

## **Legacy Business Registry Staff Report**

**Hearing Date: March 13, 2023** 

#### **DESIGN MEDIA**

Application No.:

Business Name:

Business Address:

District:

LBR-2022-23-032

Design Media
3171 21st St.

District:

District:

District 9

Applicant: Pamela May, Owner/CEO

Nomination Date: January 17, 2023 Nominated Bv: Supervisor Ahsha Safaí

Staff Contact: Richard Kurylo and Michelle Reynolds

legacybusiness@sfgov.org

#### **BUSINESS DESCRIPTION**

Design Media, a San Francisco-based creative communications agency, develops custom-tailored programs for public and private sector organizations. They integrate the art and science of strategy, story, and content development, visual design, digital engagement, media, photography, video, and web design to create impactful communications and learning. Design Media works with a wide range of government agencies and Fortune 500 corporations. Apple, Autodesk, Genentech, Equinix, and Hewlett Packard are among Design Media's longtime corporate clients.

Design Media was founded in Oakland in 1978 by six individuals (five were graduates of San Francisco State University's Education Technology department) – Wallace Murray, Norman Kurtin, Robert Russo, John Ryan, Robert Loftus, and Howard Steinman. In that era, the educational technology department prepared professionals in learning design and technology-based communications for a variety of businesses. Today it evolved to include web-based portals and tools, and artificial intelligence.

The current owner, Pamela May, joined the company in 1983 and quickly brought in new business. Due to Pamela's lobbying to capitalize on opportunities in the burgeoning Silicon Valley, the company moved to San Francisco in 1985. Shortly after, in 1986, Pamela became an equal owner. Over the years, the original founding members left to pursue new ventures and Pamela became the sole owner in 2015.

Design Media has moved locations several times throughout the years as their business services expanded. In 2020, the business relocated to its current location in a 1936 Art Deco building at 3171 21st Street.

#### **CRITERION 1**

Has the applicant operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years?

Yes, Design Media has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years:

2235 Harrison St. from 1985 to 2009 (24 years) 650 Alabama St., Suite 203 from 2009 to 2020 (11 years) 3171 21st St. from 2020 to Present (3 years)

#### **Legacy Business Program**





#### **CRITERION 2**

Has the applicant contributed to the neighborhood's history and/or the identity of a particular neighborhood or community?

Yes, Design Media, Inc. has contributed to the history and identity of the Mission neighborhood and San Francisco.

The Historic Preservation Commission recommended the applicant as qualifying, noting the following ways the applicant contributed to the neighborhood's history and/or the identity of a particular neighborhood or community:

- The business is associated with creative communication strategies.
- Built in 1936, the building is a two-story, reinforced concrete, commercial building designed
  in the Art Deco style. The building was evaluated in 2010 in the South Mission Historic
  Resource Survey and appears to be eligible for the California Register as an individual
  property. The building's loading dock on Harrison Street served as the main stage for
  performers at San Francisco's annual Carnaval festivities. Design Media videographers
  documented Precita Eyes Muralists creating a mural on Harrison Street. This mural,
  entitled "Carnaval" and initiated by Susan Cervantes, is one of the longest murals in the
  neighborhood.
- Design Media has been featured in the San Francisco Business Times. They were also featured in the American Society for Training and Development's (ASTD) magazine (August/September issue), which highlighted their work for Sun Microsystems.

#### **CRITERION 3**

Is the applicant committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms?

Yes, Design Media, Inc. is committed to maintaining the physical features and traditions that define the business.

#### HISTORIC PRESERVATION COMMISSION RECOMMENDATION

The Historic Preservation Commission recommends that Design Media qualifies for the Legacy Business Registry under Administrative Code Section 2A.242(b)(2) and recommends safeguarding of the below listed physical features and traditions.

Physical Features or Traditions that Define the Business:

- Digital communications.
- Bespoke communications for government agencies and corporations.

#### CORE PHYSICAL FEATURE OR TRADITION THAT DEFINES THE BUSINESS

Following is the core physical feature or tradition that defines the business that would be required for maintenance of the business on the Legacy Business Registry.

Marketing and communications services.

#### STAFF RECOMMENDATION

Staff recommends that the San Francisco Small Business Commission include Design Media currently located at 3171 21st St. in the Legacy Business Registry as a Legacy Business under Administrative Code Section 2A.242.

Richard Kurylo and Michelle Reynolds Legacy Business Program





## **Small Business Commission**

Resolution No. \_\_\_\_\_\_ March 13, 2023

#### **DESIGN MEDIA**

Application No.:

Business Name:

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LBR-2022-23-032

Design Media
3171 21st St.

District:

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District 9

Applicant: Pamela May, Owner/CEO

Nomination Date: January 17, 2023 Nominated By: Supervisor Ahsha Safaí

Staff Contact: Richard Kurylo and Michelle Reynolds

legacybusiness@sfgov.org

## Adopting findings approving the Legacy Business Registry application for Design Media, currently located at 3171 21st St.

WHEREAS, in accordance with Administrative Code Section 2A.242, the Office of Small Business maintains a registry of Legacy Businesses in San Francisco (the "Registry") to recognize that longstanding, community-serving businesses can be valuable cultural assets of the City and to be a tool for providing educational and promotional assistance to Legacy Businesses to encourage their continued viability and success; and

**WHEREAS**, the subject business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years; or

**WHEREAS**, the subject business has operated in San Francisco for more than 20 years but less than 30 years, has had no break in San Francisco operations exceeding two years, has significantly contributed to the history or identity of a particular neighborhood or community and, if not included on the Registry, faces a significant risk of displacement; and

WHEREAS, the subject business has contributed to the neighborhood's history and identity; and

**WHEREAS**, the subject business is committed to maintaining the physical features and traditions that define the business; and

WHEREAS, at a duly noticed public hearing held on March 13, 2023, the San Francisco Small Business Commission reviewed documents and correspondence, and heard oral testimony on the Legacy Business Registry application; therefore

**BE IT RESOLVED**, that the Small Business Commission hereby includes Design Media in the Legacy Business Registry as a Legacy Business under Administrative Code Section 2A.242.

#### Legacy Business Program





**BE IT FURTHER RESOLVED**, that the Small Business Commission recommends safeguarding the below listed physical features and traditions at Design Media.

Physical Features or Traditions that Define the Business:

- Digital communications.
- Bespoke communications for government agencies and corporations.

**BE IT FURTHER RESOLVED**, that the Small Business Commission requires maintenance of the below listed core physical feature or tradition to maintain Design Media on the Legacy Business Registry:

•	Marketing and communications services.

I hereby certify that the foregoing Resolution was ADOPTED by the Small Business Commission on March 13, 2023.

Katy Tang Director	
RESOLUTION NO	

Ayes – Nays – Abstained – Absent –

#### **Legacy Business Program**





## Legacy Business Registry

## **Application Review Sheet**

Application No.:

Business Name:

Business Address:

District:

LBR-2022-23-032

Design Media
3171 21st St.

District 9

Applicant: Pamela May, Owner/CEO

Nomination Date: January 17, 2023

Nominated By:	Supervisor Ahsha Safaí			
years, with no break in	applicant has operated in San Francisco for 30 San Francisco operations exceeding two yea			
	1985 to 2009 (24 years) e 203 from 2009 to 2020 (11 years) 0 to Present (3 years)			
the identity of a particul	applicant contributed to the neighborhood's hi lar neighborhood or community?No	story and/o		
traditions that define th	olicant committed to maintaining the physical e business, including craft, culinary, or art forNo			
<b>NOTES:</b> Design Media w Francisco in 1985.	vas founded in Oakland in 1978 and moved t	o San		

**DELIVERY DATE TO HPC:** January 18, 2023

Richard Kurylo and Michelle Reynolds Legacy Business Program

#### **Legacy Business Program**



Member, Board of Supervisors
District 11



City and County of San Francisco

January 17, 2023

Richard Kurylo Legacy Business Program Office of Small Business City and Country of San Francisco 1 Dr. Carlton B. Goodlett Place, Room 140 San Francisco, CA 94102

RE: LEGACY BUSINESS STATUS FOR Design Media

Attention Legacy Business Program:

I am nominating Design Media Inc.to the San Francisco Legacy Business Directory. Design Media Inc., currently located at 3171 21st Street in the Mission District, was established in 1978 by six individuals (five were graduates of San Francisco State University's Education Technology department) – Wallace Murray, Norman Kurtin, Robert Russo, John Ryan, Robert Loftis, and Howard Steinman. In that era, the educational technology department prepared professionals in learning design and technology-based communications for a variety of businesses. Today, the company has evolved to include web-based portals and tools, and artificial intelligence.

Pamela May, the current owner, was hired and joined the company in 1983. While Design Media was originally founded in Oakland, CA, the company then moved to San Francisco in 1985 at 2235 Harrison Street. Over the next many years, the company continued to grow by adding the desired technology clients including Apple, Electronic Arts, Hitachi, NEC, Sun Microsystems, and Xerox. Legacy California businesses including Del Monte, Levi Strauss, Charles Schwab, Walt Disney, and Wells Fargo also became Design Media clients. Design Media grew up with and worked beside many of the companies that populate Silicon Valley.

Design Media is a woman-owned California small business. Design Media values diversity and provides an environment where every individual is honored, respected, and supported. They are

fortunate to be situated in San Francisco's Mission District, which allows them to work with highly qualified individuals of diverse backgrounds. Design Media began primarily as a film and video-based business, but as technology and clients' needs changed the company's areas of expertise expanded to include a wide array of services. Today, Design Media's services include creative strategy, marketing, visual design, content development, photography, video services, and web design.

The historic nature and the impact this business has made for the San Francisco make Design Media Inc. an ideal candidate for the San Francisco Legacy Business Directory.

Sincerely,

Ahsha Safai

District 11 Supervisor



## Legacy Business Registry Application



Business Information												
Business name:	Design Me	edia, Inc.										
Business owner r	name(s): Pa	amela May										
Identify the perso	n(s) with the	e highest own	ership stal	ke in the	busines	s						
Current business	address: 3	3171 21st St.										
Telephone: (41	.5) 641	- 4848		Email:	finance	@desi	ignmed	ia.com	ו			
Mailing address (	if different	than above):	n/a									
Website: www.	designmed	ia.com										
Facebook: https	s://www.fa	cebook.com	/DesignM	ediaSF	Tw	itter:	@Desi	gnMe	diaSF			
7-digit San Franci	sco Busines	s Account Nu	mber (BAN	N): 0	1	5	6	1	9	8		
<b>Do any of these o</b> Requires at least .	_					olled by	the bus	siness d	designo	ation b	elow.	
☐ Immigrant-	Owned Bus	iness			□ o <sub>v</sub>	vned b	y Perso	n with	a Disa	bility		
LGBTQ+-Owned Business					Veteran-Owned Business							
☐ Minority-O	wned Busin	ess*			× w	oman-	Owned	Busine	SS			
*Minority is defined as on or more of the following racial or ethnic groups: American Indian or Alaska Native; Asian; Black or African American; Hispanic or Latino; Middle Eastern or North African; Native Hawaiian/Other Pacific Islander												
Contact Person Information												
Contact person name: Pamela May												
Contact person title: Owner/CEO												
Contact telephon	e: (415	) 641 – 48	48	C	ontact e	mail:						

#### **Legacy Business Registry** | Application

#### **Business Location(s)**

List the business address of the original San Francisco location, the start date of business, and the dates of operation at the original location. Check the box indicating whether the original location of the business in San Francisco is the founding location of the business.

If the business moved from its original location and has had additional addresses in San Francisco, identify all other addresses and the dates of operation at each address.

Original San Francisco address: 2235 Harrison St.			Zip Code:	94110			
is this location the founding location of the business? $(Y/N)$ : $N_O$							
Dates at this location: From	1985	То:	200	09			
Other address (if applicable)	650 Alabama St., Suite 203		Zip Code:	94110			
Dates at this location: From	2009	To:	January	January 2020			
Other address (if applicable)	3171 21st St.		Zip Code:	94110			
Dates at this location: From	January 2020	То:	Pres	ent			
Other address (if applicable)			Zip Code:				
Dates at this location: From	1:	То:					
Other Address (if applicable)	:		Zip Code:				
Dates at this location: From	1:	То:					
Other address (if applicable)			Zip Code:				
Dates at this location: From	1:	То:					

#### **Section Three:**

#### Disclosure Statement.

## San Francisco Taxes, Business Registration, Licenses, Labor Laws and Public Information Release.

This section is verification that all San Francisco taxes, business registration and licenses are current and complete, and there are no current violations of San Francisco labor laws. This information will be verified. A business deemed not current with all San Francisco taxes, business registration and licenses, or has current violations of San Francisco labor laws, will not be eligible to apply for grants through the Legacy Business Program.

In addition, we are required to inform you that all information provided in the application will become subject to disclosure under the California Public Records Act.

Please read the following statements and check each to indicate that you agree with the statement. Then sign below in the space provided.

<b>√</b>	I am authorized to submit this application on behalf of the business.
<b>V</b>	I attest that the business is current on all of its San Francisco tax obligations.
<b>V</b>	I attest that the business's business registration and any applicable regulatory license(s) are current.
<b>✓</b>	I attest that the Office of Labor Standards and Enforcement (OLSE) has not determined that the business is currently in violation of any of the City's labor laws, and that the business does not owe any outstanding penalties or payments ordered by the OLSE.
<b>✓</b>	I understand that documents submitted with this application may be made available to the public for inspection and copying pursuant to the California Public Records Act and San Francisco Sunshine Ordinance.
<b>√</b>	I hereby acknowledge and authorize that all photographs and images submitted as part of the application may be used by the City without compensation.
<b>√</b>	I understand that the Small Business Commission may revoke the placement of the business on the Registry if it finds that the business no longer qualifies, and that placement on the Registry does not entitle the business to a grant of City funds.

Pamela May	9/14/2022	Panula May 68938E3AB343486	
Name (Print):	Date:	Signature:	

#### **DESIGN MEDIA**

#### **Written Historical Narrative**

#### INTRODUCTION

#### a. Describe the business. What does it sell or provide?

Design Media, a San Francisco-based creative communications agency, develops custom - tailored programs for public and private sector organizations. They integrate the art and science of strategy, story and content development, visual design, digital engagement, media, photography, video, and web design to create impactful communications and learning. Deep experience is applied to every engagement and has been since their founding in 1978. As creative collaborators, they merge imagination and technology to deliver engaging and innovative experiences.

#### b. Describe who the business serves.

Design Media works with a wide range of government agencies and Fortune 500 corporations. Local agency clients include the Office of Economic and Workforce Development, the Office of Small Business' Legacy Business Program, San Francisco's Office of the Environment, and the Oakland Unified School District. State agencies include the California Community Colleges Chancellor's Office, California State Treasurer's Office, the Emergency Management Agency, Peace Officer's Standards and Training, Workers' Compensation, Health and Human Services, the Department of Parks and Recreation, and the Water Resources Control Board. Apple, Autodesk, Genentech, Equinix, and Hewlett Packard are among Design Media's longtime corporate clients.

c. In about 2-5 words (15-30 characters), describe what the business is known for.

Bespoke communications.

## CRITERION 1: The business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years

a. Provide a short history of the business, including locations and owners.

Design Media was founded in Oakland in 1978 by six individuals (five were graduates of San Francisco State University's Education Technology department) – Wallace Murray, Norman Kurtin, Robert Russo, John Ryan, Robert Loftis, and Howard Steinman. In that era, the educational technology department prepared professionals in learning design and technology-based communications for a variety of businesses. Today it has evolved to include web-based portals and tools, and artificial intelligence. Just as the technology has advanced, Design Media has also evolved over the years.

Design Media's owners recognized the need for sales support to bring greater awareness to their offerings and the importance of reaching out to the nascent Silicon Valley market. Pamela May, the current owner, was hired and joined the company in 1983. She quickly brought in new business.

In 1984, Pamela lobbied to move the company to San Francisco, which they did in 1985, to capitalize on opportunities in the burgeoning Silicon Valley. Since video production was then a key element of Design Media's work, sufficient space for a sound stage was needed. The search began for suitable, affordable space in the formerly industrial area of old warehouses and manufacturing facilities in the neighborhood that became known as Multimedia Gulch.

The search ended with the location of a building at 2235 Harrison Street between 18th and 19th streets. This building originally housed the Pelton Water Wheel Company. In 1888, Lester Pelton formed the Pelton Water Wheel Company in San Francisco and began to mass manufacture his new water turbine. Pelton wheels provided electrical power at hydroelectric facilities around the world. For Design Media, the Pelton structure provided ample space for building out a sound stage, video editing bays, meeting spaces, as well as offices for the owners and employees. The air-conditioned sound stage, City Stage, provided a state-of-the art facility which allowed Design Media to shoot and produce their own programs, and to rent the facility to the many burgeoning production companies throughout the Bay Area.

In 1986, Pamela May purchased the shares of John Ryan and Robert Loftus to become an equal owner, facilitating Ryan's and Loftus' departure to new ventures in Silicon Valley.

Over the next many years, the company continued to grow by adding the desired technology clients including Apple, Electronic Arts, Hitachi, NEC, Sun Microsystems, and Xerox. Legacy California businesses including Del Monte, Levi Strauss, Charles Schwab, Walt Disney, and Wells Fargo also became Design Media clients. Design Media grew up with and worked beside many of the companies that populate Silicon Valley. Some of their earliest projects found them working directly with now-legends such as Steve Jobs, Scott McNealy (Sun), Ken Levy (KLA), and Trip Hawkins (Electronic Arts) when their companies were nascent and only imagining meteoric success. Later on, they worked directly with Charles Schwab, Art Levinson (Genentech), and Jack Welch on ground-breaking programs for their organizations.

In the late 1990s and early 2000s, owners Robert Russo, and Norman Kurtin left Design Media to open their own ventures. Howard Steinman passed away in 1999. For the next ten years, Design Media was co-owned by Pamela May and Wallace Murray, the remaining original founder.

Over the years, Design Media has persisted through economic downturns, and during the Great Recession of 2009 downsized staff and sublet a portion of the Harrison Street structure to Mission Cliffs, San Francisco's oldest climbing gym. As Mission Cliffs' business grew, they wanted to expand further into 2235 Harrison building. To open space for the climbing gym and to reduce overhead during this precarious time, some of Design Media's staff began working

remotely, and the headquarters moved to office space within the same structure but fronting on Alabama Street.

Over the next decade, Design Media grew back to its pre-2008 level and needed additional office space. Wanting to remain in the neighborhood, Pamela May purchased a building in 2019 at 3171 21st Street a few blocks from the original Harrison Street address. Design Media moved to the location in January 2020. The 1936 historic Art Deco building has been built out to accommodate the company's needs for office space. Like Design Media, the building is small but mighty and embodies the innovation and creativity of the Art Deco movement of the 1930s. And like Art Deco objects that were never mass-produced, Design Media continues to create uniquely innovative solutions for a growing client base.

In 2015, Wallace Murray left to concentrate on his own video business and Design Media became a certified woman-owned business with Pamela May as the sole owner.

Design Media began primarily as a film and video-based business, but as technology and clients' needs changed the company's areas of expertise expanded to include a wide array of services. Today, Design Media's services include creative strategy, marketing, visual design, content development, photography, video services, and web design. While much has changed since Design Media was founded in 1978, their passion for excellence and creativity has not diminished.

#### b. Provide the ownership history of the business in a consolidated year-to-year format.

Prior to moving to San Francisco:

1978 to 1985: Wallace Murray; Norman Kurtin; Robert Russo; John Ryan; Robert Loftis;

**Howard Steinman** 

After moving to San Francisco:

1985 to 1986: Wallace Murray; Norman Kurtin; Robert Russo; John Ryan; Robert Loftis;

**Howard Steinman** 

1986 to 1999: Wallace Murray; Norman Kurtin; Robert Russo; Howard Steinman;

Pamela May

1999 to 2000: Wallace Murray; Norman Kurtin; Robert Russo; Pamela May

2000 to 2001: Wallace Murray; Norman Kurtin; Pamela May

2001 to 2015 Wallace Murray; Pamela May

2015 to Present: Pamela May

## c. Describe any circumstances that required the business to cease operations in San Francisco for any significant length of time.

Design Media has continuously been in operation since 1978 and moved to San Francisco in 1985.

## CRITERION 2: The business has contributed to the neighborhood's history and/or the identity of a particular neighborhood or community

a. Describe the business' contribution to the history and/or identity of the neighborhood, community, business sector, or San Francisco as a whole.

Design Media is a certified woman-owned California small business and has been privileged to work with a wide range of client partners. As a full-service partner, their approach to meeting client objectives is collaborative and flexible, yielding programs of the highest quality and impact.

Design Media values diversity and provides an environment where every individual is honored, respected, and supported. They are fortunate to be situated in San Francisco's Mission District, which allows them to work with highly qualified individuals of diverse backgrounds.

Over the years, Design Media built longstanding relationships with the creatives who came to the Multimedia Gulch and Mission neighborhoods in search of community and reasonable rents. By establishing headquarters at 2235 Harrison Street in 1985, Design Media became a pioneer in Multimedia Gulch. The company has retained this pioneering spirit and like the gold seekers who landed in San Francisco in 1849, Design Media has a history of risk-taking and displaying a can-do, will-do attitude. As a scrappy, small business, Design Media has done what is necessary to persevere while maintaining a forward-thinking spirit.

The synergy between Design Media and the Bay Area Video Coalition (BAVC) located on Mariposa Street was natural. BAVC runs media-training programs for youth and educators. Design Media's internships for those students helped to develop San Francisco's multimedia industry's future workers.

#### b. Is the business associated with significant people or events, either now or in the past?

City Stage's loading dock on Harrison Street served as the main stage for performers at San Francisco's annual Carnaval festivities. Design Media videographers documented Precita Eyes Muralists creating a mural on Harrison Street. This mural, entitled "Carnaval" and initiated by Susan Cervantes, is one of the longest murals in the neighborhood. It runs north from 19th Street halfway to 18th Street. The message of the mural is simple: to embrace the art of celebration and happiness. Precita Eyes is the Mission District's community-based non-profit muralist and arts education group. Mural artists were Joshua Sarantitis, Emmanuel Montoya, and Carlos Lorca.

In 1999, Howard Steinman, a Design Media partner, was instrumental in launching a study to determine the efficacy of bringing the John O'Connell high school building at 2235 Folsom Street into the 21st century. Damaged in the 1989 earthquake, the school was slated for a major redesign/rebuild. Steinman saw the opportunity for the school to become a state-of-theart facility and to prepare young San Franciscans with the skills needed to thrive in an everchanging world. Design Media collaborated with local architect, Charles Hemminger, to deliver

a report for the San Francisco Unified School district regarding how to bring the building to the standards needed to ensure John O'Connell became a school of innovation.

#### c. How does the business demonstrate its commitment to the community?

Design Media has done pro bono work for Hospitality House in San Francisco. It donates to Aim High. Pamela May served for six years on the Hospitality House Board. She was also a member and activist in the New Mission Terrace Neighborhood Association. She currently sits on the board of Aim High.

## d. Has the business ever been referenced in the media, business trade publication, and/or historical documents?

Design Media has been featured in the San Francisco Business Times. They were also featured in the American Society for Training and Development's (ASTD) magazine for their groundbreaking work for Sun Microsystems.

#### e. Has the business ever received any awards, recognition, or political commendations?

Design Media has been honored with numerous awards, including the International Web Page Award, the International Monitor Award, several Cable Car awards, Joey awards, and many Telly Awards. Following are some notable awards:

- Brandon Hall Research Silver Award "Best Use of Web 2.0 Tools for Learning"
- Bronze Telly Award category: Special Effects for "'06: The Big One"
- Silver Telly Award category: Children's Programming for "'06: The Big One"
- Bronze Telly Award "Passion for Patients"
- Gold Telly Award for "The Santa Cruz Bicycle Story" for Apple Computer DVD Studio Pro

## f. How would the community be diminished if the business were to be sold, relocated, shut down, etc.?

If the business were to close, there would be many employees and contractors without work and the loss of a small company that has withstood the test of four-and-a-half decades of economic ups and downs.

## CRITERION 3: The business is committed to maintaining the physical features or traditions that define the business

a. Is the business associated with a culturally significant building, structure, object, signage, mural, architectural detail, neon sign, or any other special physical feature that defines the business?

The building at 2235 Harrison Street, originally the Pelton Waterwheel Company, referenced earlier, was extensively built out by Design Media.

The 1936 historic Art Deco building at 3171 21<sup>st</sup> Street has been built out to accommodate the company's needs for office space.

b. In a few words, describe the main business activity you commit to maintaining.

Bespoke communications for government agencies and corporations.

c. What challenges is the business facing today?

The uncertainty of COVID, inflation, and fear of recession cause agencies and corporations to cut their work, which directly impacts Design Media.

#### Legacy Business Program staff will add the following details:

a. Features or traditions that define the business and should be maintained for the business to remain on the Legacy Business Registry.

Digital communications.

b. Other special features of the business location, such as if the property associated with the business is listed on a local, state, or federal historic resources registry.

The Planning Department Historic Resource Status of the building at 3167-3171 21st Street is "A – Historic Resource Present." Built in 1936, the building is a two-story, reinforced concrete, commercial building designed in the Art Deco style with a side addition. The building was evaluated in 2010 in the South Mission Historic Resource Survey and appears to be eligible for the California Register as an individual property.























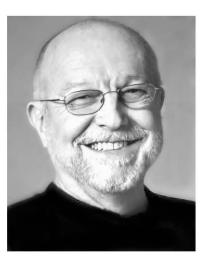




















#### Taking ideas from concept to tailored experience.







#### Strategy & Research

that uncover valuable insights and solutions to your communications challenges We uncover insights through an in-depth discovery process and design culturally-targeted strategies for marketing, communications, learning, or customer and employee engagement

#### Communications

that engage your audiences with clear and compatting messaging and stones We get to the essence of your story, revealing what matters most. Specialists in sophisticated messaging our results are fresh and compelling

#### Learning Programs

that build you company's talent, leadership, and culture. In an era of scarce attention, delivering focused and relevant micro-learning through responsive design is imperative







#### Digital Media

tallored to your brand to bring value and impact across all your channels Our team develops interactive experiences that can be shared across any channel. Tailored to your brand and culture, we design a solution then take it to the edge creatively.

#### Websites & Portals

that empower your users through human-centered design. We create invinersive websites and portals that provide an enriching experience. Cinematic visuals and targeted messaging evoke emotions and compel action

#### Design Labs

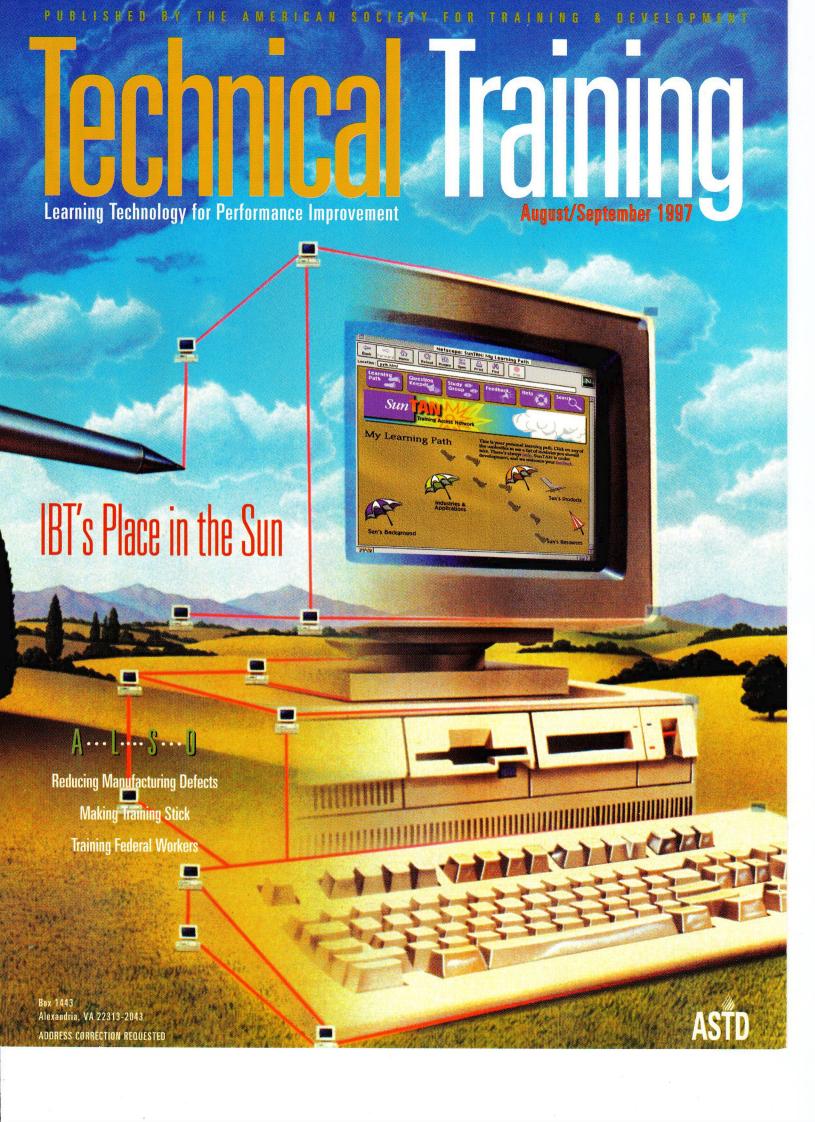
for product innovations and planeering new ways to achieve your goals. Learning labs and design sprints solve challenges and realize opportunities. We help companies innovate products and communications, and pioneer new ways of working.





Bringing agility, wit and professionalism to the table every day.





By Leanne Eline Case Study

# BI's Place in the

Debates over whether to establish a corporate intranet are (almost) defunct, but how best to use the tool is still up for discussion. Sun Microsystems is showing that its network is a nearly perfect supplemental training delivery system.



fornia-based computer giant Sun Microsystems' corporate philosophy are its beliefs in open systems and network computing. Sun's intranet is a testament to those fundamental principles. Since its inception in 1994, SunWEB has been used for everything from generating progress reports to delivering corporate-wide multimedia training.

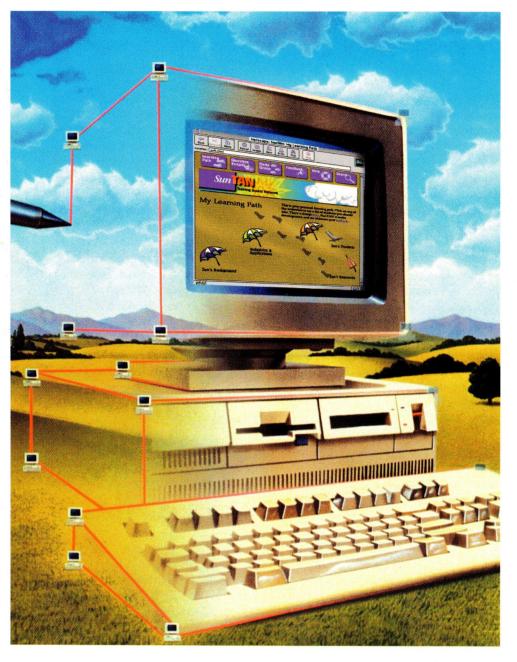
t the core of Mountain View, Cali-

A new addition to SunWEB, the Sun Training Access Network-or Sun-TAN—was added to deliver supplemental sales training in September 1996. In May, the company sent a password-protected version of SunTAN to 2,000 of its domestic and international resellers outside Sun-WEB's "firewall," and the online training program has become so successful that 25,000 people are already using SunTAN, says Jerry Neece, training programs manager for SunU, the division responsible for employee training worldwide.

SunTAN is the brainchild of John Ryan, manager of field education at SunU. Ryan envisioned a distributed model for training of newly hired field salespeople—one that would allow them to take their training as close to them as possible, limiting the time they spent in the classroom. New field sales reps at Sun typically attend four and one-half days of on-site training at Sun's corporate headquarters. This may seem like a lot of instruction, but Sun's direct competitors give far more training to their employ-

#### In This Story

- intranet-based training
- program design and development
- ▼ return-on-investment



ees—sometimes six times as much. "We'd love to give our salesforce two full weeks of training, but their job is to be out in the field, selling, right away. I wanted to find out how we could supplement classroom training with multimedia and Web technologies to augment the week they're here at headquarters," Ryan says.

Ryan also wanted to integrate training and continuous learning into employees' day-to-day work by making instructional materials available for reference and use back on the job, or for just-in-time training. That's particularly important for salespeople, who tend to be most motivated to learn in the field. "We wanted to customize the curriculum by putting some education options on the Web, some on

the intranet, some at corporate headquarters, some at regional centers, and some at district offices," Ryan says. "Learning doesn't all take place in a classroom. We needed to strategically apply the classroom training to maximize its benefits, and we also wanted to pace the training over time so employees could access it right when they need it."

#### **SunTAN Rises**

Ryan began to transform his training ideas into reality with help from consulting firm R. M. Dudley, and from Design Media, a San Francisco Bay Area communication design company. During the program's design phase, the SunTAN team worked with the following principles in mind.

Focus on learning objectives. When developing an IBT program, it's important to keep the focus on learning objectives, says Jan Wetherbee, a consultant working with Design Media and leader of the instructional design team for the SunTAN sales effort. "It's easy to lose focus when you're dealing with technology. You could get bogged down with what you can and can't do and end up with the focus on the medium versus the instructional quality. And if you do, you're going to miss the mark instructionally," she explains.

The SunTAN design team came up with learning objectives by breaking the learning process down into functionalities based on a model of an existing class. Then, based on Sun's six-step process (see sidebar, page 14), they built a lesson plan using different technologies—being careful to apply technology only to those learning objectives where it was deemed appropriate.

The team put together a mock curriculum showing which course modules would be put on the Web, which modules would be taken in the classroom at corporate headquarters, and which modules would be available at regional offices. "For example," says Ryan, "for the training of newly hired salespeople, we found that we could take a lot of the modules and presentations out of the classroom and package them on the Web. We added case studies as we went along, and applied different technologies and tested them out. This process is continually evolving as we look at reducing costs."

Use an open system. The design team investigated many different authoring tools, but they found that most authoring tools available were proprietary or closed systems. "We are creating as open a system as possible so that we can integrate new technologies as they are developed," Ryan says. "We want to create a toolbox that people can use without locking ourselves down to one authoring tool. We're finding that knowledge is sprouting up everywhere, and if you're really going to

#### SunU's Instructional Model

Where technology has been deemed an appropriate training medium, SunTAN supplements Sun's on-site training activities with content linked directly to SunU's six-step training process: present, model, discuss, practice, assess, and feedback. This six-step process is carefully analyzed so that an appropriate combination of online and classroom training will be applied to achieve the overall training objectives. Here's how it works in SunTAN's sales module:

**Present.** SunTAN presents information with text, graphics, audio, and video.

Model. Once a learner has experienced new information and discussed it with colleagues and/or SMEs, he or she can add a layer of comprehension and understanding by watching or experiencing modeling of the behavior. SunTAN incorporates modeling through video (best practices presented with one-onone coaching for the learner), case studies, and exercises that provide examples of how other sales reps have accomplished the learning objective.

**Discuss.** SunTAN's design includes a study group (communication via e-mail alias, online case studies, etc.), a question keeper (learners can maintain a notes log,

be on the cutting edge, you need to make yourself available to that as quickly as possible," he adds. You can't do that if your program is based on a closed system that may go out of date as fast as you set up. So the SunTAN team basically had to build the program from scratch.

"We've found that design is a little ahead of delivery in the intranet-based training world," says Wetherbee. "There are tools available today that didn't exist when we started designing SunTAN. The downside of that is that we're constantly trying to find the most cost-effective way to develop what we designed. The upside is that we've been able to avoid falling into the trap of designing features and functions based on the tools we're using," she explains. Many vendors now offer platform-independent Java-based training packages, so some elements of programs like SunTAN are now available as off-theshelf products.

via a floating note pad, for their own reference or to send questions to course administrators), and feedback (free-form feedback to course administrators).

**Practice/Assess/Feedback.** SunTAN allows learners to practice skills and concepts by providing instructional interactions throughout the module.

Assessments measure learner's progress against the learning objectives, and the feedback builds on learning that has already happened and prepares for learning that will happen.

John Ryan, manager of field education at SunU, thinks it's more important to assess people's skill levels and give feedback than just to test them. "If we can assess people, and bring up a new lesson plan just for the area they need more work on, then from that assessment we can certify or accreditate if we need to," he says.

"We're putting in update capability on SunTAN so that once you've taken a class or instruction you can specify that you'd like to be kept up-to-date on new information that comes out related to a particular tool or area and you'll be fed that information," Ryan adds. "It's an ongoing lifecycle model to people's education, and gives people more time at task."

Make IBT interactive. When most people think of Web-based training they think of Web pages that present information with very little interactivity involved. But SunTAN designers planned from the

The overall training program should incorporate technology only where it is appropriate

start to incorporate interactive elements such as audio files, downloadable labs, and videos. "In SunTAN, we've tried to keep the focus on the marriage of the power of the Web and the power of quality media-based training," says Wetherbee. "For example," she adds, "in the future, SunTAN's study group feature will allow

learners to build an online learning community by giving them access to Internet communication features such as e-mail aliases, chat rooms, online expert 'office hours,' etc. You can't achieve that kind of community in a disconnected learning environment, but the power of the Web allows you to do it."

"One of the problems here at Sun, for instance, is that some of the equipment we sell is quite expensive," says Neece. "You can't have a machine that people can train on in every branch. So, with SunTAN, we created lab simulations that trainees can download, or we put labs on a network server where students can come in, schedule time on the product, and do their training that way."

#### A Sneak Peek at SunTAN

The design team decided to make Sun-TAN a browser-based system—browsers are easy to use, well understood, and provide a consistent interface and way of navigation. Using a browser will usually eliminate the need to train people on how to use the interface, since most people already at least have used a browser to access and search the Internet.

Through the SunTAN browser, Sun's employees can access information, tools, and training, either by a prescribed curriculum, or by the tasks they're performing. There are four curricula: sales (for field sales reps), technical (for sales engineers), management (for sales managers), and service (for SunService sales reps).

A sales rep using SunTAN today will find that in the sales area, SunTAN's curriculum modules are divided into four categories: Sun's background, industries and applications, products, and resources. The modules are further divided into three levels: "introduction," "more information," and "in depth."

Soon SunTAN will have the capability to generate a customized curriculum for each person based on his or her past experience and current responsibility. Each customized sales curriculum will be made up of core, mandatory modules and elective modules that best meet the employee's needs.

Learners will be able to further customize their learning if they prefer to do

#### **Opportunity Knocks**

Good classroom trainers will always be in demand. And basic instructional skills will never be obsolete. But even so, there are always new ways to improve training delivery and boost productivity as the tools of the trade evolve.

"With IBT, there's an aspect of repositioning the emphasis of an instructor," says John Ryan, manager of field education at SunU. "The real value in instruction is asking the right questions so you get students to think and use their own mental capacities and critical thinking skills; and also to assess and apply feedback. The value of an expert isn't that he can just stand there and present—we can package that, people can review the presentations online. Their time is used better in assessing, feeding back, and fine-tuning people's knowledge and skills."

"I think IBT will improve the quality of life for trainers also," adds Jerry Neece, training programs manager at SunU. "For example, using IBT allows you, as a trainer, to travel when you want to travel, rather than when you have to travel. You can do excellent training

using IBT, without having to fly out to meet with your trainees across the globe. You can facilitate discussions and things of that nature online."

Trainers with some knowledge of the technology are essential to a successful IBT program, which needs in-house project managers. At Sun, says Ryan, "we have someone who has to pay attention to the Web site itself and the directory structures, etc., to make sure everything's working from a technical point of view. We also have someone on board who assesses developer tools and can recommend, from an ID point of view, what technologies might be most appropriate for a course module. So you need someone who can consult in that way. And you need your subject matter course managers."

Facilitating an online course may improve your transfer-of-training ability: A Stanford University study has shown that facilitated learning in a network-based environment has a 40 percent better retention rate than learning from a professor in a classroom.

so. They can test out of a module or a level of a module by taking a self-assessment which will measure the learner's progress against the learning objectives. If an answer is incorrect, SunTAN will provide a link back to the content supplying this information so the learner will gain the knowledge one way or another. "All of the learning pages in the modules are associated with specific learning objectives that define the tasks sales reps need to be able to perform at a particular phase in the sales cycle," says Wetherbee.

#### **Technical Architecture**

The Web is a very slow medium right now, so instead of using only the Web for moving all of its information, Sun-TAN uses a "hybrid" model. "We're using a 'store-forward' model," explains Neece. "In sales offices, we placed media servers where we can download movies and things like that, which can run locally on a LAN much faster than over the Web. So, by using a distributed model for the architecture hardware, we can have a lot of

the information residing locally, and it can run at a much faster speed. We're also using CD-ROMs for parts of the training."

Neece says that in training, latency is extremely important. "I don't want to wait nine minutes for a video to load, right in the middle of training—I want it to load as fast as possible. And to achieve that, we needed to locate the big files as close to the client as we could, so we put those files on the server down the hallway." Rather than mirror the same content in every branch, the design team determined

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ules were accessed most frequently by each division, then located those files as close by as possible.

The files that aren't accessed frequently are stored at headquarters. When a trainee goes in to SunTAN and tries to order an infrequently used module, a dialog box comes up indicating that "the module is not available locally, but if you'd like to order it, click here and we'll have it at your desktop by 9 a.m. tomorrow." The file is shipped out over the network in off-peak overnight hours, and it's ready to go the next morning.

#### Sun's Returns

The just-in-time function of SunTAN is one that is coming into increasing prominence, says Neece. "We're using SunTAN as a sort of 'training Yahoo,' a single point of contact for training that will link you off to the information you need to do your job." IBT has proven, overall, to be a successful addition to Sun's training program, although classroom training is still a valued part of the curriculum (see sidebar, left).

Sun has already seen a tremendous return on its investment in SunTAN. This summer, for example, instead of bringing 175 people from around the world into headquarters for a week of new product training, Sun will put the content on the Web. Instead of having to fly in to corporate headquarters, trainees will be able to study the content on the network and conduct discussions through e-mail, conference calls, and videoconferencing. "It costs us an average of \$2,225 per week to fly someone in for training," says Neece. "If we can avoid having to make 65 people a month travel here, that comes out to a savings of about \$1.8 million a

 that's more than it has cost us to do everything we've done with SunTAN so far." Since 90 percent of Sun's revenue comes from products that are less than a year old, the product line is constantly changing and constantly requiring training. Thus cost savings just increase over time.

From a cost perspective, you can look at hard dollar savings in travel expenses, but Neece submits that the real advantage of IBT is keeping people in the field, close to their customers. "When you're in the classroom, and you have to leave for a minute to call a customer, you've missed some of your training, and there's no making that up," says Neece. "When you're online, on the other hand, you can stop at any time, take a phone call, come back when you're done, and start over, review, or pick up

where you left off. It's repeatable. And if English isn't your first language and it takes you five times to play an audio file to understand it, you can do that, too."

It's important to view this effort as an investment—not just a cost—warns Neece. "Ask yourself, what if we use something like SunTAN to improve the productivity of our salesforce just one percent?" he says. "Where Sun is today, that's 80 million dollars. There's a lot of infrastructure I can put in place for even a fraction of that investment that would deliver training to people's desktops tomorrow."

Ryan maintains that training needs to be applied where solvable critical business issues exist, and where trainers can show productivity gains, not just cost savings. "And if you look at IBT as an investment," adds Neece, "it really gets you out of this game of comparing costs and dollars." If you're a global organization and people travel, it's easy to do that, but even an organization of 100 people in one location will benefit from online training in terms of its consistency, its familiar interface, its ease of use, and its ability to be consistently updated to everybody at the same time. "We've found all kinds of advantages to IBT," Ryan and Neece agree, "and you don't have to be a global organization to benefit from them."

**Leanne Eline** is managing editor of *Technical Training*.

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## LEGACY BUSINESS REGISTRY EXECUTIVE SUMMARY

**HEARING DATE: FEBRUARY 15, 2023** 

Filing Date: January 18, 2023
Case No.: 2023-000664LBR
Business Name: Design Media
Business Address: 3171 21st St

Zoning: NCT (MISSION STREET NEIGHBORHOOD COMMERCIAL TRANSIT) Zoning District

55-X Height and Bulk District

Block/Lot: 3615/031C Applicant: Pamela May

3171 21st Street

Nominated By: Supervisor Ahsha Safai

Located In: District 11

Staff Contact: Rogelio Baeza – 628-652-7369

Rogelio.Baeza@sfgov.org

Recommendation: Adopt a Resolution to Recommend Approval

#### **Business Description**

Design Media, a San Francisco-based creative communications agency, develops custom - tailored programs for public and private sector organizations. They integrate the art and science of strategy, story and content development, visual design, digital engagement, media, photography, video, and web design to create impactful communications and learning. Design Media works with a wide range of government agencies and Fortune 500 corporations. Apple, Autodesk, Genentech, Equinix, and Hewlett Packard are among Design Media's longtime corporate clients.

Design Media was founded in Oakland in 1978 by six individuals (five were graduates of San Francisco State University's Education Technology department) – Wallace Murray, Norman Kurtin, Robert Russo, John Ryan, Robert Loftus, and Howard Steinman. In that era, the educational technology department prepared professionals in learning design and technology-based communications for a variety of businesses. Today it evolved to include web-based portals and tools, and artificial intelligence.

The current owner, Pamela May, joined the company in 1983 and quickly brought in new business. Due to Pamela's lobbying to capitalize on opportunities in the burgeoning Silicon Valley, the company moved to San

Francisco in 1985. Shortly after, in 1986, Pamela became an equal owner. Over the years, the original founding members left to pursue new ventures and Pamela became the sole owner in 2015.

Design Media has moved locations several times throughout the years as their business services expanded. In 2020, the business relocated to its current location in a 1936 Art Deco building at 3171 21st Street.

The business's primary location at 3171 21<sup>st</sup> St is a Category A (Historic Resource Present / Age Eligible) structure on south side of 21<sup>st</sup> Street between Mission and Capp streets in the Mission Street neighborhood. It is within the Mission Street NCT (Neighborhood Commercial Transit) Zoning District and a 55-X Height and Bulk District. 3171 21<sup>st</sup> Street was identified as eligible for California Register as an individual property in the 2010 South Mission Historic Resource Survey.

#### **Staff Analysis**

#### **Review Criteria**

#### 1. When was business founded?

The business was founded in 1978 and established in San Francisco in 1985.

#### 2. Does the business qualify for listing on the Legacy Business Registry? If so, how?

Yes. Design Media, Inc. qualifies for listing on the Legacy Business Registry because it meets all of the eligibility Criteria:

- a. Design Media, Inc. has operated continuously in San Francisco for 38 years.
- b. Design Media, Inc. has contributed to the history and identity of the Mission neighborhood and San Francisco.
- c. Design Media, Inc. is committed to maintaining the physical features and traditions that define the organization.

#### 3. Is the business associated with a culturally significant art/craft/cuisine/tradition?

Yes. The business is associated with creative communication strategies.

#### 4. Is the business or its building associated with significant events, persons, and/or architecture?

Yes. City Stage's loading dock on Harrison Street served as the main stage for performers at San Francisco's annual Carnaval festivities. Design Media videographers documented Precita Eyes Muralists creating a mural on Harrison Street. This mural, entitled "Carnaval" and initiated by Susan Cervantes, is one of the longest murals in the neighborhood. Precita Eyes is the Mission District's community-based non-profit muralist and arts education group. Mural artists were Joshua Sarantitis, Emmanuel Montoya, and Carlos Lorca.

#### 5. Is the property associated with the business listed on a local, state, or federal historic resource registry?

Built in 1936, the building is a two-story, reinforced concrete, commercial building designed in the Art Deco style. The building was evaluated in 2010 in the South Mission Historic Resource Survey and appears to be



eligible for the California Register as an individual property.

6. Is the business mentioned in a local historic context statement?

No, not as of the date of this Executive Summary.

7. Has the business been cited in published literature, newspapers, journals, etc.?

Yes. Design Media has been featured in the San Francisco Business Times. They were also featured in the American Society for Training and Development's (ASTD) magazine (August/September issue) which highlighted their work for Sun Microsystems.

#### **Physical Features or Traditions that Define the Business**

Location(s) associated with the business:

Current Locations:

• 3171 21<sup>st</sup> Street (January 2020 – Present)

Previous (No Longer Extant) Locations:

- 2235 Harrison St (1985 2009)
- 650 Alabama St, Suite 203 (2009 January 2020)

#### Recommended by Applicant

- Digital communications
- Bespoke communications for government agencies and corporations

#### **Basis for Recommendation**

The Department recommends the Historic Preservation Commission adopt a resolution recommending the business listed above be adopted by the Small Business Commission to the Legacy Business Registry.

#### **ATTACHMENTS**

**Draft Resolution** 

Legacy Business Registry Application:

- Application Review Sheet
- Section 1 Business / Applicant Information
- Section 2 Business Location(s)
- Section 3 Disclosure Statement
- Section 4 Written Historical Narrative
  - o Criterion 1 History and Description of Business
  - o Criterion 2 Contribution to Local History
  - o Criterion 3 Business Characteristics
- Contextual Photographs and Background Documentation





### HISTORIC PRESERVATION COMMISSION **RESOLUTION NO. 1309**

**HEARING DATE: FEBRUARY 15, 2023** 

Case No.: 2023-000664LBR Business Name: Design Media

Business Address: 3171 21<sup>ST</sup> STREET (Primary Address)

Zoning: NCT (MISSION STREET NEIGHBORHOOD COMMERCIAL TRANSIT) Zoning District

55-X Height and Bulk District

3615/031C Block/Lot: Applicant: Pamela May

3171 21st Street

Nominated By: Supervisor Ahsha Safai

Located In: District 11

Staff Contact: Rogelio Baeza - 6286-52-7369

Rogelio.Baeza@sfgov.org

ADOPTING FINDINGS RECOMMENDING TO THE SMALL BUSINESS COMMISSION APPROVAL OF THE LEGACY BUSINESS REGISTRY NOMINATION FOR DESIGN MEDIA, CURRENTLY LOCATED AT 3171 21ST ST, BLOCK/LOT 3615/031C

WHEREAS, in accordance with Administrative Code Section 2A.242, the Office of Small Business maintains a registry of Legacy Businesses in San Francisco (the "Registry") to recognize that longstanding, community-serving businesses can be valuable cultural assets of the City and to be a tool for providing educational and promotional assistance to Legacy Businesses to encourage their continued viability and success; and

WHEREAS, the subject business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years; and

WHEREAS, the subject business has contributed to the City's history and identity; and

WHEREAS, the subject business is committed to maintaining the traditions that define the business; and

WHEREAS, at a duly noticed public hearing held on February 15, 2023, the Historic Preservation Commission reviewed documents, correspondence and heard oral testimony on the Legacy Business Registry nomination.

THEREFORE, BE IT RESOLVED that the Historic Preservation Commission hereby recommends that Design Media qualifies for the Legacy Business Registry under Administrative Code Section 2A.242(b)(2) as it has operated for 30 or more years and has continued to contribute to the community.

**BE IT FURTHER RESOLVED** that the **Historic Preservation Commission hereby** recommends safeguarding of the below listed physical features and traditions for Design Media.

#### Location(s):

#### **Current Locations:**

• 3171 21st Street (January 2020 – Present)

Previous (No Longer Extant) Locations:

- 2235 Harrison St (1985 2009)
- 650 Alabama St, Suite 203 (2009 January 2020)

#### Physical Features or Traditions that Define the Business:

- Digital communications
- Bespoke communications for government agencies and corporations

BE IT FURTHER RESOLVED that the Historic Preservation Commission's findings and recommendations are made solely for the purpose of evaluating the subject business's eligibility for the Legacy Business Registry, and the Historic Preservation Commission makes no finding that the subject property or any of its features constitutes a historical resource pursuant to CEQA Guidelines Section 15064.5(a).

BE IT FURTHER RESOLVED that the Historic Preservation Commission hereby directs its Commission Secretary to transmit this Resolution and other pertinent materials in the case file 2023-000664LBR to the Office of Small Business on February 15, 2023.

Jonas P. Ionin

Commission Secretary

AYES: Wright, Black, Foley, So, Nageswaran, Matsuda

NOES: None

ABSENT: Johns

ADOPTED: February 15, 2023



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