



The Small Business Voice

www.njsbdc.com/voice

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Did you know that small firms:

- Employ over half of all private sector employees;
- Pay 44.3 percent of total U.S. private payroll,
- Generate 60 to 80 percent of net new jobs annually over the last decade.

— from US SBA

NJ Job Growth By Industry 2003-04:

Construction	+5.2%
Lesiure/hospitality	+3.9%
Education/Health	+2.8%
Business Services	+1.8%
Manufacturing	-1.3%

— from NJ Council of Economic Advisors

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NJSBDC 2004 Report Shows Continued Increase in Activity, Financings and Job Growth

The New Jersey Small Business Development Centers network had another banner year in 2004, seeing more clients in one-to-one free management consulting and a high number of affordable group training classes, seminars and workshops. Financings as a result of the management consulting topped previous years' totals coming in at \$48.7 million in approved loans, contracts and even a few grants for technology businesses.

The network's 11 regional centers and five specialty programs worked with 7,555 individual clients, including 2,185 existing small businesses. Of those established businesses reporting gross sales revenue, the average was \$1.27 million.

Small businesses are recognized as the major engine in job creation and NJSBDC small business clients are no exception. Our established small businesses alone created/retained a minimum of 5,067 jobs. At a reported rate of \$177,000 in sales per employee, NJSBDC clients' revenues topped an estimated one billion dollars in 2004.

By assisting our small business clients to start and expand their business enterprises, NJSBDC services directly impact more than 10,000 entrepreneurs and their employees.

NJSBDC 2004 Quick Notes:

- 7,555 clients for free management consulting
- 17,715 attendees attended 882 training classes
- \$48.7 million in financing generated
- Clients combined revenue exceeded \$1 billion

Considering the impact of these businesses on the economy, it is fair to say that State and Federal investments in the NJSBDC network pay off handsomely in direct services to job-creating, revenue-generating businesses, many of which receive financing to expand operations, deliver new services and establish new markets.

For every \$1 invested in SBDC programs nationally, taxpayers receive \$2.60 in return.

Entrepreneur Certificate Program (ECP) Gets Good Reviews

2 ECP expands to new schools while launching second series for 2005

3 An intensive training program launched last September as a partnership between the NJ Small Business Development Centers (NJSBDC) network and the NJ Council of County Colleges (NJCCC) has yielded many positive results for both new and established small businesses, according to Brenda B. Hopper, State Director of NJSBDC and Dr. Lawrence Nespoli, President of NJCCC.

"These two partners acting together offer business owners the business savvy education from the NJSBDC, plus all the educational benefits community colleges offer."

Laura Domanico

A recognized leader in the delivery of small business management consulting and train-

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Entrepreneur Certificate Program (ECP) Gets Good Reviews

(Continued from page 1)

ing services, NJSBDC designed and developed this seven course, 33-hour curriculum that was offered at eight community colleges during Fall 2004. The Entrepreneur Certificate Program (ECP) covers business planning, understanding legal issues, developing marketing strategies, and structuring small business financial practices, including taxes and record-keeping systems. The material is geared to help small business owners expand their operations and aspiring entrepreneurs launch new starts. The ECP (www.njsbdc.com/ecp) is based on best practices developed throughout the NJSBDC network, which has been providing free management consulting and affordable training programs throughout the state for more than a quarter-century.

“The program was warmly received last semester and is now expanding,” said Brenda B. Hopper. “We are heartened by reports from the field including Deans at the colleges offering this certificate program that ECP has tangible benefits for small business owners and we look forward to its expansion.”

In addition to Bergen, Brookdale, Gloucester, Hudson, Middlesex, Ocean, Raritan Valley, and Warren community colleges that offered ECP courses in 2004, Sussex County Community College is running the program in Spring 2005 while

Passaic County Community College will run two consecutive sessions beginning in March for 22 straight weeks. The program has been so successful at Middlesex County College that it has added a summer session there as well.

“This program provides the tools for new business owners to successfully launch their business with confidence,” said Janet Perantoni, Dean, Corporate & Continuing Education at Raritan Valley Community College.

“Community Colleges partnering with the NJSBDC statewide is truly a landmark initiative and the first of its kind in New Jersey,” said Laura Domanico, Executive Director of the Center for Career and Personal Development at Warren Community College. “These two partners acting together offer business owners the business savvy education from the NJSBDC, plus all the educational benefits community colleges offer for workforce development, economic development, and marketing.”

For more information about the NJSBDC and the ECP calendar, visit www.njsbdc.com or call 800-432-1565. The NJ Council of County Colleges is the state association that represents the State’s 19 community colleges. For more information about the Council, visit www.njccc.org or call 800-344-6522.

NJSBDC Goes Hollywood in Newark



NJSBDC State Director Brenda B. Hopper (seated left) with professional services firms on Caucus NJ, hosted by Steve Adu-bato (center). The program aired in November 2004.

Appearing on Steve Adu-bato’s *Caucus New Jersey* television program, NJSBDC State Director Brenda B. Hopper talked with a group of professional service providers (a dentist, a lawyer and an accountant) about the importance of business planning, partnership agreements to cover business contingencies, a strategic approach to financing and marketing. “You have your Web sites, but you have to go to trade association programs,” said Hopper. “You have to market yourself. You are your business, and that’s what the client is going to see.”

NJSBDC consultants work with many professional service providers throughout the network. Business and professional consultants, human resources consultants, scientific and technical professionals have worked with NJSBDC consultants to develop their businesses outside of a traditional corporate structure.

While business and professional services have been constantly represented in the NJSBDC client base, the past two NJSBDC Success Awards luncheons have featured medical professionals as awardees of our centers. Dr. Alesia Johnson started Waterfront Dental Center in Camden in 2003 with help from the Rutgers-Camden SBDC and was recognized as their 2004 Success Award winner. Dr. Lorenzo G. Martinetti started New Providence Family Practice with assistance from the Kean University SBDC in 2002 and won the 2003 Success Award from that center.

The program was broadcast throughout New Jersey last November.

Monmouth Ocean SBDC Celebrates 25th Birthday!

NJSBDC network's second oldest center serves Monmouth and Ocean Counties

At a Jan. 18 reception at Brookdale Community College in Lincroft, the Monmouth Ocean SBDC celebrated its 25th anniversary of delivering small business services. The NJSBDC network started at Rutgers Business School (then Rutgers Graduate School of Management) in 1978 after Congress authorized the program as a trial in eight locations nationwide in 1977.

In October 1979 Brookdale Professor Larry Novick, running a Small Business Institute in conjunction with SCORE (then the "Service Corp of Retired Executives" now "Counselors to America's Businesses"), received a U.S. Small Business Administration grant of a generous \$4,000 to buy him out of teaching two classes from his course load to start the Brookdale SBDC (now the Monmouth Ocean SBDC). But there was a catch. That budget had to go towards hiring consultants in addition to Larry's work with small business clients.

The center took off in these fast-growing central NJ counties and demonstrated that the SBDC concept would work outside of the urban Newark setting where the program started, setting the precedent for the establishment of more centers. NJSBDC now has a total of 11 throughout the state.

Current Regional Director Bill Nunnally explained the importance of the center, "Small businesses, with the people they employ and the taxes they pay, are the heart of our economy," said Nunnally. "The SBDC is dedicated to assisting them all the way to success." During the past year, Monmouth Ocean SBDC consultants facilitated low-cost seminars



(from left to right) Brookdale Community College President Dr. Peter F. Burnham, NJ State Assemblyman Samuel D. Thompson, Monmouth Ocean SBDC founding director Larry Novick, Dean Dr. Linda Milstein of Brookdale Continuing Education and Outreach, NJSBDC State Director Brenda B. Hopper and Monmouth Ocean SBDC Regional Director William Nunnally.

for more than 2,300 business people, and worked, one-to-one and without charge, with more than 600 new clients.

NJSBDC Downtown Tour Launched in South Orange

The NJSBDC network visited the Village of South Orange on March 16 to talk with small business owners there about their businesses and how to stimulate growth. Tendai Ndoro, Regional Director of the Rutgers-Newark SBDC, which serves Essex County's small businesses through offices in Newark and Livingston, joined NJSBDC State Director Brenda B. Hopper and provided information about the center's programs. The Rutgers-Newark SBDC offers many training classes to help small business owners enhance their business plans to access financing, improve marketing or expand their operations.

The tour, organized by NJSBDC Emerging Markets Director Charles Jackson and conceived by Associate State Director Deb Smarth is the first in a series of events scheduled throughout the state. This tour included visits to three women-owned businesses. More than 42% of the clients NJSBDC served statewide last year were women and NJ ranks 11 in the nation in the number of women owned firms, according to the Center for Women's Business Research (www.nfwbo.org). But the State ranks 47 in employment growth and 44 in sales growth for these businesses out of the 50 states and Washington, DC between 1997 and 2004. That means more women are going into business, but their sales and employment figures are still lagging far behind larger, better-established male owned businesses, said Hopper. "So we still have a long way to go," she said.



Theresa Mensah shows Brenda B. Hopper and Tendai Ndoro her wares at Hi-Class Textiles in South Orange.



South Orange and local business owners met with NJSBDC staff and South Orange Mayor Bill Calabrese at the Blue Moon Diner in South Orange then conducted a walking tour of the nearby performing arts center construction site and several women-owned businesses.

NJSBDC Success Awards Winners Featured In News

Although NJSBDC free management consulting is confidential, every year we ask a few special clients to share their stories about building their businesses, expanding operations, managing their employees and bolstering sales. We call these clients “Success Stories” and we love to talk about our

doors with assistance from Raritan Valley SBDC Regional Director Sue Johnson ran on Dec. 1. A daughter and mother team Monif and Elaine Clarke of Buy4Less Esales Limited in Piscataway, a client of Tyra Brown at the Mercer/Middlesex SBDC, were featured in an article on December 3.

great photo from the event on their Dec. 13 *NJBIZ* Scene page. **ATLANTIC CITY**—Joe Molineaux of the Stockton SBDC is credited for his role in turning clients’ Mario and Theresa Suarez’s Island Sun Tanning Salon from one to many with franchising assistance in a Jan. 13 article, “Stockton Center Helps Island Sun Radiate In Region” in *The Press of Atlantic City*.

WEST PATERSON—And on Sunday, Feb. 13, a full two months after the NJSBDC Success Awards 2004 luncheon, North Jersey Media Group ran an article in the *Herald News* of Passaic and the *Bergen Record* with a nice feature and huge photo of Rafael and Nancy Zalazar, clients of the William Paterson SBDC. Regional Director Kate Muldoon is cited for guiding King Upholstery to secure a line of credit for their expansion.



The NJSBDC celebrated the success of their small business clients at the Forsgate County Club in Monroe Township on Dec. 3, 2004. NJSBDC State Director Brenda B. Hopper is shown here with NJSBDC “Legislator of the Year” Assemblyman Louis Greenwald (Dem. Dist. 6), Rutgers Business School Dean Howard P. Tuckman, Commerce CEO and Secretary Virginia S. Bauer, PNC Bank Northeast Region Territory Manager Nat Harris and Verizon Director of Public Affairs Ciro A. Scalera.

clients’ success.

Apparently the media shares our belief that these clients are something special. In the preparations for December’s NJSBDC Success Awards 2004 luncheon, our network invited the press along to learn more about NJSBDC clients and activities.

They soon discovered a group of hard-working, innovative entrepreneurs who leveraged NJSBDC services to collaborate on their business plans, find financing and garner contracts. In addition to television coverage from WMBC cable news, reporters from the *Star-Ledger* and *NJBIZ* attended the luncheon. Here is a list of press stories about NJSBDC Success Award 2004 clients thus far:

BRIDGEWATER—*The Courier-News* ran nice features on the two NJSBDC clients in their coverage areas. An article on Dr. Margaret Buley and Mary Matthews, owners of the Stellar Academy in Bridgewater, a premium child-care facility that opened its

WEST CALDWELL—Cable news station WMBC ran a nice two-minute segment interviewing State Director Brenda B. Hopper and several of the award winners the next business day after the awards luncheon.

NEWARK—The *Star-Ledger* held their article until New Years Eve and ran a piece titled, “Resolve to Start Your Business Off Right,” quoting Rutgers-Newark Assistant Director Denis Rasugu talking about his award-winning retail clothing stores client, The Heat, of Montclair, Union and Jersey City. Jim Smith, Assistant Director of the Skylands SBDC, is cited for giving entrepreneurs “a list of 20 things they need to do to get started.” Smith is credited for assisting Lara and Alan Baldwin for getting their event management company, Landmark Event Services, up and running full speed ahead.

NEW BRUNSWICK—George Taber reported about the luncheon on his NJ 101.5 radio morning segment, “The centers are a great source of free or inexpensive help to companies.” *NJBIZ* ran a

NJSBDC Associate State Director Deb Smarth, along with State Director Brenda B. Hopper and Rutgers Business School Dean Howard P. Tuckman, presented Legislative Awards to key State Legislators who actively worked to support the NJSBDC mission: As-

More than 250 people attended the NJSBDC Success Awards 2004 luncheon. See photos from the event and full descriptions of each of the winners’ stories at www.njsbdc.com/success.

semblymen Louis D. Greenwald, Christopher “Kip” Bateman, Joseph Cryan, Upendra J. Chivukula, Guy R. Gregg and Senator Bernard F. Kenny

The NJSBDC Success Awards 2004 luncheon was made possible by Verizon and PSE&G with support from PNC Bank. For sponsorship information for the NJSBDC Success Awards 2005 luncheon contact Associate State Director Deb Smarth at 973-353-1927.

News Roundup From the NJSBDC Network

What's going on with the NJSBDC Headquarters, Regional Centers and Specialty Programs...

NJSBDC State Director Brenda B. Hopper joined New Jersey Commerce, Economic Growth and Tourism Secretary/CEO Virginia S. Bauer in announcing the distribution of the Blueprint for Emergency Preparedness brochure that serves as an overview of emergency preparedness information and resources for small business. The brochures are being distributed at NJSBDC offices throughout the state.



The **Bergen Community College SBDC** in Hackensack is busy working with clients and promoting their Entrepreneur Certificate Program, receiving a great write up for the program in the New Jersey Technology Council magazine *Tech News*.



The **Kean University SBDC** is finding new places to run their training classes, with a major construction project slated to redevelop their current building. Training venues include Elizabeth, Union, Westfield, Kenilworth and Scotch Plains. Services have expanded for both training and consulting at their Plainfield location thanks to a grant from Plainfield's Urban Enterprise Zone program.



The **Mercer Middlesex SBDC** at The College of NJ and the Mercer County Chamber are co-sponsoring a monthly

breakfast training series dedicated to sales and marketing, featuring notable authors.



In addition to celebrating their 25th Anniversary, the **Monmouth Ocean SBDC** at Brookdale Community College is running full steam ahead with their Entrepreneur Certificate Program.



At the **New Jersey City University SBDC**, the 4th annual Hudson county small business conference is slated for June 16, focusing on best practices in small business management and identifying financing opportunities with workshops, private consulting sessions and meetings with funders onsite.



The **Raritan Valley Community College SBDC** set up an internship program connecting RVCC business students and SBDC small business owners in a collaborative assistance program, emphasizing experiential learning. The program has been a success with students gaining knowledge, experience and course credit and business owners receiving resources at no cost. A dozen collaborative projects have benefited both the business owners and students.



The **Rutgers-Camden SBDC** has a combined MBA/Undergraduate business class to provide assistance to clients. The students, in groups of four or five, will define a very specific engagement for clients referred to the class. Apparently, the students and the businesses are very excited about this collaboration.



The **Rutgers-Newark SBDC** established a new office at Gibbs College in Livingston, Essex County's fastest growing town. A Women Entrepreneurs Network (WEN) Business Breakfast series has been launched along with a new Business Essential Seminar Series—geared towards growth-focused companies.



Moving into their new location in Atlantic City and working with clients is keeping the **Stockton SBDC** busy. The college's Carnegie Center is a beautiful historic structure on Martin Luther King Jr. Blvd. just a few blocks in from the beach.



The **Skylands SBDC** at Warren Community College staff visited Assemblyman Guy Gregg to present him with his "NJSBDC Supporter" award in recog-

(Continued on page 6)

Network News Roundup (cont.)

What's going on with the NJSBDC Regional Centers and Specialty Programs...

(Continued from page 5)

tion of support for economic development through small business services. The visit garnered a newspaper article in the *Warren Reporter*.



And the **William Paterson University SBDC** has once again received a grant from the Paterson Urban Enterprise Zone. The center has three MBA students working with the SBDC for the entire year on financing, marketing/public relations and staff training. Accion NY, a microlender focused on traditionally underserved communities, comes to Paterson every Wednesday and has been very successful in helping clients get loans. The Paterson Restoration Corporation has been very happy with this, and received unanimous board approval to grant money to the UCEDC, a U.S. Small Business Administration microlender, and Accion for businesses in Paterson, so they can also participate in these financial deals.



At the state headquarters in Newark:

NJSBDC E-Business Services started providing online con-

sulting services on a test basis to determine possible uses for the network.

The **NJSBDC Emerging Markets** program is fielding press calls from reporters who read late February's *Dynamics of Minority-Owned Employer Establishments, 1997-2001* report, released by the U.S. Small Business Administration's Office of Advocacy. The report shows higher minority business formation rates but lower survival rates. The Emerging Markets program offers a series of workshops to assist small contractors qualify for State construction contracts.

NJSBDC's International Trade program has several workshops scheduled such as International Letters-of-Credit at Raritan Valley and is working with clients to expand into global markets.

The **NJSBDC Procurement** program director attended a conference on Federal procurement and has a busy training calendar at the regional centers to help clients sell to Federal, State and local governments.

Finally, the **NJSBDC Technology Commercialization Center** has scaled back its program as a result of a 70 percent funding reduction by the State's Commission on Science and Technology. SBIR/STTR workshops are being coordinated, but the day-to-day assistance provided by the TCC cannot reach its former service level until new funding sources are identified. There have been several newspaper articles on the situation, including a *NJBIZ* editorial calling the Commission's decision shortsighted. ●

Contact the NJSBDC Network

Rutgers Business School: Graduate Programs – Newark And New Brunswick

Headquarters: (973) 353-1927

E-Business Services: (800) 432-1565 (In NJ) (973) 353-1594

Emerging Markets/NJSCC: (973) 353-1387

International Trade Program: (800) 432-1565 (In NJ) (973) 353-1594

Procurement Program: (973) 353-5960

Technology Commercialization Center: (973) 353-1922

Stockton College SBDC

(Serving Atlantic, Cape May, Cumberland Counties)

(609) 909-5339

Bergen Community College SBDC (Serving Bergen County)

(201) 489-8670

Monmouth/Ocean SBDC At Brookdale Community College

(732) 842-8685

Kean University SBDC

(Serving Union County)

(908) 737-5950

Mercer/Middlesex SBDC At The College Of New Jersey

(609) 989-5232

New Jersey City University SBDC (Serving Hudson County)

(201) 200-2156

Raritan Valley Community College SBDC

(Serving Hunterdon And Somerset Counties)

(908) 526-1200 X8515

Rutgers-Camden SBDC

(Serving Camden, Gloucester, Salem And Burlington Counties)

(856) 225-6221

Rutgers-Newark SBDC (Serving Essex County)

(973) 353-5950

Stockton College SBDC

(Serving Atlantic, Cape May, Cumberland Counties)

(609) 909-5339

Skylands SBDC at Warren County Community College

(Serving Morris, Sussex And Warren Counties)

(908) 689-9620

William Paterson University SBDC (Serving Passaic County)

(973) 754-8695

Small Business Legislative Update

Congressional:

Every year the NJSBDC participates in the national Association of Small Business Development Centers (ASBDC) annual meeting. Brenda Hopper and I joined other State Directors and Associate Directors from state and regional SBDCs around the nation to provide input for SBDC programs nationally, help establish policies and priorities, share "best practices" and other important informational resources, as well as meet with individual State congressional delegations on issues of significance.

This year we met in Alexandria Virginia. Following our initial three days of meetings, we then visited with individual congressmen and staff from our State delegation to urge them to request \$109 million in funding for Small Business Development Center (SBDC) grants in FY 2006. Federal funding for SBDCs has been declining over the past several years including New Jersey. It was encouraging to know that all of our congressional offices are fully aware of the SBDC network, its assistance to aspiring entrepreneurs and small business owners, as well as the economic impact we have on the national and State economy in terms of job growth, private sales revenues, and tax revenues generated. Their offices have pledged to work on the ASBDC goal of attaining \$109 million for FY 2006 and to interact with us on projects of interest in their home districts.

Senator Olympia Snowe (Me.), chair of the Senate Small Business Committee, and ranking member Senator John Kerry (Ma.) recommended the \$109 million level of funding to the chair and ranking member of the Senate Budget Committee. We are optimistic that a State delegation letter will be signed by the majority of our New Jersey congressional delegation and sent to the chair and ranking member of the Commerce-Justice-Science Appropriations subcommittee. Congressman Rothman and Congressman Frelinghuysen, as members of the House Appropriations Committees, can also be influential in their informal dialogue with members of that committee and their colleagues in the Senate.

State:

For the first time in many years, the State Legislature and Governor enacted an Appropriations Act (FY 2004-2005) which provided an additional \$200,000 to NJSBDC, bringing State funding up to \$700,000. While we appreciated this increase, we still lag behind the neighboring states of Pennsylvania and New York. As of this current fiscal year, the SBDCs in Pennsylvania and New York receive an estimated \$6.7 million and \$2.5 million, respectively. Governor Codey's budget message to the Legislature on March 1 underscored the \$4 billion State budget deficit and suggested that everything is on the table in terms of spending cuts (i.e. cutting property tax rebates, etc.) subject to legislative review and approval. According to news accounts, the Governor's \$27.4 billion budget represents the largest spending drop proposed by any governor in at least 50 years, trimming overall spending by \$600 million.

We encourage our partners, advisory board members, small business clients, and other supporters to urge members of the State Legislature to continue to make New Jersey's investment in the small business sector as competitive as our neighboring states. You can refer to our official website (www.njsbdc.com) for more details which will be available as of April. A State budget must be adopted by June 30 and substantial legislative budget work will continue over the next few months. ●



NJSBDC Associate State Director Deb Smarth joined NJSBDC full-time in September 2004. Deb 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.

Prefer An E-mail Newsletter?

If you would prefer to receive just the electronic version of this newsletter, please contact our Circulation Manager Maria Torres at 973-353-1927 or newsletter@njsbdc.com.

NJSBDC Thanks Our Funding Partners



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State Director's Corner



Welcome to the introductory edition of the Small Business Voice, the voice of the New Jersey Small Business Development Centers network. I hope this newsletter finds our small business clients working diligently to make your business dreams a reality. The New Jersey Small Business Development Centers

network is here to make sure that small business owners and aspiring entrepreneurs in the great State of New Jersey have all the tools, news and information they need to succeed. I also call upon our partners in education, government, finance and the corporate world to truly come together as a public-private-academic partnership to foster economic development by supporting small businesses and the NJSBDC mission.

Running a small business today is harder than when I started with the NJSBDC network at its inception more than 25 years ago (when I was a young business student). However much remains the same. Today's successful small business owners still share a unique vision, focused on meeting their customers' growing needs. Regardless of how much creativity and energy small business owners have, successful entrepreneurs still have to realize that they need to watch their money carefully, both income and expenses, to make sure they

are profitable or headed in that direction. This is as true today as it ever was.

What has changed is that today's small business is in a global marketplace with competition literally from around the world with international big box retailers undercutting local marketplaces and outsourcing firms exporting manufacturing jobs and even professional services.

Correspondingly, it is all the more important that New Jersey's small businesses are equipped with the strategic management consulting and training that the NJSBDC network provides. Please take advantage of the opportunity to work with our world-class staff in keeping your business on the right path to success.

Sincerely,

Brenda B. Hopper

NJSBDC State Director