4 SAN FERNANDO VALLEY BUSINESS JOURNAL JULY 8, 2019

## Mobile Privacy

**TECHNOLOGY:** Cubicall makes phone booths without the phones for open-office employees seeking quiet.

By MARK R. MADLER Staff Reporter

hen Nick Pucci and his brother Anthony wanted to get a phone booth to provide some privacy at the Los Angeles marketing agency they operated, the only ones they could find online were too big.

So, they decided to design one themselves. They had a prototype built and put into their offices. When clients came in and saw the booth, they often wanted one too, Pucci said.

Believing there was a market for the booths especially since so many of today's creative or open-concept workplaces lack space for a private phone call – the brothers improved on their prototype and started advertising online. The first weekend they were advertised, they received orders for two of them at \$6,000 each.

"It was sight unseen," Pucci recalled.



"These people had no idea who we were. We were like, 'Holy cow. This is incredible.'

Today the siblings operate Cubicall, a Van Nuys startup where the final assembly is done on customized phone booths for work environments. Started in 2017, the company faces com-

petition from Framery, a Finnish company that distributes its booths in the United States through Herman Miller Inc., a home and office furniture manufacturer based in Michigan; Room, a New York office design firm that offers a soundproof phone booth; and Zenbooth, in Berkeley.

"Chinese manufacturers are starting to get into it, too," Pucci said. "We've seen some of their phone booths and the quality has been bad.

Cubicall booths start at \$6,495 for the one-person model up to \$12,995 for the four-person special editions that feature graphics of the California state flag or Vincent van Gogh's famous painting, "Irises."

By comparison, the single booth offered by Room costs \$3,695 to \$3,895 while the ones from Zenbooth range from \$4,495 for the oneand two-person version up to \$15,995 for the four- to six-person model

Pucci describes Cubicall as being a midprice point phone booth. The Valley company is not at a disadvantage because its customers perceive Cubicall with superior value, he added.

## **Assembly in Valley**

The decision to purchase a phone booth is not an impulsive one, and customers take their time to research and ultimately decide based on their cost/benefit analysis, Pucci continued.

"Different consumers will have different requirements, but we're finding our customers perceive that we offer the greatest value," he

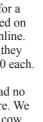
Cubicall currently has four employees and its suppliers are all in the United States with some, such as the wood fabricators and laminators, located in Southern California,

"Then we bring everything in house and assemble it all in Van Nuys," he added.

Cubicall has sold its booths to Fortune 100 companies as well as small boutique businesses. Still, it remains fully funded by the brothers and they are looking for investors. In order for it to grow they need additional capital.

Some money did come their way thanks to a television show.

In May, the brothers appeared on "Shark Tank," the business-related reality series. The ABC show has entrepreneurs pitch their ideas





Glassed Off: Single-person booths start at \$6,495; larger models accommodate

four people.

open space offices now make up between 70 percent and 80 percent of all offices, industry experts estimate. But research is now coming out showing a bit of a backlash against these environments. While the millennials and Generation Z workforce prefers open space offices, at the same time they are unhappy with it.

"The reason they are unhappy with it is because of noise distractions and visual distractions," Pucci said.

That is where phone booths come in. They provide privacy to work on projects individually or with a co-worker or to make phone calls without having to deal with chattering colleagues in the background. They are not meant for an employee to spend the day inside but instead for short bursts of focus.

Pucci said the cost savings of having an open office space means that there will never be a return to the traditional office with separate spaces for employees.

'It's not going to happen, especially with today's economics," he added. "I think the future of office space is going to be a hybrid of open office but a lot of different solutions for privacy."

'If you are going to spend 30 minutes in a confined space, Cubicall is the most comfortable.'

TODD GITLIN. Safire Partners

to a group of investors (or "sharks") who then decide if they want to invest.

The Puccis received offers from two of the sharks - Barbara Corcoran and Kevin "Mr. Wonderful" O'Leary. They accepted the offer from Corcoran of \$350,000 for a 25 percent stake in their business. While the percentage of the business given to Corcoran was higher than what the brothers originally wanted, they saw the value in having access to her experience and network in real estate in New York

"Her experience in the commercial real estate market could provide the network and connections that we needed," Pucci said. "That's what we really liked about the deal."

Todd Gitlin, the founder and managing partner of Culver City executive search firm Safire Partners, has bought two Cubicall phone booths to put into the firm's bullpen-type office environment, or one where employees can see and hear each other freely and desks are grouped into teams.

The convenience of ordering from a local company, the fact the booths could fit through any size doorframe and their roominess were reasons why he went with Cubicall over competing brands, Gitlin said.

"If you are going to spend 30 minutes in a confined space, Cubicall is the most comfortable," he added.

## Open space backlash

Cubicall has positioned its booths to provide privacy in open space work environments. Popularized by Google and Facebook Inc.,

