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## **Small Business: Growth in cruises buoys tiny firm**

BG Studio and other designers of luxury ships are in greater demand as more vacationers come on board.

Bill Glovin

**Published:** October 21, 2012 - 5:59 am

Francesca Bucci and Hans Galutera rarely have the time to enjoy the cruise-ship interiors they design at BG Studio. The co-founders of the Manhattan firm, located on West 40th Street, are more likely to rack up frequent-flier miles traveling everywhere from shipbuilding yards in South Korea to meetings with cruise-ship companies in Miami, where many are based.

BG Studio is finding itself with no shortage of work these days. "Cruise-ship design is a specialized niche; there are only about a half-dozen firms like us in the U.S.," said Mr. Galutera, who is president of the New York chapter of the International Interior Design Association. He believes his firm is the only one of its kind in New York.

### **CROWDED DOCKS**

Fast growth in the cruise industry is helping the small firm grow. Although some consumers were frightened by a deadly cruise-ship crash in January off the coast of Italy, the Cruise Lines International Association projects that its members—26 major cruise lines serving North America—should carry more than 17 million passengers in 2012, an increase of roughly 1 million over 2011. And the industry is thriving locally, following renovations to the Manhattan Cruise Terminal and construction of the Brooklyn Cruise Terminal. Passenger arrivals in New York City rose by 9% from 2010 to 2011, to 632,923, according to the city's Economic Development Corp.

"Manhattan is an increasingly popular departure point, since it saves on airfare associated with leaving [on a cruise] from another destination and provides flexibility for last-minute getaways," said Emma Jupp, president of Liberty Travel in Ramsey, N.J., who reports that one-quarter of the travel agency's business nationally is now tied to cruises.

Nonetheless, BG Studio operates in a challenging design sphere, wrestling with strict nautical guidelines and factors like tight spaces and captive passengers. "It's not like a hotel or restaurant where, if the style turns you off, you can leave," Ms. Bucci said.

The firm must often work alongside its rivals on projects. "Our competitors are usually involved to give different zones in large ships a varied look," said Mr. Galutera.

Ms. Bucci and Mr. Galutera launched BG Studio (BG represents their last initials) in 2002 after working together for Birch Coffey, a well-known designer in Manhattan. Ms. Bucci, an Italian native who received her master's in architecture at the University of Rome, and Mr. Galutera, an Australian expat who studied interior design at Manhattan's Fashion Institute of Technology, had been collaborating on a residential building project. When Mr. Coffey closed the firm shortly after Sept. 11, 2001, he told them they could continue to work for the client as independent contractors—and their business was born.

The profitable BG Studio has grown to 12 employees, bringing in revenue in the \$2 million to \$2.5 million range in 2011. Its biggest account is Royal Caribbean International. BG Studio has had a hand in designing spas, lounges, lobbies, casinos, theaters and cabins in almost every ship Royal Caribbean has built or renovated in the past 10 years, including those in its popular Celebrity Cruises line.

"This duo and their team have an exquisite design style," says Kelly Gonzalez, vice president of architectural design for



*Buck Ennis*

**SHIP SHAPE:** Hans Galutera and Francesca Bucci's cruise-interior design shop is thriving.

Royal Caribbean.



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