



PRINCETON REGIONAL
CHAMBER OF COMMERCE
champions for business

Champions for Business

Letter from the Chairman

DEAR FRIENDS,

Over this past month the Chamber focused on an issue that has a major impact on our region: the role of innovation in the success of our regional economy. We've all heard how science and technology companies account for a disproportionate share of the growth in jobs and income. Across New Jersey the technology sector accounts for about 11 percent of all jobs, with average wages that are nearly double the state-wide average. We know that our region fared better than the rest of the nation during the Great Recession in part because of our greater number of innovative companies. Innovation economics suggests that technology, creativity, and innovation are key drivers of economic growth.

The story shared by our luncheon speaker this month confirmed the importance of linking research and entrepreneurs to promote innovation and growth. Julie Brown, the senior VP and Chief Technology Officer of Universal Display Corporation, provided a fascinating case study of how breakthroughs in scientific research from a Princeton University lab were turned into practical applications that allow us to enjoy smartphones with brighter display screens. The creative inspiration came from the university's research labs, while the commercialization came from years of work by Universal Display. Universal Display has become a leader in developing organic light emitting diode technologies for the display and lighting industries. We may soon be using flexible screens from the company that can be bent, rolled, or folded, with numerous potential applications.

The result of this research and industry collaboration has been innovation and growth. Brown has been described as "one of the 20 brainiest people in New Jersey." She has helped Universal Display grow from its humble origins as a small R&D company on the second floor above Hoagie Haven in Princ-

eton into a major global technology leader in a fast-growing market — with 125 employees in Ewing and a market cap of \$1.5 billion. Clearly Princeton University's Office of Technology Licensing is playing a vital role in helping to connect industry partners, investors, and entrepreneurs with Princeton's researchers, as they did with this company. Note to potential investors: other technologies available for licensing from university researchers are listed on the office's website.

This month the Chamber launched its partnership with the European American Chamber with a breakfast event focusing on trans-Atlantic trends for trade and investment. The event featured Joseph Quinlan, managing director and chief market strategist at U.S. Trust and Distinguished Fellow at Johns Hopkins School for Advanced International Studies. Quinlan provided fascinating insights into the dynamics of the economic relationships between the U.S. and Europe, starting with the fundamental reality that the two are each other's most important markets and together account for more than 50 percent of the world's gross domestic product. Given the great interest in this event and in our partnership with the European American Chamber of Commerce, our Chamber will certainly offer more programs focusing on international business in the coming months.

We have some exciting programs set for the month ahead. On September 4 the Chamber's monthly luncheon will feature a presentation by Nancy Kieling, who has led the Princeton Area Community Foundation for its first 20 years and recently announced her intent to retire at the end of the year. We look forward to hearing her insights drawn from her extensive experience working on the most critical issues facing our region. Our Business Before Business Breakfast event on September 17 will provide an opportunity to hear from Elizabeth Christopherson, president and CEO of the Rita



Allen Foundation, who will speak on how curiosity fuels science, society, and experimental philanthropy. One of the Chamber's most anticipated events, the 2014 Healthcare Symposium, will be held on September 23 and will once again include a roundtable discussion with the CEOs from each of the hospitals in the region.

The Chamber's Community Development Fund is now accepting applications from not-for-profit organizations in our region for grants from this unique source of program funding. The Fund was established last year with a gift of \$500,000 from the Princeton Regional Chamber Foundation. Income from this gift will be used to provide support for community development initiatives in the areas of education, leadership, economic opportunity, and self-sufficiency. A total of \$25,200 in grants will be awarded in 2014 this fall, and organizations may apply for up to \$10,000. Proposals are due to the Princeton Area Community Foundation by September 15. Decisions will be announced at the Princeton Regional Chamber of Commerce's monthly luncheon meeting on November 6.

As always, further information about the Princeton Regional Chamber of Commerce can be found by checking our website at www.princetonchamber.org or calling the Chamber at 609-924-1776.

John P. Thurber

Chairman of the Board
Princeton Regional Chamber of
Commerce

September Events at the Chamber

September Luncheon, Thursday, September 4, 11:30 a.m. to 1:30 p.m., Princeton Marriott Hotel & Conference Center, 100 College Road East, Princeton. Speaker: Nancy Kieling, President, Princeton Area Community Foundation.

Hear how Nancy Kieling built Princeton Area Community Foundation into the leading nonprofit organization it is today and why a strong business nonprofit partnership is important.

Independent Business Alliance Networking Event, Tuesday, September 16, 5 to 7:30 p.m., Miele USA, 9 Independence Way, Princeton. Speaker: Joe Grafton, Director of Development & Community Engagement, American Independent Business Alliance (AMIBA).

Join the Independent Business Alliance for a "Farm to Table" Evening Networking Event featuring Joe Grafton (AMIBA).

Business Before Business Breakfast, Wednesday, September 17, 7:30 to 9:30 a.m., Nassau Club of Princeton, 6 Mercer Street, Princeton. Speaker: Elizabeth Good Christopherson, President & CEO of the Rita Allen Foundation.

Elizabeth Christopherson will share her views on digital media's influence on education and how we can continue to grow in this sector.

Business After Business, Thursday, September 18, 5 to 7 p.m., McCarter Theater Center, 91 University Place, Princeton.

Join us for networking at the region's premier theater, McCarter Theater Center.

2014 Healthcare Symposium, Tuesday, September 23, 7:30 a.m. to 1 p.m., Conference Center at Mercer County Community College, 1200 Old Trenton Road, West Windsor.

Hear from the region's healthcare CEOs and local healthcare professionals on "Reducing costs through wellness" at this sell-out event.

September Membership Orientation, Tuesday, September 30, 8 to 9:30 a.m., Residence Inn by Marriott Princeton, 100 Canal Pointe Boulevard Princeton.

This orientation and seminar is free for new Members, new representatives of existing Members, and current Members who want to learn more about how to maximize their Membership. It is highly recommended that New Members attend this important meeting. You will have a chance to meet fellow Chamber colleagues, as well as hear from some key Chamber personnel. The event is free of charge but is only open to existing Chamber Members. Breakfast is included. The seminar is an overview of the Princeton Regional Chamber of Commerce and is designed for businesses and organizations that have already submitted a Membership application.

Plainsboro Business Networking, Tuesday, September 30, 5:30 to 7:30 p.m., New Jersey Audubon Plainsboro Preserve, 80 Scotts Corner Road, Cranbury.

Network while tasting wine and enjoying delicious food on the shores of Lake McCormack at the beautiful Plainsboro Preserve!

Save the Dates: October Events

Thursday, October 2: Monthly Luncheon

Thursday, October 9: Real Estate Business Alliance Breakfast

Wednesday, October 15: Business Before Business Breakfast

Tuesday, October 28: Business After Business

Wednesday, October 29: Membership Orientation

Thursday, October 30: 2014 Women's Leadership Conference

Save the Dates: Special Events

2014 Women's Leadership Conference, Thursday, October 30, 8 a.m. to 2 p.m., Princeton Marriott Hotel & Conference Center.

Featuring: Sandra Sobieraj Westfall, Washington Bureau Chief, PEOPLE magazine and Janet Kestin and Nancy Vonk, the advertising team behind the Dove "Real Beauty" Campaign. Questions? Contact Lorraine Holcombe at 609-924-1776 or lorraine@princetonchamber.org

2014 Young Professionals Summit, Friday, November 14, 8 a.m. to noon, Conference Center, Mercer County Community College.

Featuring: Steven Peterman, Co-Founder/Director, The Sketchbook Project. Questions? Contact Jennifer Guhl at 609-924-1776 or jennifer@princetonchamber.org.

Welcome, New Members

The Ayers Group
Brain Balance Achievement Center
Cherry Valley Country Club
Diamond Settlement Services
HG Media, Inc.
InKlaritas
New Jersey Restaurant Association
Princeton Consumer Research
Princeton Tuxedo
Sansima Consulting Group, Inc
The Arc Mercer
US Logic, LLC

Sustaining Sponsors 2014

With great appreciation, the Chamber thanks the following companies and organizations who have shown their support and loyalty to the Princeton Regional Chamber of Commerce by becoming Sustaining Sponsors.

Our Sustaining Sponsors enable the Chamber to advance to a level which allows the resources for greater benefits and enhanced programs events to our Members and the business community.

PLATINUM

Bristol-Myers Squibb, Fox Rothschild, PSE&G, Bank of America, OnePrinceton, New Jersey Manufacturers, Thomas Edison State College, Novo Nordisk, Capital Health, RWJ University Hospital Hamilton, Wells Fargo Bank, Investors Bank

GOLD

Verizon, Studio Hillier, Leigh Visual Imaging, Glenmede, Paychex, Princeton University, Hopewell Valley Community Bank, Blackrock, Morgan Stanley, PNC Bank, Caliper, First Choice Bank, Szaferman Lakind, NRG

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Bloomberg, Comcast Business Class, ETS, First Bank, Hill, Barth & King, The JM Group, Madolyn Greve — Callaway Henderson, Mrs G TV & Appliances, Munich ReAmerica, PinG, Rue Insurance, St. Lawrence Rehabilitation Center, Sandler Training, SES Engineering, Sound Choice, Stevens & Lee, United Way of Greater Mercer County, WithumSmith+Brown

Exciting News in the Princeton Region!

Theresa Caputo Live! The Experience Where: Sun National Bank Center in Trenton. Date: Sunday, August 24, at 3 p.m. (Doors open 2 p.m.).

Theresa Caputo is a psychic medium and star of the hit TLC show, "Long Island Medium." The show follows Theresa's life as a typical Long Island wife and mom with one very big difference: she can communicate with the dead. Theresa will give interactive readings to audience members throughout the show and will also share personal stories about her life and unique gifts. Visit www.sunnationalbankcenter.com/event-detail.php?id=633 for more information!

Fall registration is now open! Focus on success at **MCCC's Center for Continuing Studies**. This fall's catalog offers certificates in: business; animal careers; construction; design; education; healthcare; information technology, nonprofit, and many others. Personal interest courses such as aquatics, boating safety, computer and ELL courses, dancing, golf, self-defense, sign language, relaxation courses, and many others are also being offered. Call 609-570-3311 to register or visit www.mccc.edu/ccs for information.

Princeton HealthCare System (PHCS) invites your organization to be part of two

exciting community events this fall as either a sponsor or participant. The first Annual PHCS 5 Mile Race, 1 Mile Fun Walk will be held on Saturday, September 13. Proceeds support the care and services provided at the Jim Craigie Center for Joint Replacement at UMCP.

The second event is the sixth annual PHCS Kids Marathon held on Sunday, October 12. This event raises funds for the care and services provided to babies and children at the Bristol-Myers Squibb Community Health Center at UMCP. Visit www.princetonhcs.org for more information.

The **Carrier Clinic** is holding its fourth annual Walk of Hope Day. The Walk event will take place on Saturday, September 20. Registration begins at 9 a.m. and the walk begins at 10 a.m. The clinic will be offering lots of family fun, a one-mile walk on its campus, free food & beverages, games, a DJ, Magic 98.3 on premises, a "doggie oasis," mental health resources, the Montgomery Township JV and Varsity Cheerleading squad, art projects, and many other exciting activities designed to make this a fun, family day for the whole community. Visit www.carrierclinic.donorpages.com/Walkof-Hope2014/ for more information.

Interested in Joining the Chamber?

Did you know that more than 60 percent of our member businesses have 25 or fewer employees? What does that mean? This means that these small businesses need resources — resources many of our Members are ready, willing, and able to provide.

If you haven't taken the time to attend one of our events, now's the time to step forward and join the Chamber! We provide our nearly 900 members with quality services, which include networking and marketing opportunities that will enhance their ability to run a successful business.

Chamber Events: Receive invitations to attend nearly 100 events each year, including networking receptions, luncheons, forums and special events.

Awareness Building: Increase your visibility by participating in Annual Chamber trade show events, awards galas, and golf outings.

Destination Marketing: Automatically become a Member of the Princeton Regional Convention & Visitors Bureau with Chamber Membership.

Continued Growth through Diversity: Embrace regional diversity through growing partnerships such as the Capital

Region Minority Chamber of Commerce and the Women in Business Alliance.

Customer Referrals: Be recommended. Each week the Chamber receives inquiries asking to be referred to a business which will meet their needs.

Brochure/Business Card Display: Display your brochure and/or business card at the Chamber office, at no additional charge.

Chamber Website: Build your online presence through the Chamber website, a leading resource to find out about Princeton region. The site profiles all Chamber members.

Business Directory: Get published in comprehensive listing of more than 800 member businesses published annually. Additional advertising opportunities are available.

Newsletter: Gain exposure by being featured in the Chamber's monthly U.S. 1 newsletter.

Direct Mail Options: Purchase a mailing list of the full Chamber Membership or have your flyer inserted into the Chamber's monthly events calendar mailing.



Business After Business: Above, Richard Freeman, the new President & CEO of Robert Wood Johnson, and Peter Crowley, President & CEO, Princeton Regional Chamber of Commerce at the July Business After Business reception.

August Luncheon: At right, Peter Crowley, President & CEO, Princeton Regional Chamber of Commerce; Tom Gates, Mortgage Master and the August Champion for Business; and John Thurber, Chairman of the Board, at the August Luncheon.

Photos by Jennifer Guhl, Princeton Chamber of Commerce



Survival Guide

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tending Rutgers, he didn't want to spend his summer with too much down time, so he went to work for his father, William, who is the executive director of the RBAC. The younger Pazmino began in 2008 as a packager of loans. This was when the economy bottomed out, and things were tough for the RBAC, Pazmino says.

But his baptism by fire taught him a lot about economics, and a basic understanding that a lot of newer businesspeople lack a basic understanding of their finances. In 2013 Pazmino earned his bachelor's in environmental business science from Rutgers and is now a credit analyst at RBAC. He, like his father, also teaches a lot of courses in how to handle money, including a restaurant management course that imparts the fundamental understanding of how to operate a business that has such a rotating need for perishable inventory.

The RBAC itself targets smaller businesspeople and hopefuls, of-

fering microloans and special loan packages that allow borrowers to put down as little as 10 percent on commercial real estate mortgages, as opposed to the 20 to 30 percent down payments required by many banks. All this, Pazmino says, comes with the opportunity for education through the RBAC's programs, all of which are built to make sure you better manage and keep more of your money.

Reading financial statements is a big intimidator for a lot of entrepreneurs, Pazmino says. Most don't do well looking at pages of math. But you don't have to be an accountant or hold a degree in statistics to know how to read and use financial statements, he says. All you need to know are some basics.

Balance sheet. Financial statements start with a balance sheet, which allow business owners to calculate their assets. The simple formula is: Assets = Liability + Equity.

Scared already? Don't be. You just need to know the terms, Pazmino says. Assets come in two flavors, current and long-term. Current, or liquid, assets are those that

already are or can be turned into cash quickly. Long-term assets are those that it might take a year or more to turn into cash, such as real estate or large equipment.

Liabilities are your debts and obligations — insurances, rents, lines of credit, and taxes, for example. These also come in the short-term and long-term varieties. Short-term liabilities are those that can be settled within 12 months;

Pazmino doesn't want to make everyone a financial expert; he just wants to take away the weight people feel when they face a financial statement.

long-term liabilities are those you will have for longer periods, such as a bank loan that you will pay down over 10 years.

Equity is the ownership interest you have in your business. Your to-

tal assets minus your liabilities "is what your business owes you," Pazmino says. "That's equity."

Income statement. Chapter 2 of the financial statement is the income statement, which should sound entirely self-explanatory, but often hangs people up, Pazmino says. Essentially, an income statement is where you calculate much of your assets and liabilities. Here you look at your sales, your cost of goods sold (i.e., what you pay for your products vs. what you sell them for), and regular operating expenses, such as rent and utilities.

Many business owners don't keep track of this equation, Pazmino says. "A lot of people who come in here know they made X amount of dollars, but not really how they got there," he says. Generally, cost of goods sold should be no more than 30 percent or so, yet a lot of businesses — particularly restaurants — are operating at a COGS ratio of 50 percent.

In other words, you shouldn't be paying more than 30 percent of the price you sell something for. "If you sell a pencil for \$1, you should

buy it for 30 cents," Pazmino says.

Also, expenses such as advertising and promotion throw people. They don't often realize that the money they spend on these entities eats into their profits. They know they made a specific amount of money in a month, but they can't figure out why there's so much less money on hand. It's because they're just not keeping track of what's going out, Pazmino says.

Cash flow. Finally, there's cash flow — how much money is going in and out, and how it's getting to and from. This section figures things like net profits, operating activities, depreciations, and investments.

A cash flow statement shows changes over time, not snapshots of absolute dollar amounts at a given moment. This is important because a company needs to not just have enough cash on hand to pay the bills and salaries, but to also know how much cash there is. According to the SEC, while an income statement can tell you whether a company has made a profit, a cash flow

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