

# CRAIN'S

## NEW YORK BUSINESS

### 2 rehab firms, 2 different styles

One vows to stay local, other to go nationwide; both focus on quality

By Steve Garmhausen

AS ALMOST EVERY New Yorker knows, renovating an apartment is a nasty business that costs way too much, never gets done on time and always involves contractors who treat customers as sheep ready for the shearing of a lifetime. Against that dismal back-drop, a couple of Manhattan-based firms have achieved success by promising to provide clients with something much better. Both The Renovated Home and MyHome have built lucrative businesses by delivering quality work and accountability.

#### Uptown clientele

BOTH FIRMS design, staff and manage renovation projects for wealthy uptown households and have glitzy showrooms to display lighting and appliances. Between them, their work has appeared in publications, such as The New York Times, and on TV shows, including Queer Eye for the Straight Guy. But the companies' business plans are vastly different. The Renovated Home is a family-owned outfit determined to stay local and to grow only by launching businesses in related but different fields.

For example, Mr. Metzler says, many clients in Westchester want traditional kitchens with rich details like crown moldings, while sleek, Euro-chic kitchens are popular in Manhattan.

Mr. Metzler is thinking of bringing in a seasoned executive to help oversee the expansion.

Renovated Home's president doesn't have those kinds of worries, Lee Stahl, a self-described control freak, insists on running every project personally.

"We pride ourselves on serving our market well and keeping quality obscenely high," says Mr. Stahl, who points out that about 70% of his jobs are on Park Avenue.

The drawback of Renovated Home's model, of course is that its growth-expected to be 20% this year and 7% to 15% next year-pales in comparison to that of MyHome.

## Two different takes on home renovation

In contrast, the two young founders of MyHome are eager to quickly and widely expand what they see as a successful model.

"Our ambition is to be nationwide," declares Mayan Metzler, president of MyHome, who started the firm with Yoel Piotraut five years ago. The duo, who had both worked at a flooring company, originally intended to specialize in flooring and painting, but clients asked for more.

#### Growing reach

"RENOVATING, dealing with contractors-the whole process is kind of risky," Mr. Metzler says. "We recognized the need for a bigger, more established brand that would give people a comfort level."

Customers initially came to MyHome via its Web site and direct mailing, then by referral. By the end of 2002, the company had 10 employees. It expanded this year into Westchester County and into Bergen County, NJ., opening offices with partners who are responsible for lining up teams of subcontractors.

Messrs. Metzler and Piotraut's aims for next year are to enter at least one other big city-possibly Los Angeles-and push revenues to \$30 million.

One unanswered question is whether they will own or franchise the branches. They concede that the rapid growth poses problems and that tastes and budgets vary widely by location.

But Mr. Stahl says that the business has come a long way since he and his mother, Toby Stahl-Maranga, took it over after his stepfather died 17 years ago. They transformed what was essentially a cabinet shop into a high-end design and building operation.

Mr. Stahl insists that Renovated Home's geographic focus will always be Manhattan, but that doesn't limit his drive or ambition.

The company's roots live on in Tribeca Cabinetry Corp., a sister firm with a factory in Queens and a showroom within Renovated Home's showroom. Tribeca Cabinetry's annual revenues are \$1 million.

#### Management and design

MR. STAHL recently launched The Owners Rep NYC, which provides project management for residential jobs of at least \$1 million. He and a partner are starting another residential venture, called 1D810 design group.

As if he didn't have enough on his plate, Mr. Stahl is finishing up a novel based on his projects for New York City's rich and powerful. No wonder he's picky about taking on new assignments.

"If someone walked into the showroom today with \$1 million in a bag and asked us to start tomorrow, we'd pass," Mr. Stahl says.

"We're booked until February."