



The Small Business Voice

Volume 4, Issue 2

August, 2008

STATE BUDGET IMPACTS ON SMALL BUSINESS: NJSBDC *successful in restoring funding*

The State Legislature and Governor enacted the \$32.86 billion State Budget (FY 2008-2009) by the June 30 constitutional deadline and appropriated \$600 million less than last year's fiscal budget. According to the Governor's office, "this is only the sixth time since 1951 the state budget has spent fewer actual dollars than in the previous year. It is far and away the largest actual dollar, year-to-year reduction in state history." The State's fiscal environment and debt situation catalyzed increased cooperation between the legislative and executive branch on curbing State Government spending, which included \$2.9 billion in cuts. This year's budget successfully reduced the reliance on one-time revenue sources by 90 percent.

Many programs received State-funding reductions or funding was entirely eliminated. The New Jersey Small

Business Development Centers (NJSBDC) network had its funding level reduced by half. The Legislature's stepped-up efforts averted total NJSBDC program defunding that the Governor had initially proposed. NJSBDC has been an official partner of the State's commerce agency for at least 20 years with vast infrastructure to deliver significant services to the small business sector. This 30-year non-profit program, which provides comprehensive services to entrepreneurs and small business owners, results in substantial economic impact to the State's economy.

This network of experts, with in-depth private sector experience from various industry sectors and business ownership, serves almost 22,000 small businesses and start-ups annually through one-to-one counseling, training, loan packaging and other vital technical assistance.

Thirty-one State Legislators, many of whom are members of the respective Assembly and Senate budget committees as well as those who hold key leadership posts, sponsored and co-sponsored budget resolutions to restore full funding of \$1 million to the NJSBDC (see list below). However, \$500,000 in funding restoration was agreed to during negotiations between legislative leadership and the Governor, his team and the State Treasurer.

"A 50 percent cut to our program will prove to be a real challenge to our network," Brenda B. Hopper, NJSBDC state director stated. "But, we are grateful to the Legislature in taking the lead to restore our state funding and the Governor's action to meet them half-way."

"It's unfortunate the state didn't fund them at a higher level," James Kocsi, Small

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NJSBDC Network Extends Its Thanks to Small Business Clients, Partners, and Supporters

As budget hearings occurred and the budget document was being formulated in Trenton (March-June), clients, partners and other supporters learned of the fact that the NJSBDC stood to lose its entire State funding. Many NJSBDC supporters and beneficiaries of the network's initiatives took a stand and let the Governor and his office and State Legislators know of their sentiments about the proposed Governor's defunding plan. They argued passionately for NJSBDC funding restoration.

More than 2,000 e-mails, letters, and phone calls from NJSBDC clients, partners, and members of other business groups were generated to state legislators

and the Governor's office at different periods during the budget cycle. They also wrote letters-to-the editor to inform members of the public about the effects on job creation and retention if program funding was not restored.

"We were heartened to know about the depth of support we had from our state and regional partners as well as our small business clients," said Brenda Hopper, NJSBDC state director. "They certainly weighed in on this important matter at the right time."

"We tried to let as many people know as possible through regular communications and updates," Deborah Smarth, NJSBDC associate state

director added. "Our grassroots support was so wide and broad. It was democracy in action and we were all quite encouraged by it."

NJSBDC's federal funding partner, the Small Business Administration (SBA), through James Kocsi, New Jersey

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NJSBDC Network Extends Its Thanks to Small Business Clients, Partners, and Supporters

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district office director, and Michael Pappas, regional administrator for Region II, also assisted in communicating key concerns and facts regarding the impact of program state funding losses on federal funding support levels. They raised the consciousness of potential decision-makers on these significant issues.

Two regional and state partners of NJSBDC took the first steps, also. Both the Commerce and Industry Association of New Jersey (CIANJ) and the New Jersey Technology Council (NJTC) issued public statements and their efforts were noted in *The Press of Atlantic City* and other newspapers.

The Board of Directors of CIANJ approved a resolution calling on the Governor and Legislature to restore full funding to NJSBDC. Both Richard Goldberg of the CIANJ board of directors and CIANJ President John Galandak announced their actions at a May legislative dinner held at the Sheraton Meadowlands Hotel in Rutherford.

Maxine Ballen, president and chief executive officer of NJTC, also offered her council membership's support along with Ethan Hasbrouck, NJTC director of government affairs. Their members were alerted to the news, in view of the council's strong partnership with NJSBDC's technology commercialization program and the assistance to science-technology firms provided by the NJSBDC network. In fact, at NJTC's 2008 annual meeting at the Forstage Country Club on July 17, Ballen publicly stated that the council was pleased to learn of the partial reinstatement of state funding for NJSBDC agreed to by the Legislature and Governor.

The Mercer Chamber of Commerce, headed by Michele Siekerka, pro-actively participated in the campaign by writing letters to the editor and having their members send letters

to state elected officials; their board also passed a resolution calling for funding restoration for NJSBDC. The chamber is a pro-active partner of the NJSBDC at the College of New Jersey. NJSBDC at Raritan Valley Community College advisory board member Gail Rosen, CPA, was instrumental in communicating and further facilitating support from legislators representing Somerset County. In addition, the Urban League of Hudson County and Rising Tide Capital, Inc. that partner with the NJSBDC at New Jersey City University added their voices to the campaign to save NJSBDC funding.

The New Jersey District Export Council (NJDEC) sent a letter to legislative budget committee chairs. They also alerted their members for further action, knowing about the services the NJSBDC international trade specialty program provides to small businesses, which want to enter the import/export markets.

Clients and supporters like Charles Evans and Jerry Silberman of Corporate Turnaround and Mike Moran of Moran Media Group in the Bergen County region, also did their part to broadcast their views on the matter, emphasizing the impact that NJSBDC has on small

business owners around the State.

In addition to the support of various regional SBDCs' partners statewide, several Boards of Freeholders took action, also. Freeholder chairman Tomas J. Padilla of the Bergen County Board of Chosen Freeholders wrote a letter to the chairs of the legislative budget committees and copied the Governor. Freeholder director Sonia Rosado of the Passaic County Board of Chosen Freeholders wrote a letter to Governor Corzine as well as the two budget committee chairs, Senator Barbara Buono and Assemblyman Louis Greenwald. Their board also passed a resolution calling for full funding restoration. David B. Crabiel, freeholder director of the Middlesex Board of Chosen Freeholders, initiated and helped get a county board resolution passed to restore full funding for NJSBDC.

So many more individuals and groups did so much for the cause of small business owners during this budget process. To all of you who chose to become involved with the process, the NJSBDC network thanks you and will not forget your strong actions on our behalf and the small business owners of New Jersey whom we serve.

THANK YOU TO NJSBDC SMALL BUSINESS GROWTH SUCCESS AWARDS LUNCHEON CO-SPONSORS:



STATE BUDGET IMPACTS ON SMALL BUSINESS: NJSBDC successful in restoring funding

(Continued from page 1)

Business Administration New Jersey district office director, said. "A 50 percent cut by the state is quite severe, and they are going to have to make some cuts in their services, without a doubt."

Since the program is a federal-state-educational partnership, the NJSBDC network leverages federal, state, and other sources of funding to maximize small business resources. Hosts of the regional centers located throughout the State also contribute to the program. If the Legislature had not as aggressively acted to push for funding restoration in light of the Governor's total proposed de-funding, NJSBDC would have lost as much as \$831,000 in federal Small Business Administration (SBA) funds. The loss of federal funds has been averted with half the State's funding level being reinstated, provided that hosts of centers maintain their current funding level.

Members of the State's congressional delegation who sent letters to the Governor advocating that he re-consider his proposed State funding reduction in light of the severity of federal funding cuts that would follow, included Congressman Donald Payne, Congressman Christopher Smith, and Congressman Rob Andrews.

Deborah Smarth, NJSBDC associate state director, testified before the Assembly Budget Committee at its June 18 public hearing concerning the introduced state budget legislation (**A-2800 Greenwald, Pou, Schaer, Roberts, Buono**). "I wanted to personally thank those strong advocates of our program who have stood by us over the years, like Budget Committee Chairman Lou Greenwald and Assemblyman Joseph Cryan and several other key advocates," Smarth said. "Without their understanding of the true value of our program we certainly could not have advanced, to the extent we did, the cause of small business owners over the past few years." Other longstanding advocates of the program include: Assemblyman Joseph Vas, Assemblyman Upendra J. Chivukula, Assemblyman John Wisniewski, Assemblyman Rick Merkt, Senator Christopher ("Kip") Bateman, Senator Anthony Bucco, and Senator Paul A. Sarlo.

"While we won't have the same level of resources to invest in our direct services to small business owners and entrepreneurs, it could have been a lot worse had half of NJSBDC's funding not been restored," Deborah Smarth, NJSBDC associate state director, commented. "It's certainly going to have a real impact on the number of business owners we can get to, and that in turn we expect, will impact on overall economic impact outcomes for the State."

The Legislature had made great strides over the past four fiscal years in doubling State funding for small business assistance services through NJSBDC. In fact, last year's enacted State budget increased NJSBDC funding level by \$200,000 to \$1 million.

"We think that actions speak louder than words." Hopper stated. "Evidently, the Governor's economic growth strategy issued in 2006, which called for small business as a strategic priority and made established small businesses a key component in the plan, is not matched by this year's budget experience, especially as it relates to the investment level in small business assistance and services."

Deborah Smarth indicated that the Business Employment Incentive Grant Program (BEIP), which gives incentives to companies that create new jobs, generally goes to medium and larger size businesses. The Governor actually proposed an appropriation of \$179 million for BEIP grants and the budget as approved into law increased that amount to \$194 million.

"Small businesses create sustainable and long-term jobs in communities across the State," Smarth said. "We need to also look at investment in small business assistance which inevitably creates new jobs that are sustainable over time. There should be a real public policy discussion on this point by our elected decision-makers."

Budget resolution sponsors and co-sponsors, calling for the full \$1 million in restoration, included:

Assembly Majority Leader Bonnie Watson-Coleman; Assembly Speaker Pro Tempore Jerry Green.

Members of the Assembly Budget Committee:

Assemblyman Joseph Cryan, Assemblyman Louis Greenwald (Chair), Assemblyman Gordon Johnson, Assemblywoman Nellie Pou, Assemblywoman Joan Quigley, Assemblyman Gary Schaer (Vice-Chair), and Assemblyman Joseph Vas.

Members of the Senate Budget & Appropriations Committee:

Senator Sandra Cunningham, Senator Teresa M. Ruiz, Senator Paul A. Sarlo (Vice-Chair), Senator Brian P. Stack, Senator Shirley Turner, and Senator Joseph Vitale.

Members of the Assembly Commerce and Economic Development Committee:

Assemblyman Upendra J. Chivukula, Assemblyman Albert Coutinho, Assemblywoman Pamela R. Lampitt, and Assemblyman Joseph Vas (Chair).

Members of the Assembly Appropriations Committee:

Assemblywoman Nellie Pou (Chair), Assemblywoman Valerie Vanieri-Huttle, Assemblyman John S. Wisniewski, and Assemblyman Herb Conaway, Jr.

Other resloution co-sponsors:

Assemblyman Ralph R. Caputo, Assemblyman Jack Connors, Assemblyman Patrick J. Diegnan, Jr., Assemblywoman Eleese Evans, Assemblyman Douglas H. Fisher, Assemblyman Thomas P. Giblin, Assemblywoman Grace L. Spencer, Assemblywoman Linda R. Greenstein, Assemblywoman Sheila Y. Oliver, and Assemblyman L. Harvey Smith.

Members of the Republican Caucus who wrote letters of support to their respective chairs of the Assembly and Senate budget committees also included: *Senator Anthony Bucco, Senator Christopher ("Kip") Bateman, Assemblywoman Mary Pat Angelini, Assemblywoman Denise P. Coyle, Assemblyman Richard Merkt, Assemblyman David P. Rible, and Assemblyman David Wolfe.*

"We are heartened by the groundswell of support by key legislative leaders at such a difficult time," Brenda Hopper said. "We truly appreciate their commitment to the small business owners of the State."

NJ Small Business Development Centers Network Celebrating Its 30th Anniversary: Annual Small Business Growth Success Awards Luncheon Set for December 5, 2008 at Forsgate Country Club

Every year NJSBDC sponsors its annual Small Business Growth Success Awards luncheon but this year is even more special because 2008 marks the network's commitment and assistance to small business and entrepreneurs for three decades.

Last year's event was one of our best ever," Brenda Hopper, NJSBDC state director, said. "With more than 300 in attendance and a great slate of small business clients being recognized, we hope that this year's special gathering will even prove better."

Every year, the 11 centers of the network serving different regions of the state, nominate their best candidates for awards, indicating their business growth accomplishments and how their center specifically helped them achieve their success. Oftentimes some key guests include past clients of NJSBDC who have made tremendous innovations in the technology area and other sectors. Last year, Datatek's executives attended. Datatek, with some assistance from NJSBDC's technology commercialization initiative several years ago, was able to win federal grants to help with its commercialization of a technology product IPv4-IPv6 transformer that merges old Internet technology with

new Internet technology, expanding capabilities over the Web.

"We are looking forward to bringing in more corporate sponsorships this year," Deborah Smarth, NJSBDC associate state director and organizer of the event, stated. "We hope to gain a few new sponsors. Over the past several years the sponsorship list has included such firms as Verizon, PNC Bank, PSE&G, Turner Construction, and NJBIZ. This is one way of increasing the leverage effects of our federal and state funding sources to deliver direct services to small business across the State. It also gives us the opportunity to honor our small business clients who have made sizeable gains in their development and growth, impacting on the State economy."

Over the past few years, this program has incorporated a new component to the Luncheon, which includes recognition of key State Legislators and members of the State's congressional delegation, who have taken actions to enhance the NJSBDC mission for the small business sector.

"We want to make sure that those key State public policy decision-makers on both sides of the aisle who have

supported NJSBDC's mission and cause are duly recognized for their efforts." Smarth stated. "Due to the Legislature's commitment to NJSBDC and the assistance we provide to small business, the network was able to increase its funding over the past few years, and had it not been for them, funding restoration in the FY 2009 State budget would not have been possible during a time of major fiscal constraints."

"We're hoping for a packed house like prior years and encourage key corporate leaders to participate and learn about the impact our organization has with regard to small business suppliers of products and services to their corporations," Hopper said.

The network is scoping out potential keynote speakers at this time. To remain updated on how to purchase ads in the Luncheon program book, event sponsorships, and obtaining tickets to the event, please refer to the NJSBDC's official website, www.njsbdc.com. Information about this great annual event will be posted as developments occur.

Special offers and discounts are also being provided for early registrations.

IT'S OUR 30TH ANNIVERSARY CELEBRATION!

NJSBDC INVITES YOU TO SAVE THE DATE

Friday, December 5, 2008

The New Jersey Small Business Development
Centers

Recognizes the Achievements of Businesses
Making a Difference at the

**NJSBDC's Business Growth Success Awards
Luncheon**

LOCATION: The Forsgate Country Club
Monroe Township, N.J.

TIME: 11:30 a.m. - 2:30 p.m.

*Register online at www.njsbdc.com or
call Maria Torres at 973-353-1927.*

NJSBDC Where Businesses Go to GROW
(Details of invited keynote speakers at www.njsbdc.com)

Co-sponsored by: Verizon and PNC Bank



NJSBDC Business Growth Success Awards 2008 Program Book Advertising Opportunities

A special edition program guide is being created to mark our NJSBDC Business Growth Success Awards 2008 event, featuring:

**Keynote Speaker to be announced*

See www.njsbdc.com for information concerning luncheon program developments!

The program book will be distributed at the *December 5, 2008* awards luncheon and throughout *2009* to public policy decision-makers and private entities.

Be a part of this keepsake and guide to business resources in New Jersey.
Special discounts apply for limited time period.

Event Sponsors include: Verizon, PNC Bank

Unit Size	Rate
Full Page (8 ½ X 11 in)	\$500
½ Page	\$250
¼ Page	\$125
Business Card Listing	\$65

Publishing Schedule

Ad Closing: Friday, October 17, 2008

Ad Material Due: Friday, Oct. 24, 2008

(electronic or hard copy submissions accepted)

Issue Date: Friday, December 5, 2008

For More Information Contact

Maria Torres at 973-353-1927

Or visit www.njsbdc.com

This Year's NJSBDC Annual Expo Hits Some High Notes

This year's NJSBDC-sponsored annual Procurement Expo was held on June 19 at New Jersey City University (NJCU) in Jersey City, the host institution for the regional center of NJSBDC serving small business owners of Hudson County and some surrounding communities.

Key financial and in-kind sponsors of this event included Skanska USA Building, Inc., Capital One, PSE&G, Schering-Plough, NJ Transit, the Port Authority of New York and New Jersey, and PPG World Headquarters.

There were more than 70 exhibitors this year providing information to small business owners on how to access contracts with their organizations along with a number of small business exhibitors also seeking to do business with the small business community. About 400 government and corporate executives, entrepreneurs and small business owners took advantage of the great benefits accruing from the eight sponsored workshops and six industry roundtable sessions. These breakout sessions focused on key topics to empower business owners with the knowledge and know-how to capture procurement opportunities at the federal, state, and commercial level.

Those addressing the large group included Michael Pappas, regional administrator of Region II, the federal Small Business Administration (SBA),



Michael Pappas
Regional Administrator
U.S. Small Business Administration

Brenda Hopper, NJSBDC state director, Dr. Sandra Bloomberg, dean of the College of Professional Studies at NJCU, Stephanie Burroughs, NJSBDC procurement program director and program organizer, and Glen Garth representing Skanska USA Building, Inc. Barbara O'Neal, regional director of NJSBDC at NJCU and her office, assisted Burroughs in arranging and organizing all program logistics along with promoting the program and marketing it to the center's clients and trainees. She and Huyen Le were valued participants in the program.



Stephanie D. Burroughs
Director of Procurement Programs
NJ Small Business Development Centers

"It is important for the SBA to participate in events like the Procurement Expo because it gives us the opportunity to help small businesses begin the procurement process," said Mike Pappas, SBA regional administrator. "The United States Government is the largest purchaser of goods and services in the world so it is vital we get the word out to small businesses. We want to ensure small businesses are aware of the opportunities in the procurement area."

Over the years, the procurement program of NJSBDC has established strategic partnerships with federal and state programs as well as global corporations to help small, minority, and women-owned businesses to take advantage of opportunities in government and corporate America.



EXPO Attendees

The program focuses on different sectors including the construction industry and building trades.

Some seminars offered at this year's Expo included: "Doing Business with Skanska USA;" "Contracting with the Federal Government;" "Marketing Your General Services Administration Contract;" "Getting on the GSA Schedule;" "Supplier Registration-First Steps to the Corporate Procurement Process;" "Doing Business with the State of New Jersey;" "Understanding the Rutgers University Purchasing Process;" and a construction panel provided an overview of regional opportunities.

In addition to workshops and seminars, a special matchmaking session for small business owners and vendors also occurred. There were 120 matchmaking appointments scheduled at which time business owners had the opportunity to meet with potential buyers of their products and services from both the public and private sector.

"We're hoping that these face-to-face matchmaking meetings eventually result in the consummation of great financial opportunities for those small business owners participating at this event," Brenda Hopper, NJSBDC state director, stated.

Commenting on the procurement process, "It has always been a slow process, but you have to stay in the game," Stephanie Burroughs said. "While networking is essential, firms need to develop a track record of successfully filling small contracts, thus, building their reputation."



EXPO Attendees Networking

The NJSBDC procurement program works with all 11 NJSBDC regional offices to counsel and train small, minority, and women-owned businesses to guide them through the procurement application process and help them appropriately apply for the right kinds of projects. Burroughs stated that NJSBDC either sponsors or participates in about 25 of these types of procurement events each year so as to better enhance firms' chances of making a contract breakthrough.

"We offer one-on-one individual counseling on procurement processes for public and government - both state and federal - agencies. We help businesses define their target market, and we make special referrals based on their level of expertise and capabilities," said Burroughs.

"Many people go into business but they have to build their skills over time to pull out the manager and entrepreneur in them. We're here to teach, train, and show small business owners how to build those key qualities that are central to building a successful and long-standing business," said Barbara O'Neal of NJSBDC at NJCU.

State Government is enhancing its efforts at trying to increase the number of contracts and the overall value of State contracts being awarded to small, minority, and women-owned businesses.



Rutgers Exhibitor at NJSBDC EXPO

"In light of State Government's emphasis on awarding more State contracts to small, minority and women business owners, and given NJSBDC's specialized experience in this area, we look forward to working with the State's Office of Supplier Diversity at Treasury to make

even greater strides in the procurement area," stated Deborah Smarth, NJSBDC associate state director. "We're always eager to help and partner for maximum growth in the small business sector."

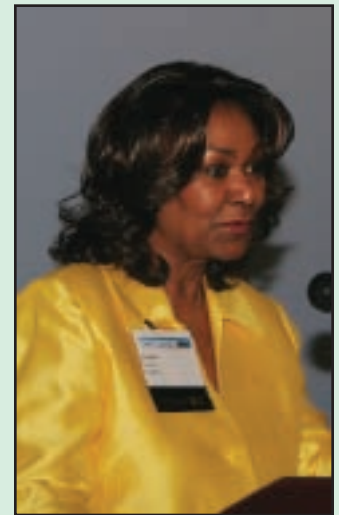
"It's very important for minority and women-owned businesses to secure contracts because they usually go to the big companies," said Brenda Hopper, state director of NJSBDC. "We help minority and women-owned small businesses gain certification, obtain financing and we show them how to market themselves. We invest in these companies, and the reward and return on investment is great when they win contracts."

In 2007, the NJSBDC program facilitated about \$64.48 million in private, state, and federal contracts for small business owners receiving counseling and training benefits.

2008 EXPO Keynote Speakers



Sandra Bloomberg, Ph.D.
Academic Dean, College of
Professional Studies



Brenda B. Hopper
State Director, NJ Small Business
Development Centers



Glen Garth
Principal Garth Business Solutions, Inc.
Meadowlands, Jets & Giants Stadium
(representing Skanska USA Building, Inc.)

Legislative Update

CONGRESSIONAL - FEDERAL EXECUTIVE BRANCH DEVELOPMENTS

Federal Appropriations for National SBDC Program

The full House Appropriations Committee released the FY 2009 financial services appropriations bill on June 25, providing for an appropriation of \$110 million for the Small Business Development Center national program. This funding level is \$12.9 million higher than FY 2008 funding and \$22.9 million over the President's budget request for FY 2009. The legislation will continue through the legislative process. Last year's congressional fiscal appropriations were not finalized until December 2007.

Small Business Administration (SBA) Office of Advocacy Releases Report

The SBA's Office of Advocacy released a June 23 report alluding to the fact that "while high impact firms only make up about five percent of firms with employees, their effects are huge," creating America's new jobs and growth. These firms are on average around 25 years old and are not predominantly high-tech, but they exist in every region of the country. These firms are further defined as those whose sales have at least doubled over a four-year period and have an employment growth qualifier of two or more.

Sarbanes-Oxley Compliance Requirements for Small Business Extended for One-Year Period

The U.S. Securities and Exchange Commission (SEC) will provide small businesses with additional time to comply with section 404(b) auditor attestation requirements, proceeding with a cost-benefit study of this section's implementation.

STATE LEGISLATIVE AND EXECUTIVE BRANCH DEVELOPMENTS

State Budget and Related Legislation Enacted

A \$32.86 billion State budget was enacted on June 30. This budget reduced spending by \$600 million, the second largest cut in spending year-to-year in New Jersey. Unlike prior budgets, there are no "Christmas tree" items or additional appropriations for legislators' home district pet projects.

Property tax relief through tax rebates received an increase assuring that 90 percent of homeowners continue to receive their rebates.

Reductions were made in charity care, municipal aid, higher education, and the operating budgets of executive departments in State Government. However, \$614 million more was allocated for preschool to grade 12 education, of which \$515 million is considered direct aid to school districts under last year's new funding formula.

Both the Department of Personnel and the Commerce Commission were eliminated but key functions transferred appropriately. The proposed elimination of the Agriculture Department did not transpire. The total de-funding by \$1 million of the NJ Small Business Development Centers was averted with half of its funding restored through strong legislative support (Specific coverage on how this budget impacted the NJSBDC and small business owners appears in a separate article on page 1).

The budget appropriated \$194 million for the Business Employment Incentive Grant Program (BEIP) for firms that create jobs, an increase over the initially proposed \$179 million for these grant incentives.

The Early Retirement Incentive (ERI) program will largely help reduce the State's workforce by 2,000 positions and is expected to save \$91 million. Only 10 percent of the vacated positions can be backfilled. Other pension and health benefit reforms were made including, raising the retirement age from 60 to 62. These modifications are expected to accrue savings and protect the solvency of the public employee pension system.

The budget also delays the scheduled phase out of the Transitional Energy Facilities Assessment (TEFA) which was to occur in 2009-2010. By extending it to 2013, the State expects to raise \$62 million to earmark for hospitals, nursing homes, and Medicaid recipients.

On other budget related matters, the Assembly and Senate passed SCR-39 Lance/Watson-Coleman/Albano/Milam/Doherty/Dancer which proposes to amend the State Constitution requiring voter approval for any state borrowing by independent state authorities backed by state annual appropriations to pay down the principal and interest on such bonds issued.

Commerce Commission Abolished but Large Savings not Realized

S-1980 Smith B./ O'Toole/ Vas/ Lampitt, which abolishes the New Jersey Commerce Commission, passed the Assembly and Senate on June 23. The Governor signed the measure into law on June 30. The law transfers various functions to the New Jersey Economic Development Authority, NJEDA.

The law creates the Division of Business Assistance, Marketing and International Trade within NJEDA which will oversee the Office of

(Continued on next page)

Legislative Update

(Continued from previous page)

International Trade and Protocol, Office of Business Advocacy, and the Office of Marketing and Communications; the Motion Picture and Television Development Corporation is considered "in but not of" the new division.

Under the law, the Office of Business Services, formerly the Division of Development for Small Businesses and Women's and Minority Businesses, is officially transferred to the Treasury Department. Also transferred to the State Department are the functions, powers and duties relating to tourism improvement and development.

According to a fiscal statement prepared by the non-partisan Office of Legislative Services, the elimination of the Commerce Commission and the transfer of certain tasks to NJEDA only recognize a savings of \$475,000 as a result of final budget language appropriating \$500,000 to the NJSBDC. The initial savings had been projected at \$975,000.

Expansion of Healthcare Insurance and Reforms to Increase Affordability & Access

S-1557 Vitale/Singer/Cohen/Greenwald/Ramos/Burzichelli/Moriarty was approved into law on July 7, 2008 after having passed both Houses of the Legislature on June 23. The law attempts to increase affordable healthcare coverage by first expanding the New Jersey Family Care program. The bill mandates that all children in the state have health coverage through the State or private coverage and adopts other reform measures, including revisions to the small employer insurance markets to increase affordability. This is the first phase of a comprehensive reform package moving towards universal healthcare coverage for all state residents; healthcare insurance costs are rising and represent one of the greatest costs small

businesses incur in executing business operations.

Tax Exemptions Promoting Renewable Energy Systems

The Legislature in June passed Senate Committee Substitute for S-241, 394, 710, 1098 Adler/Bateman/Smith/Sweeney/Haines, providing for a property tax exemption for the use of renewable energy systems, which are commercial, industrial or mixed-use in nature. Such systems extend to alternative energy sources such as solar, geothermal, hydropower, and other such mechanisms. The bill is intended to provide incentives to residents and business to save energy through alternative sources other than the power grid.

Unemployment Insurance (UI) Fund Kept Solvent

Both the Assembly and Senate unanimously passed S-1698 Buono/Kean T./Greenwald Milam/Schaer, providing a supplemental appropriation of \$260 million from the past 2008 budget surplus in order to avoid an automatic tax increase on employers caused by shrinking or depleted balances in the UI fund. This law will augment the fund balance, thereby, preventing a trigger for tax increases on employers. Unemployment payments to laid-off workers are funded by both employer and employee contributions in payroll deductions. The Governor approved the legislation into law on June 19. This problem concerning low unemployment reserve balances is confronting many states across the nation.

Paid Family Leave Mandate

New Jersey became the third state in the nation to mandate up to six weeks of paid family leave for all employees. Under the law, which was signed by the Governor on May 2, employees can receive two-thirds of their pay, up to a maximum of \$524 per week. In order to pay for the program, there will be an increase in payroll taxes on all workers beginning January 2009. Paid leave for employees begins in July 2009. Small employers with 2-49 employees would incur no legal liability if they do not hold open the position for an employee on leave under this program.

Bolstering the Construction and Real Estate Industries during Economic Downturn

The Assembly and Senate passed A-2867 Greenwald/Malone/Cryan/Biondi/McHose/ Sarlo/Van Drew, entitled "The Permit Extension Act of 2008." Due to the national recession and its further impact on the State's economic downturn, the real estate and construction industries are being hit hard. In order to prevent unnecessary costs related to delayed projects for which municipal, county, and/or State permit approvals have already been authorized, this law extends the time period for a permit so that approvals that may be expiring prior to the completion of such construction projects, can be automatically extended during this national recession period. Such an extension prevents the additional expenditure of time and monies to re-initiate such a permit approval process.



NJSBDC ASSOCIATE STATE DIRECTOR
DEBORAH SMARTH worked as a government relations consultant and taught political science courses at the college level. She worked for the New Jersey Legislature for more than a dozen years developing policy in diverse issue areas, including economic development.

Regional Centers Add Talented New Staff

NJSBDC at Bergen Community College (BCC)



Vincent Vicari is the new assistant director at the New Jersey Small Business Development Center at Bergen Community College (BCC).

This position had been unfilled for several months until Mr. Vicari was hired in late May. In this capacity, Mr. Vicari assists in the management of daily operations of the center, counseling of clients, teaching of classes and the development of new programs.

Mr. Vicari is a lifetime resident of Bergen County and holds an M.B.A. from National University in San Diego, a B.A. from William Paterson College, and an A.A.S. from Bergen Community College.

His work experience began in the

retail co-op program at BCC where he embarked on a long career in sales and management at Sears, Roebuck and Company in both hard and soft line areas.

He brings private and public sector management successes from retail, industrial packaging, grocery, convenience, and food retailing as well as in closely held family businesses. In addition, he has successful management experience in higher education; he recently served as director, University Centers of Sussex, Morris, and Warren County, bringing baccalaureate programs to the Northeast area of New Jersey.

Mr. Vicari also has extensive academic experience. He has taught at a number of community colleges and Universities in Marketing and Management sciences. He has engineered new uses of technology,

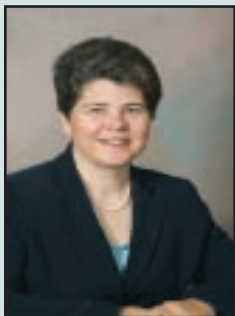
which has delivered educational resources to remote and distributed populations. These systems have enhanced teaching, advisement, and access to educational content throughout the state of New Jersey. He has already applied his penchant for technology by updating the Bergen SBDC website with new and novel features and utility to enhance the overall client experience.

Mr. Vicari has published and presented in domestic and international venues on these topics resulting in multiple awards on the use of teleconferencing, consumer issues, serving remote populations, and distributed learning.

Vincent's favorite quote borrowed from Apollo 13 "failure is not an option" which seems quite fitting as he counsels clients towards success in business in his home in Bergen County.

NJSBDC at Centenary College

Assistant director brings new skills to center



The NJSBDC at Centenary College now includes newly appointed assistant director, **Mary Adelman**, who has extensive business and

training experience. Subsequent to the January 2008 retirement of Jim Smith, the Center's former regional director, Dolores Stammer, who had been assistant director, succeeded Smith as the head of the center. Mary Adelman filled the vacant "assistant director" position.

Mary Adelman brings many diverse skills to the New Jersey Small Business Development Center at Centenary. Prior to joining the NJSBDC, Mary

was the owner of Green Star Services, LLC a virtual assistant firm remotely providing administrative support to other businesses. Her multi-faceted career in numerous companies of all sizes gives her experience in sales, operations, and marketing. Immediately prior to joining the Center, she helped the center transition during the search process for a new assistant director.

Mary has made many contributions by filling training voids, most notably in Quick Books training in Sussex County. Her numerous contacts with various business and economic development groups have had a positive impact on the Center's outreach efforts to assist underserved business communities. She also serves on numerous boards, and served as state vice president of membership for

the New Jersey Association of Women Business Owners (NJAWBO).

Mary Adelman was also the prime organizer of the Entrepreneurs' Boot Camp, co-sponsored by NJSBDC at Centenary and the Sussex-Warren Chapter of NJAWBO. "Thanks to Mary working closely with Dolores Stammer, our Regional Director, it was a huge success and we look forward to hosting the event next year," said Dr. Heather Dunham, Dean of Business and Education for Centenary College.

Serving small regional businesses for 30 years, the Center is also assisted by office manager Berni Beers with 18 years of SBDC experience. Dorothy Williams staffs the satellite office in Dover, and Kathleen Coleman helps staff the newly established Newton satellite office.

Regional Roundup *Highlights from a Few of the NJSBDC Regional Centers*

Smith retires from full-time post from NJSBDC at Centenary

"I thought it was time for me to slow down from the rigorous full-time pace of leadership, outreach, counseling and training. I want the flexibility to pursue my hobbies: hunting, training and counseling," said Jim Smith.

While Jim Smith retired from his full-time post in January, he continues to be the lead counselor/trainer at the County College of Morris (CCM) affiliate offices at both Randolph and Headquarters Plaza, focusing on both the SEA program and the Entrepreneurial Certificate Program, (ECP). His extensive experience in commercial banking enhances the center's quality of assistance it can provide to business owners who are seeking funding. He is also well known throughout the community, especially as it relates to the SBA veterans assistance program for aspiring entrepreneurs. As a disabled veteran, he serves as an inspiration for other veterans seeking to regain control of their lives and launch a new business

venture. His continued association with this center helps maintain a highly visible and inspirational presence in this community, especially as relates to the center's on-going relationship with the Picatinny Arsenal.

"While we all wish Jim much happiness and a well-earned retirement, we hope that his house hunting in Georgia or the Carolinas will proceed slowly so that he'll continue to work with us for many more months," Dolores Stammer, regional director, stated.

NJSBDC at Rutgers-Camden Sharing Business Knowledge with High School Students

The NJSBDC at Rutgers-Camden has participated in the "Biz Ed" program for several years in collaboration with the Rutgers School of Business - Camden. The project focuses on providing 25 outstanding high school students in the tri-county region (Burlington, Camden, Gloucester) with a singular summer program designed to give them an intensive



High School students of Biz Ed Program interact with Gary Rago, Director of NJSBDC at Rutgers-Camden (far right)

introduction to collegiate business education - - illustrating that business is both fun and exciting.

Gary Rago, regional director of the NJSBDC at Rutgers-Camden, presented an interactive overview of a business plan and the business planning process during this year's summer program held during July 7-17. Students also work with Rutgers instructors to examine the disciplines of accounting, marketing, finance, and management as well as learning about the role of technology in business operations.

(Continued on page 13)

NJSBDC at Brookdale Community College (BCC)

Middletown Marketer Joins NJSBDC at Brookdale



Jackeline Mejias-Fuertes of Middletown has been appointed assistant director of the New Jersey Small Business Development Center at Brookdale Community

College in Lincroft. "If experience is the best teacher and the workplace the best classroom, we lucked out in adding Jackie to our staff," says Bill Nunnally, center director. "She's been there and

done that. She's done it all."

In her 25-year career in marketing, Jackeline planned, directed and designed marketing programs for an international publishing house. She went on to establish Alpha Omega Direct Marketing & List Services for small and moderate businesses. She created all marketing and sales materials, organized marketing events and established liaison with the Postal Sectional Center to ensure optimal customer service for an ever-growing client base for which she also handled all database activity.

At the same time Jackeline served as assistant director of marketing and public relations for the Count Basie Theater, implementing all public relations related

events, press parties, trade shows, fundraisers and community outreach programs. She performed similar duties for the Eastern Monmouth Area Chamber of Commerce - plus full database management, membership retention and expansion, customer and member services and sponsorships.

Throughout her career, Jackeline has demonstrated abiding interest in the people with whom she works, sharing her knowledge, experience and entrepreneurial spirit.

She brings to her new position a wealth of knowledge in all aspects of small business management. To top off her outstanding abilities, she does it with equal facility in English and Spanish.

Recent NJSBDC Survey of Small Business Clients and Other Businesses Indicate More Government Actions Needed to Enhance State's Business Climate

The New Jersey Small Business Development Centers (NJSBDC) and the Rutgers Business School MBA and Undergraduate Team Consulting Program (Newark and New Brunswick) collaborated on composing and sending an appropriate survey relating to small business services and assistance preferences as well as the business climate in New Jersey.

The survey, which was sent to NJSBDC clients and additional small businesses around the State, asked them for their opinions and sentiments on the State's economic development policies and its effects on business owners.

The survey results analyzed and released in April-May, underscored that small businesses are generally not convinced that State Government is doing everything it needs to do in order to advance small business success.

One survey question posed included: "Do you think enough is being done by New Jersey's government for the state's businesses to succeed?" An overwhelming 66.7 percent

responded "no," while 28.1 percent said they "didn't know," and only 5.2 percent said "yes" to this question.

When asked: "Do you think the Governor's economic policies are good for small business?" Small business owners and operators answered in the following way. Those responding "yes" represented 7.7 percent of respondents; 48.5 percent said "no;" and another 43.9 percent admitted they "didn't know."

There were some 283 respondents, who actually provided individual comments in addition to their answer to these two multiple-choice questions. Some of these responses are highlighted further. One respondent wrote: "Small business owners feel the Administration doesn't understand small businesses." Another respondent said: "New Jersey seems very hostile to small business." Yet, another business owner indicated: "I heard the Governor may cut the budget for the NJSBDC, and other small business resources. That would be very bad for business development." Finally, another business

executive indicated: "I think the Governor and government are making it increasingly difficult for small businesses to survive in the state."

The majority of survey comments were not positive. "There was a general dissatisfaction with State Government's policies as they impact on small business," Deborah Smarth, NJSBDC associate state director, said.

"We need to work together in order to assure that these kind of sentiments are reversed in the near future," Brenda Hopper, NJSBDC state director stated. "Small business owners need to stay and grow here in New Jersey."

This survey's findings and other business surveys point to the need for positive reforms in the business climate. New Jersey's continued loss of private sector jobs throughout the first half of this year requires a strong public-private partnership commitment to turn around the tide. The State lost 4,200 private sector jobs in June bringing the State's total job losses in this sector to 14,400 through the first six months of 2008. Public sector job gains, however, continue to occur.

NJSBDC Executives Will Attend National Association of Small Business Development Centers (ASBDC) September Annual Conference in Chicago, Illinois

NJSBDC, as part of a national network of SBDCs, is represented at the annual national association conference. The conference not only sponsors knowledge-loaded informational sessions concerning best practices of assisting small businesses and entrepreneurs on diverse topics and business needs but also provides the opportunity for state directors and associate state directors to share their stories and experiences concerning how their respective networks contend with the many challenges such non-profits face in delivering quality assistance to the small business sector.

"It's really about enhancing the way we do business," Brenda Hopper, NJSBDC state director commented. "It provides us the opportunity to raise important questions, share answers, and identify trends that we are all experiencing around the nation, and how we best can serve our small business clients to have maximum impact."

This year's conference (September 2-5) will be held at the Hyatt Regency on the Riverwalk, Chicago. This gathering of small business experts across the country also features special training sessions concerning the Franklin Covey Leadership Series; this curriculum provides SBDC counselors with the opportunity to enroll in some intensive training programs so that they can become certified trainers to instruct these courses in their respective states as a way of imparting great tips on best management techniques for small business owners. This learned knowledge also provides the opportunity for potential SBDC program income by offering these specialized courses. Gary Rago, regional director for NJSBDC at Rutgers-Camden, is a certified trainer and has offered this course to businesses in his center's region.

"Besides accessing the conference's formal professional development opportunities, informal networking with peers of other SBDC state networks is invaluable to

providing new insights and perspectives concerning standard operating procedures and strategic planning and implementation," Deborah Smarth, NJSBDC associate state director stated.

The conference course and seminar offerings empower staff to tap new sources of information that directly impact on their job responsibilities. This is especially helpful when the national association and federal funding partner, the SBA, encourage consistency in standards and rules across the national network concerning such issues as information collection and analysis, budgetary and programmatic aspects.

Additional highlights of seminars that will be offered at the conference include: "Turnaround Strategies for Distressed Businesses;" "Counseling the Small Business CEO - What Every CEO Needs from their CFO;" "The Successful Family Business;" "Recession Proofing the Business;" and "Veteran-owned Business Programs;" etc.

Regional Roundup *Highlights from a Few of the NJSBDC Regional Centers*

(Continued from page 11)

The initiative also allows students to interact with leading area executives who offer tips concerning career paths and perspectives about job, business, and economic trends.

"Make no mistake: this initiative serves the business community as much as it does these students," said Mitchell Koza, Dean of the Rutgers Business School - Camden.

At the completion, they receive certifications at their graduation ceremony for their participation. Each student in a winning team also receives a laptop computer for presenting a strategy for resolving a real-life business issue.

"It's a very rewarding feeling to share my real-world experience with these students," Gary Rago stated.

NJSBDC at William Paterson University (WPU)

Faith-based conference draws large crowd The New Jersey Small Business Development Center at William Paterson University hosted its first non-profit and faith based conference which was held on May 13. This co-sponsored event, with the Passaic County Workforce Investment Board (WIB) and WPU's Continuing Education Department drew over 150 participants consisting of faith based, community and health organizations. The schedule consisted of an opening keynote speaker, eight workshops, networking lunch, and a closing panel discussion. There were two tracks to follow: new non-profits and established organizations.

NJSBDC at Bergen Community College



Vince D'Elia, regional director of NJSBDC at Bergen Community College, leads the "Building and Financing Your Business" seminar in coordination with SBA; Harry Menta, public affairs specialist of the SBA New Jersey district office, is seated.

NJSBDC at The College of New Jersey



Local contractors attend a special seminar (sponsored by the NJSBDC at The College of New Jersey) offered bi-annually concerning how to do business and obtain contracts with the County of Mercer.

NJSBDC at Centenary College



Counseling Session at Centenary College

Peju Aurole, Owner of PTY Incorporated and Counselor Dorothy Williams

Group shot from 2008 Boot Camp:

Regional Director of NJSBDC at Centenary College, Dolores Stammer; Dean of Business and Education, Dr. Heather Dunham; Assistant Director, Mary Adelman share a moment at the 2008 Business Boot Camp



FROM THE LAB TO THE MARKETPLACE

PITCHING FOR SUCCESS

The **Venture Association of NJ (VANJ)** is one of New Jersey's leading entrepreneur and investor networking organizations. In addition to monthly luncheon meetings (except August), in Parsippany, VANJ sponsors a semi-annual Entrepreneurs Expo and Elevator Pitch Olympics held in May and October. Each Expo features approximately 35 companies that are typically actively seeking financing.

Companies exhibit during the morning of the Expo. At noon there is a luncheon featuring a moderated panel of venture capitalists and angel investors who discuss various aspects of venture financing. Following the investor panel there is an Elevator Pitch Olympics, which tends to be the highlight of the day.

Each exhibiting company gets two minutes to present their elevator pitch to the investor panel and the audience, which often proves to be among the fastest two minutes of the presenter's life. The investor panel assesses and evaluates presentations on a 10-point scale. Each company receives two scores. The first is for the quality of the presentation and the second is for the likelihood that the business will successfully raise equity financing dollars. The winner receives a trophy, recognition, publicity and increased visibility, which should provide a boost to their financing efforts.

NJSBDC has enjoyed a long-term partnership with VANJ in the delivery of business development and financing seminars prior to their luncheon meetings. With the return of the NJSBDC Technology Commercialization Center in



Meryl Rosenthal, President, Founder and CEO of FlexPaths, took second place at VANJ May 2008 Elevator Pitch Olympics.

the first quarter of 2007, NJSBDC Technology Commercialization consultant Randy Harmon arranged for NJSBDC to be a supporting organization for the Expo and Olympics and offered to help exhibitors improve their pitch. He prepared an elevator pitch template that was distributed to exhibitors and made himself available to critique and assist entrepreneurs in strengthening their draft.

FlexPaths

Three exhibitors took advantage of this opportunity in preparation for the May 2007 Expo and one of them, Bluenog, Corp. of Piscataway, NJ won the Elevator Pitch Olympics. Given the initial success of this initiative, Randy offered this service again for the October 2007 and most recently the May 2008 Olympics. Six companies took advantage of the service this spring and Meryl Rosenthal, president, founder and chief executive officer of FlexPaths took second place.

FlexPaths® is the knowledge, resource and opportunity center for workplace flexibility. The company provides web-based workplace flexibility solutions serving both corporations and individuals. FlexPaths® leverages scalable web technology and content aggregated from flexibility experts.

One of FlexPaths® products is an internal portal that deploys a flex repository to C-suite, HR, managers, and employees. The second product is offered externally to help companies brand and recruit diverse talent and help individuals find and excel at flexible employment. FlexPaths® helps corporations realize a

reduction in operating costs, mitigation of discriminatory risk, compliance with regulatory requirements, and reinforce their "great place to work" status.

Following the Olympics, Randy reviewed and critiqued the Executive Summary of FlexPath's business plan and anticipates reviewing their revised plan. He is also supporting their efforts to obtain equity financing.

Bluenog

Bluenog is a software and solutions company that provides an integrated suite of content management, portal and business intelligence software. It's a cost-effective, enterprise-caliber solution that cuts application development time and infrastructure management costs by 50 percent. These products enable you to do things such as pay your credit card bill online and enable businesses to automatically onboard a new employee. The company leverages open source software heavily, which is one of the hottest areas in IT today and is an area of focused investment.



Scott Barnett, co-founder and COO of Bluenog, Inc.

In preparation for the Olympics, NJSBDC consultant Randy Harmon critiqued multiple iterations of Bluenog's pitch and had several conversations with company co-founder and chief operating officer Scott Barnett. Over the ensuing months the company received term sheets from two venture capital firms. In January 2008, Bluenog closed on a \$4 million investment by New Spring Capital of Radnor, PA. According to Scott, the Elevator Pitch Olympics was the springboard to their success in obtaining financing.



Scott Barnett, co-founder and COO of Bluenog, Inc. scores big and wins May 2007 VANJ Entrepreneurs Expo and Elevator Pitch Olympics.

NJSBDC Ft. Monmouth Project Steps into High Gear This Fall

As much as we want to believe the rumor mill, it is highly unlikely that wishful thinking or strong lobbying will reverse the government's decision to close Fort Monmouth. Hundreds of millions have already been spent in conjunction with the BRAC decision to move Fort Monmouth's mission to Aberdeen, Maryland. By 2011, all mission and garrison functions will be consolidated there and elsewhere. Nevertheless, the rumors, and the fact that the bulk of activity still takes place at the fort uninterrupted, have had a dampening effect on NJSBDC's specialized Fort Monmouth Transition Services.

As you may recall from the last newsletter, the NJSBDC received a one-year grant from the federal Small Business Administration (SBA) aimed at maximizing resources and providing assistance to those small businesses and employees who will be affected by the closure. Feeling that the real impact of the closing will not be felt until 2011, the NJSBDC recently sought and was granted a one-year extension on its SBA grant. Brenda Hopper, NJSBDC state director, and Deborah Smarth, associate state director, agreed with Fort Monmouth project manager Ed Kurocka that extending the period through July of 2009 would correspond more closely with

individuals' needs and timelines. "It was just the logical thing to do," noted Hopper. "With the closing not taking full effect until 2011, it's still 'business as usual' for most people. As more functions and people begin to leave the area, the sense of urgency and demand for information will heighten."

In addition to moving the grant's end date, the Fort Monmouth project team has other ideas aimed at generating interest in the NJSBDC. To induce more impacted individuals to learn about entrepreneurship and small business strategies, the NJSBDC, in conjunction with Brookdale Community College (BCC), its regional center located at BCC, and the Fort Monmouth Resource Center, will begin to offer a set amount of tuition-free business startup courses to individuals, with the proper authorization. Funding for these will stem from the grant, and will attract individuals, who are curious about entrepreneurship, but have concerns about the cost.

The project team is also working on a major marketing campaign to promote and publicize the NJSBDC in the Fort Monmouth footprint. Part of the

marketing effort may include an open house this fall to showcase to the community the services and programs the NJSBDC and its partner organizations have to offer established and aspiring business owners. Although it is early in the planning stages, the open house may feature staffed information booths as well as short seminars geared towards providing useful advice and generating subsequent visits with NJSBDC consultants and staff.

Asked about an overall theme or focus of the marketing strategy, Kurocka offered simply "that behind every threat, there is likely to be at least one opportunity. That's the message we want to send to the Fort Monmouth community." The primary target audience for the message and Fort Monmouth Business Transition Services includes the displaced Fort Monmouth worker or contractor, who may have thoughts or ideas about starting his/her own business, and the current small business owner, who has relied on Fort Monmouth and its workers to sustain his/her livelihood.

For more information, visit www.monmouthbiz.com.

The NJSBDC Network Welcomes New Chief of the New Jersey Commission on Science and Technology

The NJSBDC network welcomes Peter R. Reczek, Ph.D. as the newly appointed executive director of the New Jersey Commission on Science and Technology (NJ CST). The network has partnered with NJ CST for more than 15 years in assisting science-technology firms with their diverse needs relating to technology commercialization, financing and other aspects of business development and growth.

Dr. Reczek has more than 20 years of experience in biotechnology with a specialty in pharmaceutical discovery. Prior to becoming chief of NJ CST, Dr. Reczek had extensive academic and industrial



Peter R. Reczek, Ph.D.

experience at both the administrative and research level. He served as an associate professor in the Molecular and Cellular Biophysics department at the Roswell Park Cancer Institute, Division of the State University of New York in Buffalo, NY

since 1994. He is the founder and chief executive officer of Quintess Biotechnology, LLC, a firm specializing in intellectual property management and drug discovery and development. He also previously worked as Drug discovery director at Bristol Myers Squibb.

In a recent interview with NJBIZ reporter Thomas Gaudia published on July 21, Dr. Reczek commented that in light of the funding cut made to NJ CST's budget, he "would like to see more public-private consortia" and that the Commission will "try to work to actually increase the number of programs that are funded by alternative sources."

NJSBDC News Abounds....

Over the past several months, the NJ Small Business Development Centers (NJSBDC) network received good media coverage in daily and weekly newspapers across the State. As one of the targets of the Governor's proposed state budget spending cuts, Brenda Hopper, NJSBDC state director, and Deborah Smarth, associate state director, met with daily newspaper editorial boards to present the full facts concerning the value of the program to the State's economy and job creation efforts.

"This was a successful media tour," Hopper said. "Our dialogue with these newspapers' editorial page editors, business writers, and publishers or associate publishers opened the door for public dialogue and leveraged support for NJSBDC's cause to restore its state funding level."

The organization's executives, accompanied by NJSBDC communications consultant Angela Harrington of Harrington Communications LLC and relevant regional center directors, focused on the rate of return on the State's investment in this program and NJSBDC small business deliverables and the impact they have on job retention and creation.

"We were successful in getting our important message out to members of the press so that they could objectively look at what was being done by the Governor's proposed budget and weigh that against our network's longstanding productivity and economic impact for the State," Smarth stated. "We were pleased that three daily newspapers and one business newspaper published editorials supporting funding restoration for our small business program."

NJBIZ published their point of view in an April 28 "**Save Business Development Centers**" opinion piece which stated: "*Cutting out SBDC funding would be a foolish economy particularly when the state is in or near recession and has been shedding jobs.*" And again, on June 9, **NJBIZ** staff published an article entitled "**Put State Money on Small Business**" in which the Governor's

proposed slash of NJSBDC was mentioned saying that his plan "*to slash state funding for the NJSBDC is short-sighted at best.*"

An **NJBIZ** article by Scott Goldstein on June 2, "**Codey aims to restore Small-Business funds,**" mentioned Senator Codey's push for restoring funds to the NJSBDC program, saying "*You want to help small business too ... sometimes we focus on the larger ones.*"

On July 21, **NJBIZ**, in its section entitled *BIZ Spotlight Small Business*, featured an article by Shankar P. in which executives Brenda Hopper and Deborah Smarth talk about ongoing efforts to fill funding gaps as a result of the State funding slash as well as provide data on the NJSBDC program's return on investment to the State as a result of its funding. The article also referenced outreach to the State Legislature and the tremendous support for funding restoration received in return.

The Press of Atlantic City published an article on April 24, "**SBDC: Corzine budget would end funding for counseling services,**" emphasizing that the Governor's elimination of funding would result in a loss of matching federal funds.

The Home News Tribune published its editorial on May 29. Entitled "**State's Small Business Centers Wrong Place to Slash,**" the editorial went on to say: "*Should the Governor come to his senses he will work diligently to strike a compromise with Assembly and Senate lawmakers to maintain a generous chunk of the program's funds.*"

The Courier News on June 2 published its editorial, "**State Should Think Small on Budget,**" taking the position that "*State budget planners should be able to find the million dollars needed to restore funding for the NJSBDC program.*" It further emphasized that "*the centers further one of Corzine's stated goals to foster small business growth to improve the state's future,*" and that in the overall \$32 billion state budget, "*there's at least a million dollars being wasted somewhere,*

money that would be far better spent on supporting the state's small businesses."

The **Herald News** on June 2 published its editorial saying "*The state program should not now be punished for its overwhelming success. It would be a shame to discontinue support for such a reliable financial friend, indeed, a job generator, at a time when so many New Jerseyans are facing employment uncertainty.*"

A May 23 **Star-Ledger** article by Beth Fitzgerald, "**Small business program bracing for budget squeeze,**" quoted Jim Kocsi SBA District Office Director and Deborah Smarth of NJSBDC concerning the impact cuts would have on business services. The article also pointed out that small businesses with fewer than 5 employees grew by more than 700,000 workers (2001-1007) while firms with more than 1,000 workers lost 1.2 million jobs during that time.

Hugh Morley of **The Record** on June 4 quoted Brenda Hopper, commenting about how NJSBDC was happy to be on Senate President Codey's radar screen and how total de-funding would also result in federal funding cuts.

The Hunterdon Democrat ran a "*Business News and Views*" column on July 17 entitled "**State Cuts Its Help for Small Business.**" The column quoted Dr. James W. Hughes, Dean of the Bloustein School of Planning and Public Policy at Rutgers, by saying: "Most jobs are created by small businesses, so a lack of funding for small business will make it much more difficult for the state's labor market to turnaround." The column's writer, Al Warr, further questions the State's decision to cut NJSBDC funding by stating: "*They are a major force in the creation and growth of small businesses.*"

(Continued on page 19)

Contact the NJSBDC

Headquarters and Administration	Specialty Programs
<p>Rutgers Business School 49 Bleeker Street Newark, NJ 07102-1913 973-353-1927 www.njsbdc.com sbdcinfo@njsbdc.com</p>	<p>Dynamic Growth 973-353-1936 E-Business Services 800-432-1565 International Trade 800-432-1565 Procurement Services 973-353-5960 Technology Commercialization 973-353-1923</p>
Regional Centers	
<p>SBDC at Bergen Community College (Bergen County) CIARCO Learning Center 355 Main Street, Room 121 Hackensack, NJ 07601 Regional Director: Vincent D'Elia 201-489-8670</p>	<p>SBDC at Richard Stockton College in Atlantic City (Atlantic, Cape May and Cumberland Counties) 35 South Martin Luther King Boulevard Atlantic City, NJ 08401 Regional Director: R. Joseph Molineaux 609-347-2174</p>
<p>SBDC at Brookdale Community College (Monmouth and Ocean Counties) Library, Room 246, 765 Newman Springs Road Lincroft, NJ 07738 Regional Director: Bill Nunnally 732-842-8685</p>	<p>SBDC at Rutgers Camden (Camden, Gloucester, Salem & Burlington Counties) Waterfront Technology Center 200 Federal Street, Suite 435 Camden, NJ 08103 Regional Director: Gary Rago 856-225-6221</p>
<p>SBDC at Centenary College (Sussex, Morris and Warren Counties) 400 Jefferson Street Hackettstown, NJ 07840-2100 Regional Director: Dolores Stammer 908-852-1400 ext. 2136</p>	<p>SBDC at Rutgers Newark (Essex County) 43 Bleeker Street Newark, NJ 07102 Regional Director: Dr. Tendai Ngoro 973-353-5950</p>
<p>SBDC at Kean University (Union County) 1000 Morris Avenue, Willis 301 Union, NJ 07083 Regional Director: Mira Kostak 908-737-4220</p>	<p>SBDC at The College of New Jersey (Mercer & Middlesex County) 200 Pennington Avenue, Forcina Hall 447 Ewing, NJ 08628 Regional Director: Lorraine Allen 609-771-2947</p>
<p>SBDC at New Jersey City University (Hudson County) 20 College Street Jersey City, NJ 07305-1520 Regional Director: Barbara O'Neal 201-200-2156</p>	<p>SBDC at William Paterson University (Passaic County) 131 Ellison Street Paterson, NJ 07505 Regional Director: Kate Muldoon 973-754-8695</p>
<p>SBDC at Raritan Valley Community College (Hunterdon and Somerset Counties) Route 28 & Lamington Road North Branch, NJ 08876 Regional Director: Larry Jenkins 908-526-1200 ext. 8516</p>	<p style="text-align: center;">Call NJSBDC Today!</p>

SMALL BUSINESS CLIENT TESTIMONIALS

Client Quotes

"Our company needed assistance updating our QuickBooks business records. Because of NJSBDC's expertise and timely assistance, we are now able to better evaluate our business and our job costing is much more effective! Thank you NJSBDC at Raritan Valley Community College."

Danielle Pallito
DESANTIS CONSTRUCTION
Somerset, NJ

"The NJSBDC has been an incredible source of support. They have provided me with guidance and expertise, specifically in accounting and bookkeeping, and have been instrumental in my development as a business owner. It's nice to know that the community has such a valuable resource available."

Karin Wessel
CANDY BOUQUET
Bridgewater, NJ

"Thank you for providing the NJ Small Business Development Centers. It is unbelievable that this great opportunity has been around for so many years.... I discovered the NJSBDC at the College of NJ by chance, and now I am taking full advantage of all it has to offer."

Mary Innocenzi
THE VILLAGE LEARNING CENTER
Pennington, NJ

"When I started my language training business in 2005, I realized that although I had been a teacher, accent specialist,

manager, and salesperson, I had never been a business owner. Lorraine Allen of the NJSBDC at the College of New Jersey helped me understand that certification as a woman-owned and small business would help me to grow my business. She was extremely helpful and patient as she guided me through the certification process with all its details and requirements. Similarly, I received invaluable guidance from Lorraine as I went through a subsequent application process so that I could become an Eligible Training Provider for the NJ Department of Labor and Workforce Development. I would have given up without her consistent and reliable reassurance and assistance."

Sharlene Vichness
LANGUAGE DIRECTIONS, LLC.
Roseland, NJ

"I truly hope you all take advantage of this free help. I did, and my meeting with Vince D'Elia at the NJSBDC at Bergen Community College alone saved me hundreds of dollars in lawyers' fees."

Walter Majchrzak
Wallington, NJ

"As a result of NJSBDC's training and consulting assistance, I learned how to prepare a winning proposal which has led to our current growth in defense contracting."

Dr. Jerry Chung, CEO and President
FRONTIER PERFORMANCE POLYMERS CORPORATION
Dover, NJ

"We followed NJSBDC's advice and wrote winning proposals."

Alan Stultz, Business Development Manager
DATATEK APPLICATIONS INC.
Somerset, NJ

"Many minority and women business owners say they have greatly benefited from NJSBDC's workshops and programs. I'm thankful to the NJSBDC. If it wasn't for NJSBDC's outreach, I would never have attended the workshops and obtained the contract with Skanska to complete the temporary water system for the stadium (at the Meadowlands)."

Enrique Trabal, President
RICKY PLUMBING
Lodi, NJ

"I would like to highly recommend NJSBDC to any entrepreneur or existing business. We have found mentoring opportunities, guidance through paperwork and opportunities for business all through the always cheerful and optimistic guidance of the NJSBDC, especially from Jackeline Mejias-Fuertes, assistant director of the Monmouth/Ocean SBDC at Brookdale Community College and Stephanie Burroughs, director of procurement at NJSBDC."

Maureen Jerolis
SERVICE SIDE AIR
Freehold, NJ

NJSBDC News Abounds....

(Continued from page 16)

Many small business clients of NJSBDC also took to their pens and computers to send off letters-to-the-editor concerning executive branch action that would have de-funded this key non-profit provider of comprehensive services to small business.

One such small business client, Alfred Stephens from Somerset, who

had worked for corporate accounting for IBM, relocated to New Jersey a few years ago and started his own business with the help of the NJSBDC program at the College of New Jersey, a host. His letter to the editor published in the **Star-Ledger** on June 10 stated: *"The state must continue to fund the centers to give small business a better chance to succeed."*

In addition, throughout the months of April, May and June, many news articles about NJSBDC appeared in the [The Press](#), [The Record](#), [the Star-Ledger](#), [Trenton Times](#), [Courier News](#), [NJBIZ](#), [New Jersey Business Magazine](#), [the Philadelphia Business Journal](#) and the [Hunterdon Democrat](#).

It was a homerun!

Brenda's Blog

Don't Underestimate Investment in the Small Business Sector

Fact: There are 828,400 small businesses in the State of New Jersey. Sixty-nine percent (573,100) of them are non-employer or sole proprietorships.

Fact: Small firms in New Jersey create the income for sole proprietors to live and stay in New Jersey. The majority of jobs for New Jersey residents are created by the 31% of small businesses that have up to 500 employees. There are 257,800 employer small businesses in the State.

Fact: Small business income (as measured by non-farm proprietors' income) increased by 4.8 percent, from \$33.3 billion in 2005 to \$34.9 billion in 2006.

Fact: Self-employment increased from 409,200 in 2005 to 431,300 in 2006. Contributing factors that have led to this growth in self-employment are the increasing number of layoffs as a result of corporate downsizing and restructuring.

Fact: A recent study by the Kauffman Foundation, which focuses on small business issues, indicated that small businesses have higher productivity levels and faster productivity gains than more mature businesses, particularly in the early years. "More than one-third of job creation is due to the entry of new establishments."

NJSBDC has been the leader in providing comprehensive small business services for 30 years. As part of a national SBDC network, the NJSBDC prides itself on best business practices, like the Baldrige standards for accreditation-the gold standard for high performing organizations! As a federal funds recipient, the NJSBDC network is also subjected to regular and stringent financial and programmatic federal compliance audits.

Given the facts, our tough economic times, and the impact of NJSBDC's strong and well monitored programs, it is clear that State Government needs to increase its investment in small business assistance and services. As this past budget cycle illustrates, we believe that there is a gap in how the State of New Jersey policymakers laud small business and what

governmental public policies are actually executed.

As you may be well aware, the Governor's proposed budget de-funded our program, a move that seemingly contradicts making small business a key component of the Governor's own economic growth strategy. But thanks to the might and support of the Legislature, and the letters and calls from more than 2,000 NJSBDC clients, partial funding has been restored.

No matter how you look at it, the one big lesson learned is that we must all work harder and stronger to make sure our public policy decision makers recognize and avoid the disconnect between what they say about small business and how they invest in small business.

New Jersey needs small business and the Small Business Development Centers! Thank you for your help, your support, and your business.



BRENDA B. HOPPER
is the State Director of the New Jersey Small Business Development Centers network.

NJ Small Business Development Centers

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