

real estate market. It's a time when hotels, in particular, take advantage of lower occupancy rates to renovate properties and the company is in talks with a number of operators.

Mohannad Sweid, CEO of Depa, said: "This is part of a wider strategy to focus on expanding in the renovation sector across all our target markets and we are well-positioned to benefit due to our strong regional relationships and brand awareness, especially among hotel operators."

Depa, which has established operations in Qatar, Morocco, India, Libya and Singapore, has seen its joint venture partners pick up a slew of contracts in recent months.

Mivan Depa – which is a specialist contractor from Northern Ireland – won three contracts totalling Dhs82 million in October, including fit-outs at Jumeirah Beach Residence beach club and Damac Executive Heights, and 12 mock-ups for offices and the stock exchange at Al Suwva Island, Abu Dhabi. It also deployed a 400-strong team who worked around the clock to repair Atlantis, The Palm, after the fire ahead of its opening.

DDS Contracts & Interior Solutions, in which Depa holds a 55 per cent stake and Design Studio 45 per cent, picked up an Dhs118 million contract for the fit-out works of an entertainment venue at Resorts World at Sentosa, an integrated holiday resort in Singapore, in December. DDS has been contracted to provide interior design fit-out works and services, including the supply of furniture for the 15,000 square metre venue in the luxury hotel, Maxim Residences.

The company is increasing its focus on other design markets not dependent on construction, and in November strengthened its presence in the yacht fit-out market by buying German firm Vedder. Last May DDS also expanded into Jordan, acquiring a 22.2 per cent stake, worth Dhs27.9 million, in Jordan Wood Industries Company, raising its holding to 36.4 per cent.

Diversification is one of strategies that is helping design firms ride out the slowdown, and so is increasing competitive edge.

Summertown Interiors Managing Director Marcos Bish said one of the challenges in the UAE is that there were as many as 800 interiors companies in the market, offering anything and everything, but only 10 or 20 were serious players. Summertown is one company which, on the face of it, might be affected heavily as the commercial sectors slows, but

it continues to work with Fortune 500 companies and international and local organisations. The company gave a corporate facelift to Investment Corporation of Dubai's offices at Dubai International Financial Centre and opened its new Jebel Ali Free Zone corporate headquarters in March.

DESIGN SHIFT

Bish said some clients were taking a 'wait and see' approach, while others were cancelling projects or reducing them in size, with budgets cut anything between 10 and 50 per cent.

"There's still business out there although it's changed with the crisis, but I don't think we're as affected as companies working in real estate," he said. "Most projects are on hold and waiting for things to start moving again. In some ways it's a good development, as we've seen so many opportunistic players, who don't have the necessary professional services, entering the market and it could well be 'last in, first out.'"

Although the design market has changed, Bish seconded the view that there was business to be had in unconventional areas. Summertown has applied for Leadership in Energy and Environmental Design (LEED) Green Building Rating System gold standard for its new office, and Bish said the costs of designing a green building are about 1 to 2 per cent of a project's total costs.

To meet gold criteria, the building features a central building management control system; LEED-certified furniture, products and materials with a high recyclable content; reduced energy consumption through sensor-controlled lights and star-rated energy electrical equipment; indoor CO₂ monitors; water-usage reduction through sensor-based systems; and waste segregation for recycling purposes.

Across the design industry, more companies are becoming environmentally aware, recycling materials such as stone fragments and glass for countertops and ceramics.

More developers are embracing technology to fast track the construction process and reduce losses amid the downturn.

"The benefits outweigh the costs if you look at it in the medium to long term," added Bish. "If you stick to a LEED system, your utility bills will go down on a monthly basis. But it's important that the green designs are incorporated into the project from day one: it's not just about putting in a few energy-saving light bulbs."

Other design firms are also looking to innovation to help them manage the crisis. More developers are embracing technology to fast track the construction process and reduce losses amid the downturn. The Middle East design solutions market is expected to rise by 5 per cent in 2009, according to ProMedia.

The company has also been pushing its Building Information Modelling concept and Revit and Civil 3D 2009 range of design solutions by Autodesk.

"The entire global business community has shown a strong willingness to make prompt realignments in terms of adopting new systems and technologies, which can help them manage their operations amidst the challenges posed by the present economic situation," said Jayant M Deshpande, Director, CAD Division, Omnix International.

Among other functions, the Revit software helps to give project teams an overall vision of their designs in a digital environment, while the Civil 3D software provides teams with comprehensive surveying, design and analysis tools.

Despite the exciting possibilities the latest technology offers, there's no doubt that design firms are suffering. Architectural design company Burt Hill announced 111 redundancies at its Dubai office, following a strategic review of its business and response to the stalling Dubai property market. However, almost in the same breath, it insisted it was committed to the UAE market during the Arab Health Conference 2009, announcing plans to build new hospitals.

Nearby Abu Dhabi may also help fill the gap caused by Dubai's development slowdown, with more than 200 buildings scheduled for completion by the end of this year to help keep remaining designers busy.

For design firms in the Gulf then it will be a messy charge forward to the goal – with many companies likely to fall by the wayside but the more hardy and creative surmounting the recession's obstacles and emerging on the winning side. ■