

Tapping new markets

The launch of a home-plan business fulfills the average homeowner's desire for a well-designed home

By Rob Heselbarth, editor

Faced with a slumping housing market and potential staff layoffs, three colleagues at an established custom residential architectural firm decided the logical decision was to launch a new business in the same struggling market. On the surface it might sound like a risky move, but they have a plan.

Stephen Herlong, AIA, Layne Nelson and Jim Henshaw, AIA, launched Flatfish Island Designs in Isle of Palms, S.C., in April this year to tap into the desire most American homeowners have for quality architectural design, even though they might not have the money to design a custom home.

"People see our custom homes in maga-

zines and they call us and ask if they can buy a copy of the plans, but the answer is always 'No,'" Herlong says. "As a custom design for a particular client, those plans are not for resale and never will be. We've never had anything to offer those people. We've struggled with the idea of providing services to those looking for good design. As the



Seen here is an example of a home plan to be sold by Flatfish Island Designs.

downturn came, we believed it was a great time to make sure our staff had some work to do so we wouldn't have to lay people off."

As the demand grows for good design, Herlong believes architects need to be more involved in home building. "We're trying to provide a well-designed product. That to me is how to influence the home building industry — make good design more accessible," he adds.

For those who might think selling house plans compromises the integrity of their custom design business, Herlong & Associates, Nelson says, "We're staying busy and providing good design to people who need it. It's hard to think of that as selling out. We believe it's OK for everyone to experience good design."

All three agree the two businesses must remain separate. Flatfish Island Designs has no public connection to the custom residential design business.

"We have a lot of concerns that we've

Herlong & Associates. How do we explain to our custom clients they're getting something different than what the Flatfish clients come to us for?" Nelson explains.

The answer is to keep the two businesses

Flatfish is creating plans that are livable but not customized. The primary service customers receive from Flatfish is design experience.

thought about for years, and those are how we as a custom high-end residential firm turn around and sell house plans online and not water down the branding we've created with

separate, Herlong says. The custom business involves a full range of services including a careful analysis of a client's program, interior architecture and design, selecting a builder, construction administration services, design and more. "Flatfish is a company that sells designs. It's for a buyer looking for a plan who's not looking for an architect," he says.

Branding differentiation

Flatfish Island Designs will not be designing custom homes for anyone, period, Nelson emphasizes. "We'll simply be taking our design experience and applying it to how people live, and including design features that are long-lasting. We're putting plans together that are livable but not customized to the person purchasing them. The primary service the home plan purchaser will be getting from Flatfish is the experience we have," she adds.

Flatfish designs also will be aimed at builders searching for plans. "They're still out there competing with other builders, and these plans are going to set them apart," Nelson says.

Once Flatfish plans are sold, purchasers can do what they want to them, Herlong says. "Their designer or architect can make changes, or they can buy the full set of documents and get a builder involved and make any changes they want to make. But they'll find the minute they start making changes other than interior wall adjustments, the time involved to customize it will limit what they'll want to do."

Custom or semicustom builders might be interested in Flatfish Island Designs because they don't provide average home plans. Some plans have been designed for waterfront views; others are for coastal applications. All



Founders of Flatfish Island Designs

STEPHEN HERLONG, AIA



LAYNE NELSON



JIM HENSHAW, AIA



of them are view-oriented plans.

"As you look at the samples we developed [pgs. 14-15], you'll see a certain quality, character or design sensibility they have," Herlong says. "The homes are nicely proportioned and feature simple yet appropriate detailing. And, when you look at the floor plans and space planning, you'll notice the homes comfortably address the street but the opposite side is open to the view."

Great house plans won't sell if they're priced inappropriately, so the Flatfish partners did their homework, Henshaw says. "The prices of these plans are competitive with what's out there. And we know that many people will find their plan is not exactly suited to their site or preferences and they'll want to change a few things. In the calls we've taken thus far, we get the feeling this will be a major part of the business — revising these plans for

clients. The result will be a hybrid of a stock plan and what we do on the Herlong side; great design at a relatively low cost."

Flatfish was launched April 1, 2009. "We recognize that there is an extended period of time that it takes a homeowner to review their options and make a decision on which home they want to build. Based on website traffic and the phone calls we've received thus far, we're in good shape," Henshaw says.

Surprise benefits

An unexpected benefit of creating designs for the Flatfish business is the enjoyment the architects get from designing smaller homes. "We spend a lot of our own time designing on evenings and weekends. I enjoy doing it. We get to do pure design work, and create a client in our minds and design for them. It goes fairly quickly because we're designing and not stuck in meetings," Herlong says.

Staff members with downtime can spend it coming up with ideas for new plans. "It really is stress relief to sit down and come up with an idea for a home and just be able to spend as much time on it as you want without going to meetings, and just designing," he adds. "The company's mission has always been to get the word out that good design is accessible and affordable. In the new economy, Flatfish offers homebuilders this option." ▸



Shown here is an example of a custom home designed by Herlong & Associates, the company from which Flatfish Island Designs was created.