executed by world-renowned architects and designers.

We were prevented from doing this, however, because of the wacky distribution model in place at the time. In Europe, no problem. European distribution supported on-the-street retail showrooms like Arkitektura. The showrooms gave a small discount to the architects and designers (A&D in industry speak) who shopped for their clients. Everyone was happy.

That wasn't the way it worked in the States. Here, all of Europe's most coveted brands were available only at "trade only" design centers. Retail "street" showrooms like ours were shut out entirely. We couldn't buy the product. Neither could consumers. The only people who could were members of the A&D community, who in turn charged their clients huge markups.

The "Galactic Empire" that created this system was a consortium of companies — AI (Atelier International), Stendig Furniture, Beylerian Furniture, and ICF (International Contract Furnishings) — who, get this, sold all the great European furniture under their names. That's right, these American companies would make the yearly pilgrimage to the Salone del Mobile in Milan — the trade show — and cherry-pick individual products from the most revered brands. They didn't even have the decency to buy the whole line. And when the products arrived in the U.S., they repackaged and marketed them under their own masthead, creating the false impression that they

— not the Europeans — were responsible for these outstanding pieces of furniture. Then they sold them in design center showrooms that required an architect or design card to gain entrance. And yes, the showrooms, which they had opened in design centers around the country, were under their names.

It was a system that hurt everyone except the consortium. All of these great Italian brand names were being forcibly excluded from the contemporary conversation. And to make matters worse, these brands weren't just brands, they were families. Names like B&B Italia and Cassina are run by families who have been in design forever. Families with design in their DNA, like Barovier & Toso, who celebrated 700 years in 1995. And the pieces themselves are manufactured by family businesses. When corporations worldwide started outsourcing manufacturing, the Italian brands did not. None of the manufacturing of the companies I work with in Italy went to China. Zero. It brings tears to my eyes to see these families. At the trade shows they'll look at you like you're breaking their heart that you're not buying three sofas instead of two. And it's genuine! If they invite you over for dinner, you better go, and man, you better eat. And regardless of any myths you've heard, the Italians are some of the hardest-working people in the world. Literally the day after the Salone del Mobile (aka the Milan fair) they commence work on next year's fair.

All of that effort, all of that passion, all of that beauty, and as soon as it came off the boat it became known to Americans as a Stendig sofa or an Al table or whatever. But it wasn't. The consortium had subsumed the Italian legacy under their gig. And if the consortium had its way, you never would have been able to buy it at a place like Arkitektura at all.

# REBEL WITH A CAUSE

Chapter 8, cont'd

For two reasons. First, because we were selling directly to the public at a discount. And second, because we wanted to sell European designers under their family names, to pull back the curtain on the charade. So the American consortium blocked me. Froze me out. And I couldn't go directly to Milan because the consortium held exclusive U.S. distribution rights. B&B Italia, Cassina couldn't sell to me if they wanted to. The situation was so bad that I couldn't even buy the pieces of the collection the consortium had skipped over. Until I and a half-dozen other like-minded store owners broke them down.

Here's how it happened for Arkitektura. The first crack in the wall came because co-founder Ron Swanson was friends with Pat Hoffman. Who was married to Sam Friedman. Who owned ICF. Ron convinced Pat to sell us some ICF furniture. So that was a start. Then we put a lot of lighting in the store and sold that. Next, we began to showcase furniture from Cranbrook alums such as Charles Eames and Eero Saarinen. We kept our heads above water and little by little, the door opened a bit wider. It kept us afloat.

But what made the consortium cave in a little more were knockoffs. This was the beginning of the knockoff era, around 1987, which wasn't my ideal scene but I had no choice. I had the business going, my money was all in, and I had to make payroll. New York retailer Sergio Palizetti was importing knockoffs of all of the classics, and it didn't take a lot to get Sergio to sell to Arkitektura in Detroit. He was more than happy to stick it to the consortium. And so was I. It made the consortium nuts.

Within eight months, the consortium started breaking down and selling us one or two pieces from their collection. In short order we replaced all the knockoffs with licensed reproductions. What forced the hand of the consortium even more was the 1990 "white collar" recession. Detroit was the butt of that U.S. recession because the Japanese automakers had come in, starting in the '80s, and cleaned the Big Three's clocks. Here I am in Birmingham, MI, about a half-hour from Detroit, trying to sell incredibly expensive furniture. I was paying myself \$12,000 a year to keep my car door from falling off. I was invested emotionally and financially. I had no gravy, no float, no cushion. I was on the edge all the time and we were in a down spiral. But I had groomed the company to be frugal and efficient because there was zero room for slop. And by the way, that mindset never leaves you. Even if I'm doing okay, I'm always of the mindset, "Don't throw the bird away, because you can get another teapot." Some knockoffs. A recession. Now all we needed was that fax machine.

# THE 1990 RECESSION WAS MY LUCKY BREAK

Chapter 9

If the recession was hard on us, it was even worse on the consortium. The Italians were after them constantly, "Why aren't you selling my stuff?" They didn't realize how bad the recession was over here. No one was buying, and a lot of the people who were, were buying knockoffs.

Here's where the fax machine comes in. A year earlier, some of the Italians had wanted to fax me — I had minor business dealings with them for replacement parts. I didn't have a fax machine. No one had fax machines; the era of thermal paper had barely begun. I was still waking up at weird hours to call Milan. They said, You gotta get one.

So I flew from Detroit to New York City, to 42nd Street, to get a fax machine. Back then, there was no Best Buy or any of that. I had to go to New York, to the row of little electronics shops, and I carried it under my arm on the plane home. And it began to change my company. To have that kind of communication, to talk to Italy directly and immediately was life-changing, exciting and revolutionary. Fax machines shrank the world. Suddenly, I'm faxing the Italian companies directly.

And as the recession deepened a year later, the Italians weren't just answering my calls, they were faxing me: The consortium isn't selling anything. What about you? First it was B&B Italia. Then Cassina. Suddenly we were able to buy direct from the Italians. Not just me, of course, but a whole group of rebel on-the-street showrooms in cities across America with similar tenacity and vision: Luminaire, Current, Montage, Diva, Limn, City, Inform.

And one by one, each company within the consortium — AI, Stendig, ICF, and the rest — dissolved. Remarkably, all within a 12-month span. By the end of 1991, they were gone. The market had shifted. The old way of doing business, namely 40% off list price to the A&D and full retail to everyone else, had evaporated. We were finally able to bring the best European and American designs to the American public. For once we had the opportunity to show a profit. And boy did it feel good.

# OKAY, NOT EVERYBODY WAS THRILLED

Chapter 10

The consortium was gone. I was happy. The Italians were happy. American furniture lovers were happy. The only people who weren't happy were the architects and designers. They hated us. We'd just taken away their 40% profit margin. What did we expect?

It got ugly. They started threatening us. We'd get nasty phone calls from architects and designers saying, "I'll never buy from you! You quoted my customers 25% off list and I always charge list and now I don't make my margin!" They were outraged. They even went to the Italians: "These people are bad, they don't understand the product. They're kids, don't sell to them." But the Italians didn't care because Italy didn't have the American sales model to begin with. I guess to them it was an internal state matter.

Things got so bad that at one point we hosted an American Society of Interior Designers (ASID) event in Detroit and, I'm not kidding, I had a roomful of pissed off designers and decorators who drank my wine, ate my cheese and threatened not to buy from me. Seriously, 75% of the guests were not there to enjoy the products but to be adversarial. It was miserable.

Then Metropolitan Home and The New York Times included us in big articles on "on-the-street showrooms." Even more A&D were pissed off. And not just at us. Design stores like Inform, Current, Limn and others faced the same challenge. Lesson learned: it's tricky to navigate selling to both the retail and trade markets. The good news for everyone, though, was that the great European brands were flocking to the United States because there was no longer a consortium laying claim to exclusive distribution. For the first time, the most coveted designs would no longer be marginalized under someone else's logo, but celebrated for their many years of renown. And for the first time in the States, our customers could buy them at more competitive prices. This sudden and unexpected shift began the great integration of Italian postwar designs at Arkitektura.

The first wave arrived: Castiglioni, Magistretti, Bellini, Mendini, Pesce, Rossi, Branzi, Sottsass. Then the second: Citterio, Stark, de Lucchi, Newson, Morrison, Arad, Dixon, Kuramata. All under the direction of the Italians and with the grace and precision only they could deliver. My mind raced with opportunity. My heart pounded with infatuation for my newfound loves: B&B Italia, Cassina, Cappellini, Zanotta, Driade all vying for the top spot. It was a particularly exciting time because the competition among these companies fueled an Italian design machine yet to be equaled. And then little by little I started asking myself the same question I'd asked so many times before.

What do I do next?

## <u>1998,</u> <u>ARKITEKTURA</u> <u>SHOWROOMS,</u> <u>SAN</u> <u>FRANCISCO:</u> <u>TIME TO</u> <u>MOVE ON</u>

Chapter 11

#### <u>View Photos</u> <u>Model Images</u> Showroom Images

The millennium was approaching and I was feeling a need for a new challenge. I felt like I had perfected the Detroit machine. I needed something to inspire me. Eighteen hard-fought years had yielded achievements and a wall of accolades, but one thing was never going to change: I was fighting against the tide. Don't get me wrong: I love my Detroit clients, which include many children and grandchildren of the auto industry. People with sophisticated, cultured tastes. These clients, looking to New York for inspiration, wanted to make their interiors as edgy as possible. I didn't have to sell them on modern design. They were already educated when they walked in the door, and were discerning in their purchases.

But there simply weren't enough of them in the Detroit area. And as the auto companies started taking on water in the late '90s, the number was shrinking rather than growing. Meanwhile, my contemporaries in larger cities were flourishing. It was time to move. Literally. With little fanfare, I uprooted my family and returned to the land of opportunity: San Francisco. My intention was clear. I was bound and determined to create a world-class showroom born of my passion and scholarly dedication. A showroom that expressed my unwavering commitment to design.

It was, in hindsight, one of the riskiest things I have ever done. I didn't have much money. Though I had done well in Detroit, I hadn't exactly amassed expansionist funds. I had no venue. And I was encroaching on the turf of a well-established competitor, Limn. But in my defense, I thought there was a hole in the market: Limn had its own unique way of displaying furniture. My dream was to open a showroom carved up into individual studios where brands could be presented as cohesive collections, giving customers insight into the lineage and philosophy of the design houses. I thought I was offering something different from Limn versus mimicking them.

Now that vision would be put to the test. I bought a ticket for the Salone del Mobile and quickly began modeling my "dream showroom" with foam core and hot glue — never underestimate the power of a good visual. The model tucked under my arm, I boarded the plane for Milan. There, I ran headlong into one of my favorite qualities of Italian businesspeople: their loyalty. As had always been the case, the most revered Italian brands worked on an exclusive single territorial partnership, which in San Francisco meant Limn. Would they sell furniture to me too or...? I sat espresso to espresso with each manufacturer, people I knew well because they supplied me in Detroit. I showed them the model. I outlined the new direction. At Arkitektura San Francisco your brand will have its own showroom. Your story will be told in its entirety.

Everyone seemed to be quite excited by the model. And certainly my personal integrity and longevity in the industry would speak for itself, right?

#### Wrong.

It was clear that I would be flying home mostly solo. In the end, only a few vendors were willing to forge a new partnership in San Francisco. Which may have been just as well in one respect. The only "store" I had was the foam core model. No lease. No location. Funny enough, when I ordered the furniture at the fair, I have no idea what I used as my shipping address. Back in San Francisco, with furniture already on the way, I found the building on Ninth Street where we are today. I was so excited when I met the landlord, showing him my model, waving my arms around in what was then a crummy shell of a space outlining this amazing thing I would create.

### <u>1998,</u> <u>ARKITEKTURA</u> <u>SHOWROOMS,</u> <u>SAN</u> <u>FRANCISCO:</u> <u>TIME TO</u> MOVE ON

Chapter 11, cont'd

My youthful naiveté hadn't left me. Mid-sentence, the guy stopped me. He said he'd rent to me if I did what I said I was going to do, and named a price: a dollar a square foot. If I didn't do what I said I was going to do, he would double it. I said okay. The furniture was ordered. We had a venue. All I needed now was...money. Of which I had none.

But luck was on my side. In 1999, the Glass-Steagall Act was repealed, changing the banking industry. Now, brokerage houses could both loan money and offer lines of credit. The blue-blooded banks in Detroit were willing to loan us very small sums of money, and then in turn audited us every quarter. This was invasive and time-consuming. After beating my head against the wall with a few of these banks, I was introduced to Merrill Lynch. At this heady time in the new banking world, Merrill Lynch was more than willing to fund my Detroit operation. For the first time in 15 years, we had a serious revolving line of credit. So I went back to Merrill for the San Francisco showroom. I showed the loan officer my foam core model, which, thanks to my Cranbrook education, was fantastic. He gave me a solid loan to build out the space.

Of course, the remodel snowballed. The place hadn't been touched in 80 years, except for tenants piling up layers of toxicity. There was asbestos in the floors, the ducts, the ceilings. We burned through the loan money, then through my credit cards. When those were maxed out, we turned to the Detroit store. This was my Field of Dreams moment. I was operating under the directive, "If you build it, they will come." And just as in the movie, my day of reckoning was fast approaching. There were serious questions not just about when the showroom would be finished, but if. Of course, some things never change: I sent out the invitations to the opening party in March even though we were months away from completion. In the end, it came to almost a million dollars. I was up to my eyeballs in debt, and we hadn't even opened.

The night of the party finally arrived and the showroom sparkled. My sigh of relief echoed from San Francisco to New York. Close to eight hundred people attended, all of them asking me with great curiosity why I would dare go up against Limn, around the corner. The buzz was as large as my debt load.

What I didn't realize was that I had landed in San Francisco at the start of the dot-com boom. Every night people were going to opening parties for one new tech company after another. Meanwhile, I barely knew what a website was.

I had come to San Francisco in large part to revisit where I'd been in the '70s and to create a showroom of real significance. Change the world again.

It was a strange time. Soon after we opened, people, mostly kids fresh out of college, came into the store with money in both hands saying, "If I don't spend this money, I'll lose it! What can I buy?" It was all venture capital money. I couldn't keep up, couldn't hire enough people, couldn't set up enough computers. Whereas a few years prior I had been cobbling Tizios together, in San Francisco I did more business in eight months than three years in Detroit. Also, in Detroit the average customer was 45-60 and very contemplative and educated about what he or she bought.

# 1998, ARKITEKTURA SHOWROOMS, SAN FRANCISCO: TIME TO MOVE ON

Chapter 11, cont'd

In San Francisco in 1999, it was capricious. I don't think the kids — they were frankly always mid-twenties — knew what they were buying. They would walk in and start pointing at couches and coffee tables, saying, "I'll take that, that, that and that" for their offices. I'd never seen anything like it. But it sure helped take the sting out of my million-dollar debt load.

Despite our success, only a few of my Italian vendors would allow me to sell in San Francisco even though they sold to me in Detroit. No B&B Italia or Cassina. They'd tell me, "So sorry, we are at Limn a long time." Italians are extremely loyal in business. So we wholeheartedly committed ourselves to the brands we did have.

We sold Poliform, Minotti, Vitra, Herman Miller, Wittman, Varenna kitchens, Kartell, Matteo Grassi and Flexform, and some lighting. And for the next two years San Francisco's rise was meteoric. My friends clamored over my new status as genius, believing I had predicted this bonanza, when in reality it was another huge gamble gone good.

Of course, because this is a volatile business, it wouldn't last long.

# THINGS THAT GO BOOM CAN ALSO GO BUST

Chapter 12

We continued to high-five one another right through 1999 and most of 2000. Then the great tech revolution imploded. It started with Pets.com later that year — remember the sock puppet? Pets.com had been a nice client of ours; maybe a year prior she had hired 65 people in one day.

I watched in disbelief as all my gains nearly evaporated overnight. I kicked into my familiar recession mode, reacquainted myself with Midwest rigor and running a business based on a proper economic model. We quietly right-sized the company, stabilizing it at a level of sustainability — but not profitability. At this point, however, I was so burned out by the shell game, by the cycles of feast and famine, that I almost closed down. I wanted to see my kids grow up. Be with my friends and family more. But I didn't close the store (can you say fear of failure?). For some reason I stayed in the game for six more years only to run headfirst into the Great Recession of 2008. By all rights, it should have been the final straw in my riskiest and most expensive gamble. But it wasn't. Because out of the blue came one of the greatest opportunities of my lifetime. The phone rang. It was B&B Italia.

Holy Mother of Saarinen, B&B Italia.

# WHEN IT RAINS, IT POURS, BUT THEN COMES THE SUN

Chapter 13

#### **B&B Showroom Images**

Let's back up for a moment so you can understand what a godsend this was at such a critical time. Remember how I said Merrill Lynch had come to our rescue in 2000? Over the ensuing years, Merrill Lynch kept adding to our line of credit until we had amassed \$1.7 million in debt. I'd add to it, take money to buy inventory, add to it again. I had to. If I didn't consistently buy new samples from each partner, they would pull the line in a second. To play this game, you have to stay current, you have to buy at the trade shows, and fast. It's just like the fashion industry. Anyway, things were status quo.

Then one day in 2006, the bank called in the loan. They wanted all of it back in 30 days. When I tried to call my old guys there, they were gone. I didn't realize that one by one my contacts had left Merrill Lynch. That they had a new CEO. That it was all new guys now who didn't know me or my business, my devotion, my track record. They wanted their money in a month, no ifs, ands or buts. Where on Earth was that going to come from? I had maybe \$10,000 liquid dollars to my name.

It could not have come at a worse time. I had a weeks-old baby, I was building a house, and business was still business. My wife and I went into catatonic shock. The bank threatened to liquidate everything: my business, my home, all my personal stuff. They could shut down our whole life.

It's times like these when a great life partner can make all the difference. You can find glimmers of sunlight in even the darkest times. And a little bit of serendipity doesn't hurt. My wonderful wife, Eileen, had the foresight to train as a CPA at U of M in the event that it might come in handy sometime later in life. Guess what happened? It came in real handy.

She gave up her true passion of acting to take the helm as our CFO in my floundering company. Together we chipped away at the problem 18 hours a day.

Meanwhile, I was spending days and days on the phone only to be declined by 18 banks for a line of credit. I didn't stop to think on a bigger economic level about why the banks were on a tear to get cash or hang onto what they had. Looking back, I think they knew the bubble was going to burst. Anyway, Merrill did a jump audit on us, coming to our showroom and making us I.D. every piece of furniture against statements. All the while that 30-day clock was ticking.

We borrowed against our life insurance, took out a second mortgage on our house. I was able to trickle some money to Merrill and push them off for time; if they see activity, I figure, they'll give a little. I signed up for numerous oneyear no-interest credit card offers, and swiped them all through our store credit-card swiper, maxing every card out. When things were still very much touch-and-go, an employee — I'm forever grateful to her — recommended Summit Bank in Oakland. They agreed to assume a portion of the Merrill Lynch Ioan. We scraped together the remaining funds as we dodged a huge bullet. And miraculously, I still never missed payroll.

That's when we got the call from B&B Italia, the powerhouse of the industry. They wanted a new partner in Northern California. I had been chasing these guys to sell to me in San Francisco for years...and they call me when we didn't have two lira to rub together! I remember coming home and telling Eileen, "We're going to have B&B".

# WHEN IT RAINS, IT POURS, BUT THEN COMES THE SUN

Chapter 13, cont'd

We were both dumbstruck. Then, 14 days later, the phone rang again: my long-lost friends from the Cassina/Poltrona Frau/Cappellini companies wished to become part of my San Francisco family too.

It was like becoming the only Mercedes-Benz, Audi and BMW franchise in Northern California. It was the best news at the worst time. I was exhausted. After a year and a half, we had paid off the Merrill Lynch line of credit, but our new debt load was enormous. But at least now we could see a path forward. Within four weeks, we had crafted a plan to open a standalone B&B Italia store. And then the floodgates opened. The next two months yielded phone calls from Alias, Giorgetti, Foscarini, DeSede, Tom Dixon, USM and Flou. At long last, in a major market, I was surrounded by all the great designers that had played such an integral role in my evolution. But we weren't out of the woods just yet. We still had a baby and a double mortgage. Every month was a kick in the stomach. I thought, "Okay, how am I going to get out of this mess?" Knowing the long-term potential was huge, I placed massive orders of furniture with my new best friends in Milan. I had to do something and I had to do something quick, so I decided to blow out my existing inventory with a store-wide sample sale in hopes of freeing up desperately needed cash. The November sale of 2009 will live forever in Arkitektura lore. Normally during a sale you're selling 10-15% of your samples. In 25 years, I had never sold more than that. For some reason, we sold 80% of it in one weekend. I promoted it the normal amount. I marked down everything a normal amount — at cost. Nothing was different except I think someone was looking out for me. This historic event allowed us to pay off the immense new product debt in one fell swoop. Once again we were clinking glasses.

Then the samples starting coming in from Milan, we sold them, we bought more. The pot went up and down, but mostly up over time. Even during the Great Recession. It was remarkable: what should have been the final curtain on a fairytale career turned out to be the great second act of my life.

# <u>A BITE</u> <u>FROM</u> <u>THE GOLDEN</u> <u>APPLE</u>

Chapter 14

And so it went. At last the company was stable, prosperous and growing, and Eileen (my wife) had stepped back from her duties as CFO to direct her energies to her very own theater company.

Since we had a mono brand store for B&B, Cassina now wanted its own mono brand. So after a negotiation process that was quickly becoming second nature, I took on 11,000 sq. ft. next door and launched a glimmering new Cassina, Poltrona Frau, and Cappellini showroom. The new showroom also provided the opportunity to fulfill a lifelong dream: for 30 years I'd been building showrooms devoted to my beloved Italian partners. Now I carved out 1,000 sq. ft. of the new space to indulge my undying love for design and opened a lighting boutique called Edit.

That's when our relationship with Apple went to the next level. Throughout the years, we had provided Apple numerous products for select projects. In 2000 we were lucky enough to work on the very large Pixar campus project just over the bridge in Emeryville. Funny enough while working on Pixar, Steve Jobs came to Arkitektura to review a chair for the project. He took one look at it and declared, "One trick pony," turned on his heels and headed for the door. On his way out, he stopped in his tracks and said to his team, "I like the cement floor. Find out about this floor." Go figure. A million dollars invested in the finest Italian furniture, lighting and accessories, and he wants to know about the floor.

Then out of the blue in 2012, Apple requested a sample of the Hiroshima chair, designed by Naoto Fukasawa.

Coincidentally, we were just about to have the opening for our new PFG and Edit showrooms. As with all of our engagements, we reached out to our client base and encouraged them to come join us for a celebratory glass of Prosecco. One of them was the Pixar team, and Samantha Hartley Hewitt, head of our contract sales, mentioned that our contacts at Pixar had moved back to Apple. This was about the time the new Apple campus project was taking shape, so we reached out.

Lo and behold, one of the keys players from Apple came to our opening. This allowed me and Sam and Dennis, our executive sales manager, to have a conversation about what we were up to. Within a few weeks, Apple requested a meeting to discuss "potential product ideas". We didn't waste too many seconds thinking about when we should get together. Before I knew it, we were having full-blown meetings about the possibility of working on the new Apple campus, slated to open in 2017. Man oh man, that put a hop in our step!

Of course, Apple's gleaming new corporate offices are no exercise in rote architecture. The circular structure, about a mile in circumference, has the most square footage of any single building in the United States, approximately 2,800,000 sq. ft.. My thought was we might get a crumb here or there, that's about the most we could hope for. Not so. The machine started turning and our Apple group solidified. Before I knew it, I was on a plane to Japan, visiting one of the factories with our key contact at Apple, and Dennis and Sam were soon on a plane to Italy doing the same. All of a sudden, this was shaping up to be a monumental project.

# A BITE FROM THE GOLDEN APPLE

Chapter 14, cont'd

One of the questions I have been asked over and over is why on earth would our manufacturers not just go around us and sell directly to Apple. Believe me, they tried. But the Arkitektura team and the Apple team were so in synch that each time one of these manufacturers paid a visit to Apple, they were politely reminded that Apple had chosen to work directly with the Arkitektura team. This didn't mean we had free rein. Quite the contrary. From the start, Apple was clear with its mandate, "Andrew, we're going to need more than a significant discount to make this happen."

By this point in my life, I was used to negotiating with my partners in Italy, but this was a juggernaut unto itself. I bargained with each and every manufacturer on Apple's behalf; it went back and forth for weeks, months. In the end, I was able to prevail and provide Apple with discounts unheard of in our industry. The project got bigger and bigger and our relationship got stronger and stronger. We jumped through a thousand hoops and through it all Apple demonstrated the greatest integrity I've ever witnessed of a corporation of its size. A marriage made in heaven.

When the Apple campus project wound down, there was a brief respite. All of us could finally catch our breath.

Then we received an email from the Apple Retail Division:

"The Apple Campus team has recommended Arkitektura as a potential partner for a worldwide store upgrade. Would Arkitektura like to partner on product for the new stores as well as the upgrade of legacy stores worldwide?"— it was not a difficult decision. We kicked back into high gear.

Sample after sample and back and forth to Cupertino became the norm. After multiple iterations and mockups, our product was chosen. By this time, my friends in Italy knew Arkitektura was a serious contender as a high level Apple partner. Unlike with the Apple campus, when I went to the negotiating table for Apple's retail division, they were all ears. Of course, I had to push the big rock up the hill once again. But it was worth it!

Walking the campus or visiting an Apple store is a proud moment. When I tell my friends and family, they are stupefied and to be honest I'm a bit stupefied as well. To provide the most glorious Italian design ever conceived to the single most important interiors project of the last 50 years as well as provide the single largest purchase order our partners have ever laid eyes on is the crowning validation of my 35-year arc.

# <u>THE</u> <u>VIEW FROM</u> <u>HERE</u>

- Chapter 15
- <u>View Photos</u> <u>Our Showrooms</u>

It's strange to look back over your life and see the string of events that lead to today. Only in America could a kid living on the down low in a storage room be hired to teach the woodworking program at one of the country's greatest private schools. Only in America could an idea tossed off by a disgruntled wife, sick of her husband's "collection," turn into a multimillion-dollar business. And only in America could a handful of starry-eyed dreamers bring down a giant consortium.

I'd like to say that everything the company has become was part of a brilliantly conceived master plan, executed with military-style precision, but you already know that it wasn't. If you asked me for just one reason why Arkitektura is here today, it would boil down to this: an insatiable love of design.

A love so powerful and consuming that it propelled me through the darkest days. Blinded me to the possibility of failure. And opened my eyes to horizons that a young rebel in Mr. Reames' woodworking class could scarcely have imagined.

Chase your dreams, Andrew

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