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Inside job

In slowing market, more sellers turn to “staging” to move homes



NANCY KUEHN | MINNEAPOLIS/ST. PAUL BUSINESS JOURNAL

Martha O'Hara launched her own business after four moves with her husband gave the onetime accountant a bug for interior-design work.

BY MARIE CONNOR
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When Martha O'Hara started her career with Arthur Andersen as an accountant and financial adviser, she didn't think she would end up as the owner of an interior-design firm.

But after moving four times throughout the United States and Canada for her husband's job, O'Hara realized her love for house hunting and decorating and everything that went into making "that house a home," she said.

PROFILE

We look at the challenges and successes of a small-business owner.

The result: Martha O'Hara Interiors, a business launched in a basement that now employs 15 people and expects to pull in about \$4 million in revenues this year.

The Hopkins-based design company, which boasts nine designers, has stayed afloat in the slumping housing market by adapting to trends in the industry.

Among the latest of those adaptations: "staging" homes, which means preparing homes before they go on the market in the hopes that they'll sell faster and for a higher price.

Though the basic concepts of staging have been around for years — especially in the resale market, tips like getting rid of clutter and tidying up the front lawn are part of any Realtor's toolkit — the concept has more recently expanded into the new-construction market by using rental furniture in a vacant home, O'Hara said. "Builders had a need to make their house look as good as it possibly could because houses weren't selling like they did two years ago." Martha O'Hara Interiors works with local builders staging homes in the \$1.5 million and above range, mostly in the Edina area. She believes staging helps potential home buyers get a better idea of what that home can look like.

"With staging, they have a much better visual of what they are buying," she said.

Staging is gaining ground around the country; some Realtors are staging all of the houses they are selling, according to Realtor magazine. Industry experts generally distinguish between staging and conventional interior design, the goal of which is to design a home that fits the style of the owner. In contrast, staging is intended to present a home that's appealing to the widest-possible audience.

With big competitors such as Gabberts and GunkelmanFlesher Interior Design, Martha O'Hara knows she needs to stay one step ahead of the game. She is now looking to build upon the empty-nester population and people looking to furnish second homes. She also is looking to add an architect to her firm to "better serve the needs of the builder market," she said.

"I see my job as more of a visionary for the firm to see where the niches are and what parts of the market will keep our revenues at a growth rate," O'Hara said.

Scott Busyn, president of Great Neighborhood Homes Inc. in Edina, has been a client of Martha O'Hara Interiors for the past year and the firm has helped him with interior-design guidance and staging.

"She offers her own personal time but yet she has a killer design team who each bring different strengths to the table and she is able to execute the job very well," Busyn said.

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