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8 Ways to Grow New York's Design Sector

Launching a citywide design festival is a big first step, but there is more the city can do to harness New York's competitive advantage in design.

by David Giles

This week, New York City's status as a global capital for designers, design companies and design universities will be on full display when the city kicks off its first-ever multi-disciplinary design festival, called NYCxDESIGN. Between May 10th and May 22nd, the city will be home to more than 200 design events at 127 different locations, showcasing New York's unmatched assets in design and raising the profile of one of the most important, but underappreciated, parts of the city's economy.

Design festivals have been successful economic development tools in other cities like London, Milan and Beijing. NYCxDESIGN will undoubtedly have a powerful impact as well. It will be an effective way to leverage much of the activity already happening in New York to increase awareness about what design is and what it can do for businesses, non-profits, neighborhoods and government agencies.

But while NYCxDESIGN is a crucial first step, there is much more that New York City's economic development officials could do to grow the city's design sector. Other cities with large design sectors have done a number of other things to support designers and increase demand for their design firms, including creating export initiatives that help local design companies compete for and win contracts abroad; establishing incubators for emerging design firms; connecting designers with local small businesses that could benefit from design in their branding and service delivery; and implementing design in the delivery of government services.

New York policymakers should adopt these strategies, and also take a page from some of its own initiatives launched in recent years to support New York's tech sector. In the pages that follow, we outline eight achievable and low-cost recommendations for what city government officials and design leaders could do to sustain the momentum of this week and

tap new opportunities for growth.

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The Center for an Urban Future first proposed the idea of creating a city-wide promotional event for design in our 2011 Growth By Design report, which documented the powerful economic impact that design industries were having on New York's economy but also found that New York City economic development officials were doing remarkably little to support this part of the local economy.

As we documented, New York has far and away more designers working in furniture, fashion, jewelry , architecture, interior, commercial and graphic design—to name just a few of the most prominent sub-disciplines—than any other city in the country. In 2012, the most recent period for which data is available, New York City was home to roughly 39,000 professional designers (not including freelancers), compared to just 22,500 in the country's second largest design hub, Los Angeles. The five boroughs are home to nearly 3,900 different design firms, compared to L.A.'s 2,700.

New York City also graduates more than twice as many students in design and architecture as any other city in the country. And the city's leading design schools—including Parsons the New School for Design, Pratt Institute, the School of Visual Arts (SVA), the Fashion Institute of Technology (FIT), Cooper Union, Columbia's Graduate school of Architecture, Planning and Preservation, and the New York Institute of Technology (NYIT)—are critical catalysts for entrepreneurship, producing more business start-ups than the city's applied science and engineering schools.

Despite all this, there is significant untapped potential for growth in the city's design industries. Design now permeates every facet of the city's economy, as companies in the finance, healthcare, advertising, media and tech sectors are turning to designers to help them innovate and become more competitive. This is already resulting in significant job growth. The number of professional designers in the city has grown by 26 percent since 2003, an impressive jump given that this period includes the Great Recession. After suffering job losses in three consecutive years after the 2008 financial crisis, design jobs started to grow again in 2012, going from 37,535 in 2011 to 38,810 just one year later.

To fully harness the city's design sector, and help New York diversify its economy, city policymakers and design leaders should implement the following recommendations:

- Turn this year's NYCxDESIGN into an annual festival
- Use design and designers to improve the delivery of government services
- Elevate the city's Chief Creative Officer position
- Help New York-based designers export their services and reach new markets
- Connect designers to small businesses and Business Improvement Districts (BIDs)
- Create opportunities for the city's major design schools to collaborate
- Look at how design can be incorporated into new and existing business incubators
- Improve business and entrepreneurial training for design students

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Turn this year's NYCxDESIGN into an annual festival

Modeled on the London Design Festival, which takes place in the fall, NYCxDESIGN will provide a citywide promotional platform for hundreds of design-related events across the city, including a recently resurrected BKLYN Designs furniture and product design fair at the St. Anne's Warehouse in DUMBO, the Frieze Art Fair, MoMA's "Destination New York" exhibit at their retail store, and the International Contemporary Furniture Fair (ICFF), among dozens of other smaller events. Like the

London Design Festival, New York's tourism bureau, NYC & Company, have created a brand and identity for the event and distributed a digital tool kit with brand assets and graphics as well as printed decals to all participating organizations and businesses. Advertisements for the 12-day festival are appearing regularly in Times Square on the Reuters and Nasdaq screens, bus shelters, street pole banners and Taxi TVs.

However, promotional events only work if organizations and businesses can depend on their continuation and plan new events and initiatives accordingly. Thus far the city has not taken steps to ensure that this year's event will continue next year and the year after that. City officials should consider creating an independent non-profit that can organize the festival year after year. Besides fundraising throughout the year, a non-profit would be able to work with leaders in both the private and government sectors to develop programs that could help raise awareness about successful design interventions. And it could work with the city's Economic Development Corporation (NYCEDC) and the state's Empire State Development Corporation (ESD) to develop entrepreneurship and export assistance programs that use the festival as a platform for connecting designers with both local and foreign businesses.

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Use design and designers to improve the delivery of government services

In 2004, the Bloomberg administration unveiled the Design Excellence program at the Department of Design and Construction (DDC) in order to circumvent onerous procurement rules and pave the way for talented architecture and design firms to work on smaller capital projects at city agencies and departments. So smaller firms weren't overburdened by the rules governing RFPs, they were cleared for projects by the agency and used as if they were in-house designers. Over the next several years, dozens of projects at city libraries, hospitals, parole offices, senior centers, museums and firehouses, among others, went through the program with such outstanding results that DDC now uses the same process for all capital projects under $50 million.

Something similar needs to happen at other agencies. Designers could play a huge and potentially transformative role throughout city government if more of an effort were made to both encourage (and in some cases allow) the purchasing of good design and disseminate information to the design community about new opportunities.

Montreal's UNESCO City of Design Initiative, for example, spearheaded by the city of Montreal's design commissioner, has been encouraging design competitions as the preferred process for public commissions and working to open up RFPs to a wider audience of potential designers. Both initiatives, they hope, will not only increase the quality of their capital projects but, like the DDC program, open up opportunities for smaller design firms.

In New York, there is certainly no shortage of public projects that could benefit from partnering with local designers: wayfinding systems in subway stations, garbage cans and collection systems, street signs, patient intake forms, waiting rooms, 311 apps, even community board meetings all pose tremendous design problems. But the city lacks a mayoral appointee who could work with the Office of Management and Budget and city agencies to reform the city's procurement rules and influence commissioners and agency heads to adopt new practices. Unlike Montreal or Philadelphia, New York does not have a commissioner of design or a chief creative officer who works out of the Mayor's office and has the mission and power to improve government through design.

Having a point person with the ear of the Mayor could dramatically improve current agency practices. And a team in the Mayor's Office, modeled on Boston's Office of Urban Mechanics or Copenhagen's cross-ministerial Mindlab—or, indeed, on New York City's own Center for Economic Opportunity, which develops innovative, cross-agency programs in the social policy arena—could hatch pilot programs that could end up revolutionizing the way citizens engage with their government. Moreover, implementing design across the city in this way, even if particular projects ended up going to designers located outside of the city, would provide a much needed boost to the industry, as it has started to do in tech. It would make design

much more accessible and visible and spark further discussion about its applicability in private-sector contexts.

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Elevate the city's Chief Creative Officer position

At the depth of the recession in 2009, when the Bloomberg administration began looking for ways to diversify the city's economy, the Mayor appointed Rachel Sterne (now Rachel Haot) as the city's first Chief Digital Officer. And what could have been a minor, dead-end post has since proved to be a huge boon to the city's tech sector. The Chief Digital Officer visits dozens of tech companies, meet-ups, incubators and conferences every month. She operates as an interface between the industry and the city and serves as a clearing-house of information about events and opportunities for private sector businesses, VCs, angel investors, entrepreneurs and students in the city. Like design, technology is a sector with blurry boundaries and broad applications, but what makes it a discrete part of the economy is the social capital of the community that uses it to build new businesses. The Chief Digital Officer has amplified existing efforts by providing the city's imprimatur and bringing material resources to bear on building new networks. The same thing could and should be done with respect to the city's design sector.

As the Center for an Urban Future underscored in its two reports on the sector, New York already has a richer fabric of design non-profits, schools and cultural organizations than any other city in the country and very probably the world. During any given week, dozens of design-related events, lectures, classes, and exhibitions are happening, new ventures and experiments are launched. But without the amplifying effect of the Chief Digital Officer so many of these events happen in a vacuum of publicity and professional siloization and thereby fail to break through to the general public or to create the cross-disciplinary opportunities necessary for innovation and growth. New York already has a Chief Creative Officer, but the position is located inside NYC & Co and does not have the influence of a mayoral appointee working inside the Office of the Mayor. An elevated Chief Creative Officer could conceivably fulfill two roles at once: he or she could function as a point-person for cross-disciplinary communications and—as the head of team—move the needle on the government's use of design across city agencies.

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Help New York-based designers export their services and reach new markets

Much of the growth potential in design lies with overseas clients, where developers and manufacturers in places from Shanghai to Dubai often employ western architects and designers. Recognizing this, many European governments are actively promoting their designers and architects. However, neither the federal government nor city economic development agencies do much of this. Whether at the national, state or municipal level, U.S. governments have absolutely no presence at international trade shows and expos, and officials make no concerted effort to invite foreign companies to consider our designers on new projects and initiatives. Given the size and reputation of New York City's design cluster, NYCEDC and the state-run ESD should take the lead on this issue and develop a strategy to take advantage of growing foreign markets.

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Connect designers to small businesses and Business Improvement Districts (BIDs)

New York based designers and design students could provide an immense service to small independent retailers, restaurants, bakeries, manufacturers and non-profits, many of whom are struggling in an age of increasing competition and could greatly benefit from redesigned awnings, menus, interiors, Websites and other design solutions. New York would be wise to emultate Montreal, which has been on the leading edge not only of reforming procurement rules but connecting young designers to small businesses. Through Commerce Design Montreal officials were able to raise awareness among local merchants and create a ripple effect with events that showcased successful new projects. Corporate sponsorships were

sought out for awards and individual businesses not only benefited from more effective branding but from increased exposure.

In New York City, a similar program could reach out not only to individual merchants but Business Improvement Districts,and it could work with schools to match students and classes with clients who may not otherwise be able to afford high quality design work.

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Create opportunities for the city's major design schools to collaborate

Over the last decade, the four largest design schools in New York—FIT, Parsons, Pratt, and SVA—have experienced enormous spikes in the number of applications they receive every year, and all four have expanded their student body as a result. One of the big drivers behind these increases—besides the increasing importance of higher education more generally and the increasing visibility and prestige of the design disciplines—is New York City itself. The city and its cultural assets are a huge draw for students, and unlike the vast majority of their peers, the schools can choose from an unrivaled pool of professional designers and architects when tapping teachers and building professional networks for internships and placements.

Despite sharing their number one asset in New York's unrivaled professional community, however, the city's design schools have never pooled their resources on joint initiatives such as incubators and trade shows. And because they are naturally competitive, they have never shared information on how to best support and teach business skills to students and recent graduates. In the early 1990s, many of the country's largest independent art and design schools formed a consortium called AICAD (the Association of Independent Colleges of Art and Design) to collect information on trends and create a platform for advocacy. Because they face many of the same challenges and share the same advantages, New York City schools should form a local group to supplement these efforts. As a group representing over 25,000 students, the schools could more effectively lobby city and state policymakers on a wide variety of issues, including a sector specific loan forgiveness program, for example, that requires graduates to work at a public interest design consultancy, or a new incubator space at Bush Terminal in Sunset Park. And they might work with industry groups like AIGA and IDSA to come up with initiatives to support the continuing education of alumni and other professional designers in the region.

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Look at how design can be incorporated into new and existing business incubators

The Department of Cultural Affairs is currently taking an inventory of city owned spaces that could be repurposed as studio spaces for artists and designers. If a large enough space were made available, the schools, including, perhaps, one of the city's engineering or business schools, could pool resources for the construction of a new design-focused incubator and then partner on the design and entrepreneurial programming once it's up and running. The schools of course could pursue this course of action on their own as well—including partnering with engineering schools on their own—but there might be advantages to collaboration.

Developing and supporting incubators is something NYCEDC has become effective at doing, having supported several in the tech industry in just the last two years. Without question, the agency should work with the city's design schools to plan a new, design-specific incubator, but they might also explore opportunities for developing design partnerships and programming in some of the city's existing incubators and workshare spaces as well. It is becoming increasingly clear that designers have a huge role to play at the very beginning of the development process for new businesses, developing prototypes and ironing out kinks in the way future consumers interact with products, for example, sharpening market strategies, and more.

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Improve business and entrepreneurial training for design students

As more design school graduates opt out of traditional career tracks to start their own firms or work as freelancers, business skills are in high demand. However, when we surveyed New York-based designers for our 2012 Designing New York's Future report, we found that most New York City designers are dissatisfied with the current entrepreneurial offerings at the schools; 88 percent of respondents said they do not provide significant opportunities to develop business skills.

School administrators say they have introduced new courses and programs but generally admit that more could be done. Of the four major schools, only FIT has an entrepreneurship center dedicated to developing courses and programs on business skills such as basic accounting, tax filing, sourcing and intellectual property; the school also has partnered with the Wharton School of Business at University of Pennsylvania on entrepreneurial programming. Since developing primary skills in the arts is understandably the schools' most pressing concern, this is an area where information sharing and pooling resources could make an enormous difference to students and ultimately the city's design sector.

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