

BEATING THE ODDS

Family-owned firms that help create hospitality spaces share their survival skills and growth strategies.

BY MATTHEW HALL

WHEN IT COMES TO THE number and longevity of family-owned businesses in the U.S., the statistics are startling and sobering, respectively. On the surprising side: family-owned or family-controlled businesses account for more than 90 percent of all American companies, the U.S. Small Business Administration estimates. But when it comes to the longevity of such entities, the picture is decidedly bleaker: the average life span of a family firm is 24 years, with just 30 percent of all such business making it to a second generation and only half of those making it to a third, according to statistics compiled by Baylor University's Institute for Family Business.

The business community that designs and outfits hospitality spaces includes its fair share of family-owned firms. And within that universe are several businesses that have survived beyond the 24-year age span typical of such companies.

So, how have those enterprises beaten the odds and stayed in business? *Boutique Design* interviewed a sampling of such firms to find out.

DILEONARDO INTERNATIONAL

ORIGIN/EVOLUTION: This firm was founded in 1971 by Robert DiLeonardo as a design studio specializing in high-end residential interiors. That led to commissions for luxury hotels and F&B locales. It began expanding into international markets in the 1980s, with a project in Kowloon, Hong Kong. Today, the Providence, R.I.-based firm has four other offices worldwide and 100-plus employees. It has created hotels for many major luxury brands, including Fairmont, JW Marriott, St. Regis and Ritz-Carlton.

ACTIVE FAMILY MEMBERS: Founder and chairman, Robert DiLeonardo; managing partner/ceo James Lehouiller, who is married to Robert's daughter, Lia DiLeonardo. Lia and her sister, Giana DiLeonardo, are both partners at the firm.

PLUSSES OF FAMILY OWNERSHIP: "Being a family business is a big differentiator for us. There's an intimacy and a commitment when our name is on the door. There's a sense of family ownership and service."
—Lia DiLeonardo

THE MINUSES: "You can't just throw in the towel when someone has a problem—you have to work your way through it, because that night you might be at a birthday party together."
—James Lehouiller

"SECRET SAUCE" FOR SUCCESS: "It all comes down to great design and earning the client's trust. That's 95 percent of our business. And while the family members can lead the business, we need great staff with longevity. We're fortunate to have a great team."
—James Lehouiller



- 1 Lia DiLeonardo, Robert DiLeonardo, Giana DiLeonardo and James Lehouiller.
- 2 The firm's portfolio includes the design of the Aloha Hotel & Apartments in Sanya, China.

"BEING A FAMILY BUSINESS IS A BIG DIFFERENTIATOR FOR US. THERE'S AN INTIMACY AND A COMMITMENT WHEN OUR NAME IS ON THE DOOR." —Lia DiLeonardo

