

ROSE BRAND WIPERS INC. IS REWARDED FOR INNOVATING - WORKING WITH NJMEP TO SECURE R&D TAX CREDITS

BACKGROUND:

Rose Brand Wipers is currently located in Secaucus, New Jersey (9th Congressional District; 32nd Legislative District) and is a leader in theatrical draperies and production supplies in the entertainment, educational, and exhibition space. This 'MADE in New Jersey' manufacturing businesses fabricates custom stage curtains and assemblies for venues ranging from Broadway productions to school auditoriums and have been doing so since 1921. They specialize in transforming a space to create an immersive environment for anyone in attendance, no matter the audience.

Clients come to Rose Brand Wipers because of its ability to fabricate custom complex tracks, incorporating the latest fabrics, and electronically controlled motorized systems. Driven by innovation, this manufacturer is constantly pushing the boundaries of what's possible. Company leadership is always looking for new, innovative ways to support their customers while providing the best quality service possible. Rose Brand Wipers turned to NJMEP as a partner to support their growth and competitiveness in New Jersey and abroad.

CHALLENGE

New Jersey manufacturers need to constantly strive to improve their production process, cut costs, and take advantage of any incentives available in order to remain competitive. The high costs of doing business in the Garden State can be offset when a business works with a partner like NJMEP to identify ways they can improve the bottom line. Creating and manufacturing custom environments for such an extensive client base requires constant innovation and investment.

Rose Brand Wipers is forced to invest their time and money refining their production process, service offerings, and exploring advanced materials to remain a leader in their industry. Without innovating, they would quickly fall behind the competition. All this innovation requires substantial investment. The combination between the business expanding and constantly striving to improves tremendously costly.

SOLUTION

Rose Brand Wipers heard about another manufacturing business partnering with NJMEP to improve their competitiveness. A complimentary business assessment was conducted to gain an understanding of the company and its manufacturing processes after Rose Brand Wipers reach out to NJMEP. It was discovered the manufacturer would be a great candidate for R&D Tax Credits.

At first, leadership dismissed R&D Tax Credits, stating no R&D was conducted at the facility. NJMEP's Account Manager insisted they meet with the subject matter expert to explore what qualifies as R&D. Many manufacturers immediately envision lab coats and clean rooms when R&D is being discussed. However, nearly every manufacturer requires some form of innovation or has developed or is constantly developing new processes that allow them to perform their job better, safer, or produce their products more efficiently.

"Learning about R&D Tax Credits came around at just the right time because we were going to move into areas with much more trial and error," Bob Bertrand, Rose Brand Wipers General Manager stated.

NJMEP worked with Rose Brand Wipers to conduct a close-up inspection of their facility and operations. An in-depth study was conducted with NJMEP's subject matter expert to see which of the manufacturer's actions met the following criteria.

- The goal must be to discover some technological information that does not already exist within the organization.
- There must be a level of technical uncertainty related to the product or process development.
- Any qualifying event must have a process of experimentation to prove or disprove a technical theory.
- The research must have goals attributable to function, efficiency, capacity, or other performance criteria.



Helping New Jersey Manufacture Success



**SUCCESS STORY:
INNOVATION
& GROWTH**

After a preliminary review and the eligible R&D costs were reviewed, NJMEP combined this information with additional organizational data to provide Rose Brand Wipers an approximate Federal R&D tax credit.

The R&D Tax Credit Process includes...

- Reviewing the list of development projects and selected eligible R&D projects
- Client preparing a narrative or description of each project for the accounting firm's review.
- The accounting firm reviewed the narrative and made some revisions to eliminate ineligible areas or activities
- The client supplied information enabling the accounting firm to allocate costs to the eligible projects
- NJMEP worked with the client to gather costs related to the R&D projects
- The accounting firm prepared the necessary tax forms and submitted the tax return and R&D tax credit on the client's behalf

NJMEP supported the manufacturers' needs every step of the way to secure the largest possible R&D Tax Credit. The tax credits they received continue to help the organization expand and grow in New Jersey.

RESULTS

Rose Brand Wipers has a long history of pushing the boundaries of its manufacturing process and service offerings. The ability to fully understand what processes qualify as R&D is critical so they can take full advantage of the R&D Tax Credit incentive program. The credit helps offset some of the costs of constantly improving and allows them to continue leading their industry.

"If we didn't have the R&D Tax Credits, I'm not sure we would have had the ability to make some of the acquisitions that help Rose Brand Wipers maintain its standing as an industry leader," said Bob Bertrand, Rose Brand Wipers General Manager.

An independent third-party survey captured the impact of Rose Brand Wipers engaging with NJMEP after 12 months:

- **INCREASE SALES: \$9,000,000**
- **EMPLOYEE CREATION: 27**
- **RETAINED SALES: \$17,000,000**
- **EMPLOYEE RETENTION: 10**
- **COST SAVINGS: \$385,000**

2019-2020 Survey Period



Helping New Jersey Manufacture Success



Connect with NJMEP:

- 📞 973.998.9801
- 💻 NJMEP.ORG
- ✉ info@njmep.org
- 📍 2 Ridgedale Ave.
#305, Cedar Knolls, NJ 07927
- 211 Benigno Blvd, Suite D,
Bellmawr, NJ 08031

