

# Marketing, Media & Design

Business Plan and Final Report

Spring 2013 Wayne State University



Winter 2013



# Marketing, Media & Design

*Odie Chis, Danielle Shurkus, and Ashley Parker*



Local Economic Development Final  
Project Report

# Marketing, Media & Design

*Odie Chis, Danielle Shurkus, and Ashley Parker*

## Table of Contents

Project Overview* .....	2
Project Timeline .....	5
Preliminary Research .....	6
Brief Profiles of Firms Interviewed.....	8
Summary of the Interview with Wedge Detroit .....	10
Summary of the Interview with the Detroit Creative Corridor Center .....	12
Starting a Graphic Design Firm .....	16
Further Research .....	17
<i>Initial Startup Activities and Costs</i> .....	17
Equipment Cost .....	18
Option # 1 - Stationary Hardware Costs .....	18
Option # 2 - Mobile Hardware Costs .....	19
Option # 3 - Tablet Hardware Costs .....	20
Software Tools .....	21
Commercial Photography Equipment.....	22
Miscellaneous Equipment .....	23
Other Equipment and Costs .....	24
Challenges & Policy Recommendations.....	25
APPENDIX .....	27

## Project Overview\*

---

\* *The following information has been obtained from document “SBIP Jan 2013”*

### Project Origins:

---

***Date:*** *May 2012*

***Place:*** *Mackinac Island*

***Event:*** *Detroit Regional Chamber’s Mackinac Policy Conference*

***Challenge 1:*** *“lift some of the burdens on small businesses in Detroit”*

***Challenge 2:*** *“report progress by the 2013 conference”*

***Action 1:*** *Permitting Process Mapping – Walsh College and Dandelion*

***Action 2:*** *“Small Business Innovation Project” – WSU MUP/MPA - LED class*

---

### Project Context

As noted above, the issue of barriers to small firm development and growth was discussed at the Mackinac Policy Conference in May 2012. While this is an issue that applies across the state, this was seen as a particularly pressing problem for business in the City of Detroit. The President/CEO of the Detroit Regional Chamber of Commerce, Mr. Sandy Baruah, challenged his staff, and specifically Ms. Emily Doerr, (then) Manager of Small Business and Urban Initiatives, to address this issue and to report back on progress at the 2013 annual meeting. In the fall of 2012 two business students at Walsh College began to research permitting processes in Detroit, charting and evaluating permitting requirements for small businesses start-ups in the city. Their work will be mapped and graphically presented in collaboration with Dandelion [<http://dandeliondetroit.com/>]. As this work evolved, the LED class, in the Master of Urban Planning Program at WSU, was also asked to contribute to the Chamber’s research challenge.

---

While addressing the bureaucratic context for businesses operating in Detroit will be a core component of the WSU study, the remit for this applied research project takes a broader look at economic innovation in Detroit. Through the lens of small business development, the study will address a range of challenges and opportunities for emerging small firms across different sectors and in different locations in the city.

### Project Outline

Working in small teams (mixing students from the urban planning, economics and public administration graduate programs) students will select and then develop a business profile as a small business, reflecting different business sectors in Detroit. Each team (est. 5x5) will develop a detailed profile of their “firm”; identify themselves as a startup or existing firm; identify funding sources; [where appropriate] select a location/site for the firm; and develop a 3/5 year business plan illustrating the key steps required to move from concept to implementation. Teams will be required to build their business profile and plans through a range of different research methods including but not restricted to traditional library research, on-line research, identifying and meeting with comparable firms, and researching the public and private contexts for business support and blockages.

### Project Outputs and Key Dates

1. Initial team presentation - February 12
2. Detroit Policy Conference - February 28
3. Interim team presentation - March 26
4. Final team presentation/ Final Team Presentation - April 30

### Suggested Small Firm Types

1. Food production company
2. Restaurant/bar
3. Construction/demolition
4. Clothing manufacturer
5. Marketing/media/design
6. Local transportation

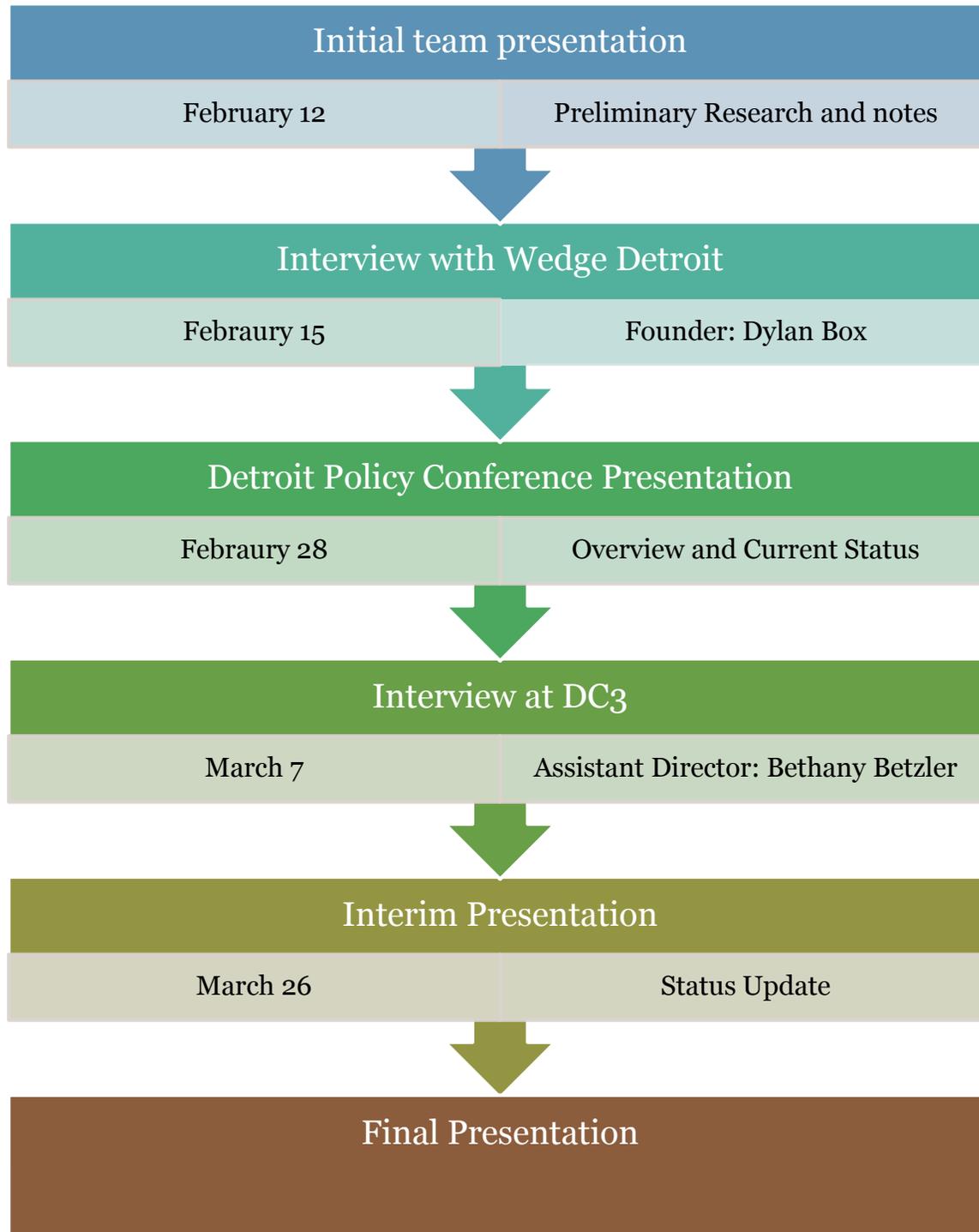
### Suggested Small Firm Locations

1. Downtown
2. Midtown (I75 - I94)
3. Tech-town/North End
4. Industrial Parks/Corridors
5. Neighborhood Commercial Areas

### Resources

For the second year in a row, the LED class at WSU has been awarded a small grant under the MSU EDA University Center for Regional Economic Innovation (REI) program. \$2500 will be available to the student teams, covering research project costs: local travel, data and mapping, presentation and printing costs. The distribution of funds and the procedures for claiming expenses will be explained in class.

## Project Timeline



## Preliminary Research

---

### *What does a small business in marketing, media and design look like?*

During our first two meetings as a team, it became evident that our initial goal must be to narrow down our focus since we were in a very vast category and industry. What kind of business would we focus on? We did some initial research and found that there was no shortage of marketing and advertising agencies in the Detroit area. The automotive industry had created an ideal environment for such work. However, it seemed that the market was crowded with large regional players. Most companies that we ran across - even if they had a team of perhaps no more than ten employees - were experienced and established. We also found that the line between these three headings (marketing, media and design) is quite fuzzy. Some companies identified themselves as advertising agencies, others as media companies and some as graphic design shops. But these titles didn't necessarily indicate the range of specialization they had. We found that in this industry there's no specific title that distinguishes the type of work that one firm does as compared to another. As Lovio George's site states, (under the tab "what we do") "Marketing? It's all marketing". Marketing companies may specialize in print media, film and video, app development or web design. However, all these types of services may be offered by an advertising agency, a graphic design shop or a marketing firm. Therefore, in considering types of work, a small business in this industry could specialize in a wide array of services. After figuring out what type of services could be offered, our questions became; what specific type of services would a small business in this industry perform and how many employees would it have? If we could answer these two questions we could then identify equipment costs and needs in terms of space. For further assistance in defining a small business, The Small Business Administration website was consulted. The SBA has a "Table of Small Business Size Standards" document that identifies what it considers to be a small business in terms of annual receipts. According to this document, a small graphic design firm must make no more than \$7 million in average annual receipts (see appendix) in order to be considered a small business. However, no specific indication is made in terms of employees. We realized that in order to get a better understanding it would be

---

necessary to conduct some interviews with small business owners in this field. We started by searching the list of website professor Boyle had provided and found several candidates.<sup>1</sup>

---

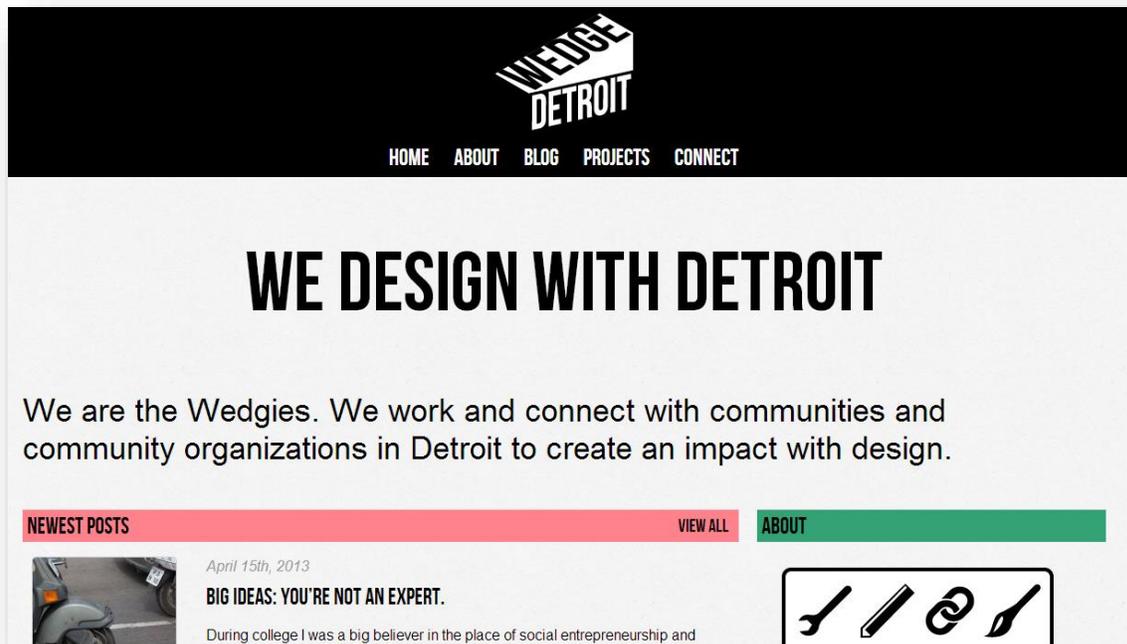
<sup>1</sup> We contacted Wedge Detroit, Detroit Lives, WillDo Designs, DC3 and Skidmore Studios. Unfortunately, even after several subsequent attempts, out of those we only received responses from Wedge Detroit and DC3.

## Brief Profiles of Firms Interviewed

---

*WEDGE DETROIT – wedgedetroit.com*

---



**Specialization:**

*PRINT, WEB DESIGN, APP DEVELOPMENT, CREATIVE CONSULTING*

**Interview With:**

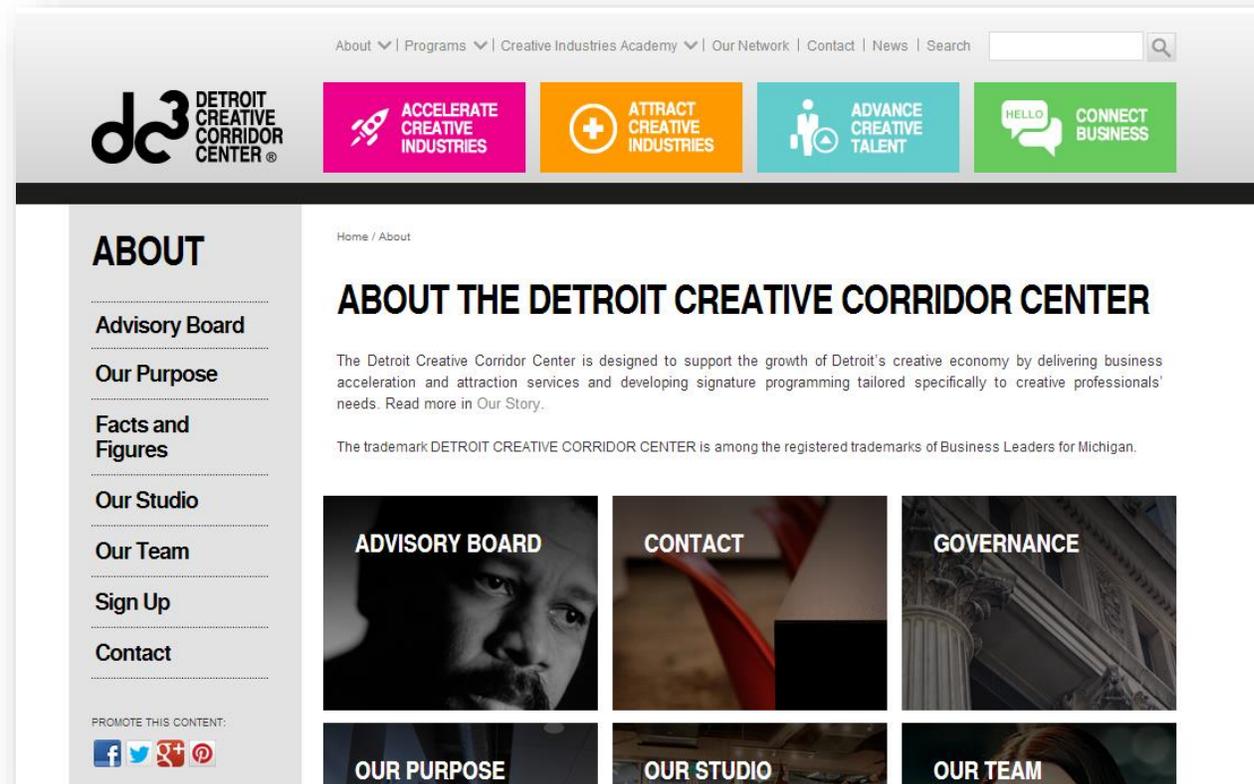
*DYLAN BOX – FOUNDER, OWNER*

**Location:**

*INCUBATOR SPACE AT DC3 – NO OTHER FORMAL LOCATION*

---

*CREATIVE CORRIDOR CENTER - detroitcreativecorridorcenter.com*



**Specialization:**

*INCUBATOR FOR CREATIVE FIRMS*

**Interview With:**

*BETHNAY BETZLER*

**Location:**

*NEW CENTER*

## Summary of the Interview with Wedge Detroit

Our first interview was with Dylan Box of Wedge Detroit. Wedge Detroit is a small graphic design shop that Dylan began a few years after receiving his bachelor of fine arts in art and design at the University of Michigan. Dylan and Wedge Detroit fit the profile we were looking for; a small startup that was being run by someone who was rather new to the Detroit business environment. His struggles and obstacles would be typical of the ones a small graphic design firm could expect to encounter.

Dylan was running the business with some help from four friends with whom he would collaborate with on different projects that required more expertise than his own. Some of these friends were operating locally and had their own small firms as well. Formally, the firm was registered with the state of Michigan under Dylan's name and his friends received IRS 1099 forms at the end of the year for the services they provided. As our discussion progressed, we found that many aspects of the way Wedge Detroit operated were unconventional. Dylan didn't have a formal location from which he worked. Dylan's office was the local coffee shop, his apartment or whatever place provided an inspiring setting. However, he did have office space available. Dylan was one of the firms participating in an incubator program run by the Detroit Creative Corridor Center in the New Center. Nevertheless, this space was a plus (alongside other services DC3 provided) for Dylan and it wasn't anything that he particularly needed.

Wedge Detroit received most of its business via an informal referral network. Dylan affirmed that this was indeed something uncommon in the general world of small business but typical in his experience. He identified several factors that were unique to the media and design industry in Detroit which allowed for this. Primarily, the smaller graphic design businesses all knew each other and they operated as somewhat of a collective. If Dylan needed help completing a specific project he knew who to go to. Likewise, other small firms knew they could rely on Dylan's help with projects they weren't particularly well equipped to handle. In a similar fashion, when a potential client would approach Dylan with a project the he was either too busy to take on or not equipped to handle, he would refer the client to someone in his network. Due to this, the small graphic media and design shops throughout the city of Detroit really operate like a common effort. In Dylan's opinion, it has been this informal

---

system and the generally few obstacles to conducting business that have created a plethora of small design firms in Detroit. In terms of equipment costs Dylan mentioned that he had already acquired the tools he needed to perform most of this work while he was still in college. His costs were therefore mostly sunk. His primary equipment consisted of either a laptop or desktop, adobe software, a DSLR camera, a website to showcase his work and a few other peripherals. In terms of generating interest in his service, Dylan mentioned that the unique kind of service he provided made his work an advertisement in of itself. Wherever his work was displayed, or shown, there was the potential that he would gain a client. Social media networks, he pointed out, were also a very effective and cheap means of propagating his work and bringing in clients and customers.

In terms of challenges, Dylan mentioned that most of the obstacles occurred as a result of his unfamiliarity with many of the administrative aspects of running a business. Client contracts had to be written, taxes had to be filed, a pricing system for services had to be established, and so on. Solving some of these problems came as a result of seeking advice from other designers, others were solved through the guidance that DC3 provided, and lastly some of them were only solved through trial and error. In terms of addressing formal issues that arise from the friction between business and government or city policy, Dylan said that from his experience it's important to utilize the political muscle the client usually possess. As an illustration, last summer Wedge Detroit was responsible for helping out in a cross-midtown hopscotch course that was intended to break a world record. Dylan mentioned that at first all sorts of issues arose with the city. However, as soon as he informed the several larger organizations in midtown that were supporting him, these issues were quickly addressed.

The interview with Dylan assisted us greatly in understanding some of the unique factors and elements that characterized small media and design shops in Detroit. Dylan recommended that we speak to one of the Assistant Directors at Detroit Creative Corridor Center, in order to get a better idea of what challenges and obstacles were typical of other firms such as his. We took this advice and contacted Bethany Betzler and scheduled an interview.

## Summary of the Interview with the Detroit Creative Corridor Center

### *Background and Structure*

DC3, the Detroit Creative Corridor Center, is an incubator for the creative sector in Detroit. DC3 is a nonprofit organization funded by the Michigan Economic Development Corporation (MEDC), the New Economy Initiative, the Kresge Foundation and the Business Leaders of Michigan. The model for DC3 was created by a group of committee members that were hired by the Business Leaders of Michigan. Their task was to come up with a regional strategy for accelerating the creative economy in Detroit: DC3 became this solution. Some of the original members that helped conceive DC3 became permanent members of the advisory board. A subsequent process for nomination and election provided a mechanism for these individuals to become directors of the advisory board. There are twenty-five people currently on DC3's advisory board. DC3 incorporates three levels of strategy in its approach; to accelerate creative businesses, to attract creative businesses and to advance creative talent. The Creative Ventures program was created after reviewing different comparable models for accelerating business and extracting the pieces that were needed in Detroit's context. A model that is similar to DC3's can be found in London; the program is called the School for Creative Startups. The UK is very active in researching and implementing strategies aimed at spurring the creative sector. The most significant aspect of DC3 that resembles a tech incubator is the funding mechanism. Funding is derived from multiple private and public sources. It is this funding that allows for resources to be provided at heavily subsidized prices. This funding is also employed in helping small creative firm expand their business. The types of firms they typically assist are those in the fashion design, graphic design, marketing, and commercial photography sectors. They also help with larger firms that are looking to relocate or expand to the Detroit area. Firms of different sizes come to DC3 for help, but they usually work with smaller startup firms. Size is determined by the following breakdown; 1-5 employees constitutes a small firm, 5-10 a medium firm; and 10-25 a large firm. The incubator anticipates developing an exit strategy around 2016. It is, in all likelihood, possible that an exit might not be a permanent removal from the Detroit context; it may just result in a redefinition of mission goals.

---

### *The Creative Ventures Program*

DC3's goal is to help the city repopulate its infrastructure with creative companies that will contribute some level of creative or cultural value to the city. For example, DC3 encountered their first program participant, Detroit Lives, while looking for a design firm to help them promote their new program. Detroit Lives, at this point, had never had a client before. They sold merchandise such as t-shirts, tote bags, and other miscellaneous items. DC3 audited Detroit Lives and discovered a very robust team of creative talent. DC3 decided that it was best to assist them in creating a business plan, to launch Detroit Lives, and focus on their filmmaking. Once they launched this portion of their business, the films began to gain popularity. Currently they are now looking to expand their business.

Consequently, Detroit Lives helped DC3 initiate its incubator program. The program is called the Creative Ventures program. In order to participate, firms must apply to the program. Program costs begin at \$50 a month for start-up firms. For those that are more established and looking for more sophisticated assistance, monthly cost increase to \$830. It costs \$175 per month to rent a cubicle inside the DC3 office. Seventeen companies participated in the program the first year. Currently there are seven companies involved in the program. In order to maintain a much more hands on approach DC3 has opted to sustain a smaller group in the second year. As mentioned, Dylan Box's Wedge Detroit is part of the program. Participating firms are required to provide monthly reports about their numbers; sales, number of employees and revenues. DC3 also has a general open space which firms can rent for \$50 a month. These costs are so low because DC3 is a non-profit organization. If DC3 had been for profit, unsubsidized prices would range anywhere from \$350-\$400 per month.

### *Challenges Encountered by Participating Firms*

Firms that come to DC3 are faced with a variety of challenges. Some require assistance in identifying their creative niche, others are unfamiliar with the entrepreneurial aspects of running a business, and others need assistance with administrative duties. Costs vary depending on the type of firm. Different types of firms have different needs as well as different space needs. DC3 currently works with an architectural firm and an interior design firm, both of which require a large amount of space as well as a client friendly atmosphere. DC3 also assists companies in identifying what they need to charge for their services so they can make a profit and remain viable. They can assist firms in

locating potential revenue streams and in expanding their talents into new areas. Startup costs vary for firms, they can be anywhere from \$100 to \$10,000 depending on the type of firm. Other firms similar to Wedge Detroit need very little space and are quite flexible in this respect. According to Betzler, the number one challenge facing firms is the fact that they must become more than designers; they must become entrepreneurs. They are photographers, graphic designers and interior designers; they want to focus on their craft. Turning these individuals into business minded individuals is the purpose of the Creative Ventures program at DC3. Those who accept this reality are the ones that do well and ultimately succeed.

### *Graduation from the Program*

Firms are admitted to the program for one year. After one year, firms have another year to expand and determine what their specific needs are post-graduation in terms of resources and space. DC3 is not intended to exist for an extended period of time. Once firms graduate from the Creative Ventures program, DC3 tracks their progress through an alumni program. Communication is maintained as an avenue through which firms may approach DC3 informally. This communication is not however, similar to the aide that firms received when they were in the program. DC3 utilizes this communication as a means of collecting feedback and adjusting to the needs and demands that exist outside of the incubator.

### *Internal and Citywide Policy Concerns*

In terms of policy, Betzler mentions that while there is physical space in Detroit for companies to grow, it is largely inaccessible to smaller companies similar to the firms that DC3 advises. Most companies are looking for 800 to 1000 square feet of affordable space, but most of the vacant space in Detroit has to be re-developed in order for it to become useable. Favorable governmental intervention therefore would come in the form of any policy that eased the redevelopment of industrial land and provided incentives for small companies to establish themselves in these areas. In terms of program policy, DC3 as an entity is looking at ways to improve and streamline their RFP process. Creative companies often are required to perform a substantial amount of specification work simply to secure a job from a client. Policies that would simplify the process and facilitate means of displaying work via such platforms such as online portfolios, would be of significant benefit to these creative firms.

---

Furthermore, a system of identifying possible investors (especially for creative firms) would prove extremely beneficial. Betzler envisions a database that identifies companies ready for investment and matches them with investors that are specifically interested in the specific traits a company may possess. Locating investment in general has been a challenge for the city of the Detroit. Assisting investors in accessing opportunities in the city is a key element. Such efforts will naturally spillover into the creative sector. In addition to these policy concerns, Betzler mentions the provision of adequate transit as crucial. Transit systems provide the opportunity to easily access Detroit products, and services. There is also a need for more connectivity between the large advertising agencies in the region and the smaller creative firms. While making design more accessible, technology is also changing the way design is perceived. Many companies similar to Wedge Detroit are trying to look at design and technology and showcase themselves in a way that reveals how design can be employed in ways that were never deemed possible. Nevertheless, for smaller firms there are often gaps in technology. Larger, more traditional creative firms can assist in filling in these gaps. Facilitating the connectivity at the regional and local level is something that must be considered.

#### *Relationships with other Small Business Facilitators and Spin-offs*

DC3 often collaborates with D Hive (another company in Detroit that helps small businesses) in the sense that if a small business does not fit DC3's specific model they will refer that business over to D Hive for evaluation. D Hive will review a company's business plan and assist them in identifying weakness and strengths. Often times, D Hive offers more appropriate assistance to small firms because they possess many resources that DC3 does not.

After identifying a gap in services provided, DC3 created Detroit Made. This program covers the craft manufacturing that some small designs may wish to pursue. Since such firms would create tangible items for sale, Detroit Made has the potential to become a stand-alone business. DC3 is currently investigating the appropriate legal structure that would allow this portion of DC3 to be a for-profit entity. The company would receive royalties that would help them grow their business overall. A similar program that is being investigated would produce a printed book and website that highlights the different products made in the city of Detroit and the firms that produce them. This program would conceivably supplement Detroit Made.

## Starting a Graphic Design Firm

---

After reviewing the information from the interviews and discussing them with the group (along with Professor Boyle) it was decided that our aim would be to assess the needs of the typical graphic design startup in the city of Detroit. While the option existed to create any number of creative firms, from fashion design to interior design, small start-up graphic design firms seem to be especially useful in the Detroit context since they can be of significant aid to the type of grass roots organizations that are struggling to market themselves in the city. We began by identifying startup costs and location options and continued to equipment and miscellaneous costs. Basic business activities would include; graphic and print design, identity and logo development, branding consulting, and light commercial photography. The project concludes with an assessment of relevant challenges and obstacles as well as policy recommendations.

## Further Research

---

### *Initial Startup Activities and Costs*

State of Michigan Registration Costs - \$199.00

*Michigan Business One Stop website*

### Location Costs

*DC3 Incubator - \$50 - \$830 (depending on needs)*

*Rental Space - Warren/Conner Develop. Coalition - 300 sq. ft. for \$275/month*

*Personal and Public Spaces- \$0*



### Website Development Costs

*Developed by third party - \$1,500 - \$2,000 + \$50-\$500 monthly maintenance*

*Developed by Designer - \$50 - \$500 monthly upkeep costs*

A website will prove crucial for any creative firm since it is the most ubiquitous form of self-promotion and marketing in the design world. The website is the designer's opportunity to truly market their unique qualities and specific skills. For designers, the website is the modern equivalent of the portfolio, each designer must have one and it must be maintained to the highest standard of quality and craftsmanship.

### Development of Necessary forms

*Creative Briefs, Invoice forms, Proposal Contracts, and so on.*

These forms are essential to the business and administrative facet of the designer's firm. While not very difficult to develop, due to common and standard use in the industry, a lack of these documents renders a firm incapable of entering into a transaction with a client. The internet offers many resources for the beginner in need of templates to assist in creating such documents.

## Equipment Cost

### Hardware

#### Option # 1 - Stationary Hardware Costs

##### Desktop - 27-inch iMac \$1,999.00

Apple products have been identified as the preferred machines of most graphic designers. Although the necessary hardware specifications may vary depending on the needs of the designer this model and form factor represents the typical needs of a graphic designer.



##### Pen Tablet - Intuos4 Extra Large \$789.00

A pen input interface is the preferred means of creating freehand designs on a computer. Various other solutions exist with different features and sizes.



## Option # 2 - Mobile Hardware Costs

### Laptop - 15 inch MacBook Pro \$2,799.00

Apple laptops represent the most often preferred hardware solution for designers that wish to remain mobile or wish to complement their stationary hardware. Other laptops may suffice depending on the hardware specifications and the needs of the graphic designer.



### Pen Tablet - Intuos5 Touch Medium \$349.00

A pen input interface is typically the preferred means of creating freehand designs on a computer. Various other form factor solutions exist with different features and sizes. This specific product represents a smaller size than the previous mentioned and is better suited to mobility.



### Option # 3 - Tablet Hardware Costs

Tablet Computer - Wacom Cintiq 24HD Touch \$3,699.00

This type of hardware was designed and created with the design specialist specifically in mind. This technology is preferred by more advanced design professionals due to pen input capabilities and ergonomic design.



## Software Tools

### Adobe Creative Suite 6 Master Collection - \$2,599.00

Adobe software solutions are universal in the design industry. While less expensive solutions exist, none have yet achieved the popularity that Adobe has been able to accomplish. The master collection represents the most comprehensive set of software with included programs addressing all areas of design from graphic, to video production, web design and more. Various options exist to purchase specific programs as opposed to the complete suite. Student discounts at most universities place this software in the range of \$90 to \$180 for some individual programs to just over \$600 for the complete suite.



## Commercial Photography Equipment

Commercial photography often comes as second nature to most graphic designers and their need for stock photography often times drives them to incorporating their own photography as means of lowering costs. The following equipment choices are highly subjective. These recommendations are intended to serve as general guidelines for equipment. Designers may have very different choices since needs range may greatly.

Camera - Canon EOS Rebel T3i 18 MP \$578.99



Canon Speedlite 430EX II \$254.00



Tripod - approx. \$20-\$60



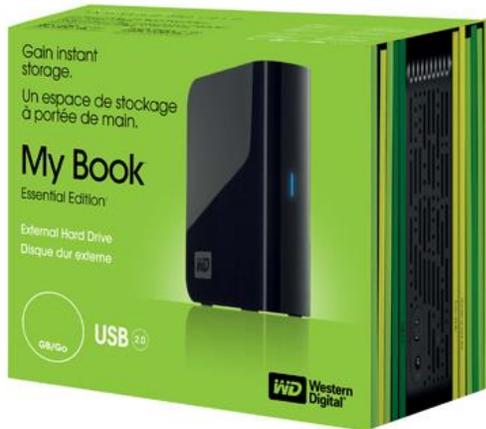
SD Memory card - approx. \$20



## Miscellaneous Equipment

### External 1TB hard-drive - approx. \$90.00

External hard drives are very much recommended for backup and storage purposes in addition to primary hard drives.



### Scanner - Canon CanoScan LiDE 210 \$80.00

Scanners are very useful when artwork that has been designed on paper media and it must be used in digital work. Many graphic designers still opt for paper and pencil as the primary means of creating some work, thus, such a tool becomes necessary.



### Font Family Licenses - prices vary greatly

Examples: License for Trajan Pro 3 Font Family - \$175

License for Adobe Font Folio (bundle of over 2,400 fonts) - \$2,999.00

“Stock fonts”, fonts provided with most computers, are usually sufficient for designers who are beginners. However, most designers will want to differentiate themselves from their competition with unique and well selected fonts. Some graphic designers create their own fonts which they then use or license to supplement their revenue streams.

## Other Equipment and Costs

The previous list is by no means objective nor is it exhaustive. It represents what the “typical” graphic designer would need to start a business. It does not include all of the little things that one discovers are necessary along the way such as business cards, cords, chargers, adaptors, care kits, and so on. Other unanticipated costs are likely to occur due to the administrative aspects of the business. Legal fees, tax consulting and similar services will be necessary and the designer must become familiar with this aspect of the business he or she is to succeed. While the costs of such services must be added to every graphic designers list of cost concerns, we have not mentioned them because they do not represent the primary business activities of a graphic design start-up.

## Challenges & Policy Recommendations

---

From our interviews, with both Bethany and Dylan, we were able to quickly identify several challenges. One of the major challenges centered on the fact that most graphic designers are mostly creative types and not business people or entrepreneurs. However, as Bethany informed us, the firms and designers that were successful were almost always the ones that were able to understand that their business was multi-faceted and the administrative duties were just as crucial to their work as their creative designs. In fact, DC3 primarily exists for the purpose of helping firms identify the type of administrative needs they must address and then to assist them in carrying out these tasks efficiently and effectively. Dylan admitted that some of the administrative aspects of running his firm seemed quite daunting at first, he was unaccustomed to drawing up forms and contracts or completing a business tax return document.

A second challenge is one that is common to all businesses; getting clients and building up a client base. Since graphic design work is mostly digital it easily lends itself to propagation through digital means. Therefore, social media platforms present an easy and cheap method of marketing for graphic designers. In addition to this, Dylan informed us that the means of acquiring clients in Detroit's design industry was somewhat different than would perhaps be the case with most businesses in other places. What he was referencing was a referral process that is a natural byproduct of the collective community that represents small design firms in the city of Detroit. Through this informal network designers address their own weaknesses and build relationships with other local designers. Dylan described to us several scenarios where he would pass along work to another designer who was perhaps better equipped than he was in a particular area of expertise. The designer would then reciprocate the act in the future. This leads to a mechanism that assures mutual survival. In fact, Dylan explained that while his company is listed as belonging to himself, most of his work receives significant contribution from four friends that are also designers. At the end of the year they receive an IRS 1099 form from Dylan for tax purposes. This unique networking collective has helped small-scale designers such as Dylan remain viable.

The third challenge is differentiation. For a firm to survive in such a crowded market such as Detroit designers must be able to be innovative and unique in their approaches and designs. A designer such as Dylan can never truly rest on past successes. Few barriers to entry means that the price for becoming stale or slightly lethargic can be serious. Established designers must compete not just with their peers but also with newcomers that are constantly flooding the market. Being able to outmaneuver industry newcomers requires a constantly innovative and fresh approach to a client's design needs and concerns.

In terms of policy recommendations there are two that Bethany Betzler mentioned as being crucial to facilitating the further development of such firms. First, while graphic designers such as Dylan require very little formal space if any, other budding specialized firms such as fashion design, interior design, and architecture firms need significantly more space. Subsidized space such as what DC3 offers is crucial for these types of firms if start-up is to be made easier for them. As Ned Staebler mentioned after the in-class presentation, any kind of policy that facilitates the creation of cheap rental space or collective space for designers would be a welcomed change by designers in the city and would nourish the growth of the industry. The second policy recommendation was touched on by Mr. Staebler but also alluded to by both Bethany and Dylan. As mentioned, designers are primarily creative and not business orientated. Policy that would expedite the creation of cheap service type businesses in terms of legal aid and administrative aid for creative firms would also do much to bolster the industry.

The creative sector in Detroit has seen significant growth and continues to expand with the help of DC3 and the informal collective networking approaches that many small design firms have embraced. However, if it is to mature, administrative and space needs must be met for many of these smaller firms. Dylan mentioned that while he is content with the type of work he does now, he envisions Wedge Detroit also producing tangible goods. Such a venture would require capital and space that is not common in Detroit nor is it readily and cheaply accessible to firms that are still maturing or seeking to grow.

---

## APPENDIX

### Research on Marketing, Media and Design Related Job Salaries

#### AutoTrader Advertising Consultant Salary in Detroit, MI Area

Web [www.autotrader.com](http://www.autotrader.com) | HQ Atlanta, GA

[Post a Salary](#)

[Overview](#) | [Salaries](#) | [Reviews](#) | [Interviews](#) | [Photos](#) | [Jobs](#) | [Connections](#)

Updated Jan 31, 2013 – Salaries posted anonymously by employees and employers.

**2 Salaries** | [Back to all AutoTrader Detroit, MI Area Salaries](#)

[Hide Filters](#)

Find by Years Of Experience

- Any Experience -

Find by Location

- Detroit, MI Area

Apply

Clear

Salaries in USD 	Average	\$40k	\$60k	\$80k
<b>Total Pay – Salary / Bonus / Other (2)</b>	\$81,214		\$71k	\$91k
Salary (2)	\$42,458	\$35k	\$50k	
<a href="#">Bonuses (0)</a>	n/a		No Reports	
<a href="#">Other Pay (2)</a>	\$38,704	\$36k	\$41k	
Commissions on Sales (2)	\$38,957	\$36k	\$42k	
Tips (0)	n/a		No Reports	
Salaries in USD 		\$40k	\$60k	\$80k

Key:  = Range  = Anonymous Range [?]  = Average

[Embed](#)

**Note:** Pay may vary based on location, years of experience, and/or other factors.

## Salary Info

### Wage Information: Graphic Designers

[Change Occupation](#)

Yearly Wage Chart : [Hourly Wage Chart](#) : [2011 Wage Table](#)

Zip Code:  [go](#) OR State:  [go](#)



- "High" indicates 90% of workers earn less and 10% earn more.
- "Median" indicates 50% of workers earn less and 50% earn more.
- "Low" indicates 10% of workers earn less and 90% earn more.
- "N/A" indicates the data is not available.

**Notes:** Yearly wage data applies only to workers with full-time, year-round schedules. For salary information for part-time or part-year workers, use hourly wage data.

### Occupation Description

**Graphic Designers** Design or create graphics to meet specific commercial or promotional needs, such as packaging, displays, or logos. May use a variety of mediums to achieve artistic or decorative effects.

[Learn more about this occupation](#)

## Graphic Designer Salaries

Updated Aug 13, 2012 – Salaries posted anonymously by employees and employers

	Median	Low to High [?]	
Detroit, MI Area	n/a	Not enough employee data	
National	<b>\$42,000</b>	\$30k	\$65k

## Company Salaries

5,143 Salaries: 1–20 of 3,537 Job Titles

Sort by

Salaries in USD 	Avg. Salary	\$30k	\$70k	\$110k
<b>Graphic Designer (Technical Director) at Pixar</b> 51 Pixar Salaries	\$116,579		\$70k	\$129k
<b>Graphic Designer (Animator) at Pixar</b> 23 Pixar Salaries	\$111,799		\$68k	\$128k
<b>Graphic Designer at MphasiS</b> 18 MphasiS Salaries	\$47,138	\$34k	\$59k	
<b>Graphic Designer at DTI associates</b> 10 DTI associates Salaries	\$54,732	\$36k		\$85k
<b>Graphic Designer at Shake-n-go Fashion</b> 10 Shake-n-go Fashion Salaries	\$43,250	\$34k	\$56k	

Looking for a job? See the latest [Graphic Designer Jobs in Detroit](#)

<b>Assistant Graphic Designer at Abercrombie &amp; Fitch</b> 9 Abercrombie & Fitch Salaries	\$41,157	\$36k	\$49k	
<b>Graphic Designer at Fossil</b> 9 Fossil Salaries	\$37,355	\$32k	\$44k	
<b>Graphic Designer - Hourly at The Joong-Ang Daily News California</b> 9 The Joong-Ang Daily News California Salaries	\$15.25/hr	\$14	\$18	
<b>Graphic Designer at jWIN Electronics</b> 9 jWIN Electronics Salaries	\$41,959	\$33k	\$60k	
<b>Graphic Designer at Japan Graphics Corp</b> 9 Japan Graphics Corp Salaries	\$34,666	\$33k	\$45k	
<b>Graphic Designer at Visual Citi</b> 9 Visual Citi Salaries	\$45,768	\$33k	\$65k	
<b>Graphic Designer at Southpole</b> 8 Southpole Salaries	\$63,071	\$37k	\$79k	
<b>Graphic Designer at Apple</b> 8 Apple Salaries	\$90,726		\$70k	\$107k
<b>Senior Graphic Designer at Pearson Education</b> 7 Pearson Education Salaries	\$59,483	\$39k	\$70k	

<b>Graphic Designer at Argento SC by Sicura</b> 7 Argento SC by Sicura Salaries	\$40,214	\$30k	\$50k
<b>Graphic Designer at Trignos</b> 7 Trignos Salaries	\$49,429	\$36k	\$55k
<b>Graphic Designer at Chyron</b> 7 Chyron Salaries	\$98,892		\$85k \$127k
<b>Network Graphics Designer at new york technology partners</b> 7 new york technology partners Salaries	\$45,367	\$38k	Employer Solutions \$51k
<b>Graphic Designer (Fix Animator) at Pixar</b> 7 Pixar Salaries	\$77,921		\$58k \$115k
<b>Graphic Designer at Gannett</b> 6 Gannett Salaries	\$47,583	\$29k	\$85k
Salaries in USD 		\$30k	\$70k \$110k

**Painter/Illustrator**

[Methodology](#)

Detroit, MI

Median Salary + Bonus **\$39,272**

10%	25%	75%	90%
\$26,393	\$32,531	\$48,451	\$56,807

## SBA Standard Small Business Size Definitions (page 32)

NAICS Codes	NAICS Industry Description	Size Standards in millions of dollars	Size standards in number of employees
<b>Sector 54 – Professional, Scientific and Technical Services</b>			
<b>Subsector 541 – Professional, Scientific and Technical Services</b>			
541110	Offices of Lawyers	\$10.0	
541191	Title Abstract and Settlement Offices	\$10.0	
541199	All Other Legal Services	\$10.0	
541211	Offices of Certified Public Accountants	\$19.0	
541213	Tax Preparation Services	\$19.0	
541214	Payroll Services	\$19.0	
541219	Other Accounting Services	\$19.0	
541310	Architectural Services	\$7.0	
541320	Landscape Architectural Services	\$7.0	
541330	Engineering Services	\$14.0	
<i>Except,</i>	Military and Aerospace Equipment and Military Weapons	\$35.5	
<i>Except,</i>	Contracts and Subcontracts for Engineering Services Awarded Under the National Energy Policy Act of 1992	\$35.5	
<i>Except,</i>	Marine Engineering and Naval Architecture	\$35.5	
541340	Drafting Services	\$7.0	
541350	Building Inspection Services	\$7.0	
541360	Geophysical Surveying and Mapping Services	\$14.0	
541370	Surveying and Mapping (except Geophysical) Services	\$14.0	
541380	Testing Laboratories	\$14.0	
541410	Interior Design Services	\$7.0	
541420	Industrial Design Services	\$7.0	
541430	Graphic Design Services	\$7.0	
541490	Other Specialized Design Services	\$7.0	
541511	Custom Computer Programming Services	\$25.5	
541512	Computer Systems Design Services	\$25.5	
541513	Computer Facilities Management Services	\$25.5	
541519	Other Computer Related Services	\$25.5	
<i>Except,</i>	Information Technology Value Added Resellers <sup>18</sup>		150 <sup>18</sup>
541611	Administrative Management and General Management Consulting Services	\$14.0	
541612	Human Resources Consulting Services	\$14.0	
541613	Marketing Consulting Services	\$14.0	

Odie Chris  
Danielle Shurkus  
Ashley Parker

Wayne State University  
Local Economic Development  
42 W. Warren Ave  
Detroit, MI

WAYNE STATE  
UNIVERSITY

Wayne State University  
Higher Education

This report seeks to ease the burden on small business in the City of Detroit.

This research project also takes a broader look at economic innovation in Detroit and addresses a range of challenges and opportunities for emerging small firms across different sectors and locations throughout the city.



This project is supported in part pursuant to the receipt of financial assistance to the MSU Center for Community and Economic Development from the Michigan State Housing Development Authority (MSHDA). The statements, findings, conclusions, and recommendations are solely those of the authors and do not necessarily reflect the views of any federal, state agency or Michigan State University.



MICHIGAN STATE  
UNIVERSITY

University Outreach  
and Engagement  
Center for Community and Economic Development