

2010 COMMERCE Magazine Bank CEO Roundtable

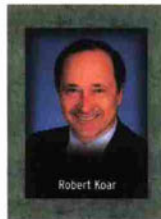
Managing Change: Banks Can Help Businesses Thrive in New Jersey, Despite High Costs/Taxes

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WHEN YOU COMPARE STATISTICAL AND anecdotal evidence, a case can be made that New Jersey is a good place to start and expand a business—despite being one of the least business-friendly states. The high cost of doing business is, for some firms, offset by the Garden State's educated workforce, strategic location, good quality of life and a culture of innovation that dates back to Thomas Edison.

The following bank executives offer their advice on the prospects for building a thriving business in New Jersey: Citibank Atlantic Division Manager (Commercial Banking Group) Robert Koar; TD Bank, N.A., Market President Donald F. Buckley; **Lakeland Bank** President and CEO Thomas J. Shara; North Jersey Community Bank Chairman and CEO Frank Sorrentino III; The Provident Bank President and CEO Chris Martin; and Wachovia, A Wells Fargo Company, New Jersey Regional President Lucia DiNapoli Gibbons.

Q. *What advice do you have for businesses that want to expand in New Jersey or move their operations to the Garden State?*



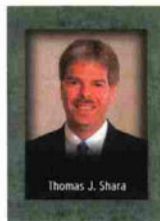
Citibank
By Robert Koar
Atlantic Division Manager
(Commercial Banking Group)

A diverse range of industries, a highly-skilled workforce and the presence of numerous *Fortune 500* companies have made New Jersey one of the most appealing places to do business in the nation. Situated in the middle of the busy northeast corridor, simply being in New Jersey means your business can streamline supply-chain logistics and other operational factors to increase productivity and revenues. The state also fosters business growth with programs such as the Business Incentive Employment Program (BEIP) and the Business Retention and Relocation Assistance Grant (BRRAG) that encourage companies to hire and grow. With more than 1,100 multinational firms from over 40 nations operating in the state, New Jersey is also an ideal place for companies with international operations or aspirations. If you are thinking about expanding globally or already are operating a global business, you should consider how your part-



More than 20 percent of *Fortune 500* companies are headquartered in or near New Jersey, including over 1,100 multinational companies from 40 countries.

nership with a financial provider can help make you more competitive. A global bank like Citi, with its unsurpassed global network and expertise in international markets, offers your business the resources, services and connections it needs to operate and expand internationally, and run your business more efficiently.



Lakeland Bank
By Thomas J. Shara
President and CEO

Welcome to New Jersey. We are glad that you are considering expanding or opening your business here. Is New Jersey a market where you should conduct your business? Absolutely! It contains some of the most affluent markets in the nation, has one of the best-skilled workforces anywhere and is located between two major metropolitan markets. Has NJ been business friendly? To date, that has been a concern, but changes are underway. There is a growing consensus that state and local government needs to encourage balanced business growth, and make it easier to obtain approvals to open or expand a business. The New Jersey Economic Development Authority has been an outspoken advocate for businesses for many years. They can assist with obtaining approvals as well as providing various incentives and financing arrangements to help a business locate or expand here. Finally, your local community bank is an invaluable resource. Not only can they provide financing, they usually have intimate knowledge of their markets which can help you formulate your plans.



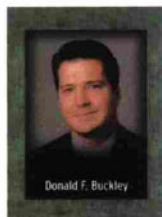
North Jersey Community Bank
By Frank Sorrentino III
Chairman and CEO

There's no time like the present to expand your business or open a new operation in the Garden State. Not only does New Jersey boast one of the best-skilled labor forces in the country, it also has weathered the financial crisis better than most of its counterparts. In addition, the low inter-

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est rate environment we are currently experiencing is extremely supportive of financing an expansion or new operation. Fortunately for businesses, there are a large number of community banks in New Jersey, such as North Jersey Community Bank, that are ready to lend to qualified customers today to support expansion or relocation. While many of the mega banks have tightened their standards or stopped making loans altogether, the community banks are thriving, even increasing their loan business during this economic downturn. It is crucial for business owners to develop a relationship with a local bank. You should know your banker and your local bank should know your business. In turn, they can be your trusted advisor; helping you with market intelligence, networking with suppliers or other needed resources.

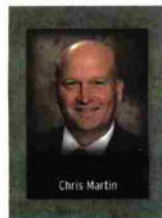


TD Bank, N.A.

By Donald F. Buckley
Market President

New Jersey's centralized location, talented and diverse workforce, and wide range of industries make it one of the best places to do business. More than 20 percent of *Fortune* 500 companies are headquartered in or near

New Jersey, including over 1,100 multinational companies from 40 countries. As many as 60 million consumers live within a four-hour drive of the state, and the ports, airports, rail system and roads make transportation both efficient and cost-effective. Companies should take advantage of the loan/grant programs offered by the New Jersey Economic Development Authority including: (1) working capital loans of \$750,000 with loan guarantees up to \$1.5 million; (2) building and equipment loans up to \$1.25 million with loan guarantees of \$1.5 million; (3) fixed asset loans up to \$3 million in New Jersey's nine designated urban areas; and (4) incentive grants for the creation of 25+ new jobs (10 in technology and biotech). For a business already located in New Jersey or thinking of moving to the state, securing financing is one of the most important things you'll ever do. Choose a reputable, financially stable, well-capitalized bank with local decision-making capabilities and knowledge of the financing programs that are available from the state.

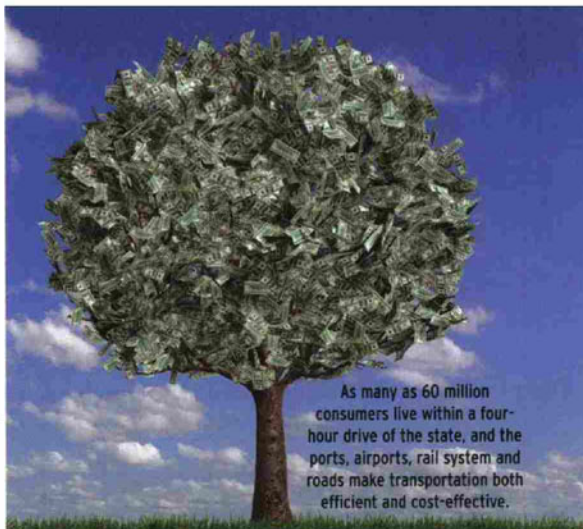


The Provident Bank

By Chris Martin
President and CEO

I think a good piece of advice for new or expanding businesses in New Jersey is to be realistic. There are a lot of great opportunities in this region, but you have to be knowledgeable about the economic conditions. New

Jersey has a lot to offer businesses, including a greatly varied consumer demographic. Our population has one of the highest per capita incomes in the nation.



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However, we are also among the most taxed. The current administration is looking for ways to make the state more business friendly, including the elimination of "red tape." With the state trying to attract economic development, there may be some financial incentives available to new or expanding businesses. For example, there are already credits available for energy efficiency initiatives and the hiring of additional employees. Check with someone who is familiar with the geographic market: your lender and financial advisor should know about incentives available through the state and local governments that may provide an advantage to your business. Businesses should keep in mind that they need an edge to succeed in this competitive market. They need to stand out among their competitors.



Wachovia, A Wells Fargo Company

By Lucia DiNapoli Gibbons
NJ Regional President

It's no secret that New Jersey faces competitive challenges, but there are definitely good reasons for doing business here. First is its strategic location. It's hard to find another location as accessible to so many major markets, both in terms of geography and transportation. We're smack dab in the middle of the Boston to Washington, D.C. corridor and are served by major highways, rail systems, airports and ports; we're where the world comes to do business. Another advantage is the state's diverse and well-educated workforce that can meet the needs of an ever-increasing diverse population. New Jersey is also ahead of the curve in terms of the digital economy and technological innovation, for sure, and it offers world-class healthcare. And finally, our quality of life is outstanding. Miles of white, sandy beaches; mountain lakes, streams and parks; and the big city amenities of New York City and Philadelphia all provide a wealth and variety of recreational opportunities. New Jersey is a great place to live and work. ■