

MANUFACTURING MATTERS

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Built To Last

Year in Review

Trenton Talk

Helping New Jersey Manufacture Success



NJMEP

2023

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MANUFACTURING MATTERS

New Jersey's manufacturing magazine, sharing the voice of the industry. Find the latest updates, resources, and trends shaping manufacturing and hear from the thought leaders driving the industry forward.



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Manufacturing Trends to Watch

What 'MADE in New Jersey' Manufacturers Need to Know

Manufacturing is ever-evolving. The public often thinks of it as static and unprogressive, but anyone who works in the industry knows this is not the case. Especially for manufacturers that are actively working to stay ahead of the competition. Business strategies, technologies, and new disruptions continue to present themselves. Business leaders who want to continue pushing their operations forward will need to explore new trends, identify what has real value, and move past the unwarranted buzz.

Artificial Intelligence in Manufacturing

Artificial Intelligence (AI) has become a game-changer in various industries, and manufacturing is no exception. With AI, manufacturers can automate processes, optimize production, and improve decision-making. AI-powered systems can analyze vast amounts of data, identify patterns, and make predictions, enabling manufacturers to enhance efficiency, reduce costs, and deliver higher-quality products.

AI has been making a significant impact in predictive maintenance for years. This is not new technology by any means. By leveraging AI systems, manufacturers can monitor equipment performance in real-time, detect anomalies, and schedule maintenance before breakdowns occur. This proactive approach minimizes downtime, reduces repair costs, and extends the lifespan of machinery.

Another application of AI in manufacturing is supply chain optimization. AI algorithms can analyze historical data, market trends, and customer demand to optimize inventory levels, streamline logistics, and improve delivery times. This provides manufacturers a better idea about what's the right amount of inventory they need to have on hand at the right time, reducing inventory holding costs, and improving customer satisfaction.

Quality control is another area being dramatically improved by AI. By analyzing data from sensors and cameras, AI-powered systems can detect defects and anomalies in real-time, allowing manufacturers to take immediate corrective actions. This not only improves product quality but also

reduces waste and rework, leading to cost savings and increased customer satisfaction. With new applications and ways to implement AI coming to light nearly every day, manufacturers must keep a close eye on its evolution and start exploring new ways to make practical use of AI and stay ahead of the competition.

Value of Investing in Quality Assurance

In today's highly competitive manufacturing landscape, quality assurance plays a crucial role in maintaining customer satisfaction and brand reputation. Investing in quality assurance processes, skill sets, and technologies ensures that products meet or exceed customer expectations.

Continuous improvement is an essential aspect of quality assurance. By implementing a continuous improvement mindset in an organization, manufacturers can identify areas for enhancement, streamline processes, and reduce defects. This can be achieved through the implementation of Six Sigma or Lean Manufacturing, which provide structured methodologies to improve quality and maintain a culture focused on improving processes.

Manufacturers should explore quality control technologies. For example, automated inspection systems that utilize machine vision can detect defects with high accuracy and speed, ensuring that only products of the highest quality reach the market. Implementing statistical process control (SPC) techniques can also help manufacturers monitor and control the quality of their production processes,

reducing variability and ensuring consistent product quality.

Prioritizing customer feedback and incorporating it into their quality assurance processes is a way manufacturing businesses can improve quality without an upfront investment. By actively seeking customer input and addressing their concerns, manufacturers can demonstrate their commitment to delivering products that meet customer expectations. This can be achieved through customer satisfaction surveys, feedback loops, and regular communication channels.

Sustainability as a Business Plan

Manufacturers operate in a globalized economy, where geopolitical events and uncertainties can significantly impact their operations. Trade disputes, political instability, and regulatory changes can disrupt supply chains, increase costs, and create market volatility.

To navigate these challenges, manufacturers need to stay informed, anticipate potential disruptions, and develop agile strategies. Building resilient supply chains is essential. This can be achieved by diversifying sourcing options, identifying alternative suppliers, and establishing strong relationships with multiple partners. By reducing reliance on a single source, manufacturers can mitigate the impact of disruptions and ensure a steady supply of materials and components.

Closely monitoring geopolitical developments and keeping an eye on regulatory changes that may affect operations is essential. Informed manufacturing leaders can proactively

adjust their strategies, adapt to new regulations, and minimize potential risks. This can be achieved through regular engagement with industry associations, participation in trade forums, and leveraging market intelligence resources.

Reshoring was once again thrown into the headlines during COVID, and manufacturers should not put aside that consideration just because the global pandemic has eased. With the increasing focus on supply chain resilience, bringing production closer to the end market can reduce transportation costs, lead times, and exposure to geopolitical risks. By leveraging local manufacturing capabilities, manufacturers can also tap into the advantages of skilled labor, proximity to customers, and reduced carbon footprint.

Check back every quarter to review the manufacturing themes that are driving the industry forward. Explore a focused snapshot of how the industry is transforming here in New Jersey and throughout the United States. There are countless ways businesses can improve, so being able to cut through all the noise will be key. Set aside time to review Artificial Intelligence, Quality Assurance Improvements, and managing Geopolitical Disruptions and Uncertainty in 2024. Discover how these themes can impact your business. Stay up to date with the latest from New Jersey manufacturing by following @NJMEP on Twitter, Facebook, and LinkedIn. Stay engaged all year long to help protect and support the industry. 🇺🇸

2023

A Year in Review

REMAINING COMMITTED TO NJ MANUFACTURING

The New Jersey Manufacturing Extension Program (NJMEP) set out in 2023 to empower manufacturers, dedicating time and effort to providing essential access to the latest training, tools, and incentives, and taking measures that help to actively shape programs that benefit Garden State businesses. Through engagement, fostering networking opportunities, and offering valuable training and consulting resources, NJMEP continues to serve as a strategic partner in navigating the dynamic New Jersey business landscape. The past year brought a blend of exciting opportunities, updates, and challenging uncertainties, which were met with resilience and fervor. As the new year continues forward, collaboration between the state, academia, businesses, and manufacturers is paramount for firms aiming to stay resilient and those looking to seize upcoming opportunities amid geopolitical and economic uncertainties.

WHO WE ARE

NJMEP has been New Jersey's premier manufacturing training and consulting provider for over 20 years, offering the latest innovations in technology, standards, and practices. Our mission is simple, to help New Jersey's small to medium-sized manufacturing businesses access the resources and develop the skills they need to grow, innovate, and expand. To address these challenges, NJMEP provides critical training and consulting solutions while also creating opportunities for the industry's value to be seen and understood. One way this is achieved is through Manufacturing Caucus meetings, developing the State-of-the-State of Manufacturing event, the South Jersey Revitalization Summit, 'MADE in NJ' Manufacturing Day, and by partnering with State entities to bring forth critical new programs like The Future Makers & Creators Tour.

STATE-OF-THE-STATE OF MANUFACTURING

The 8th Annual State-of-the-State of Manufacturing Summit brought together manufacturing industry leaders, partners, and legislators to address the key challenges that manufacturers face in the state. New Jersey has not historically been a business or manufacturing-friendly state, and hundreds of manufacturers, industry partners, and legislators came together to help shift that paradigm. Michael Womack, architect of State-of-the-State and Senior Marketing and

Communications Manager for NJMEP, told attendees, "This [event] is about having a constructive conversation and moving the industry forward."

The summit provided a platform for manufacturers to discuss issues with the state legislature and emphasized the need for increased collaboration, more resilient supply chains, and connections with New Jersey veterans. Insights from panel discussions touched on topics such as corporate business tax, workforce development, public transit, supply chain, incentives, and childcare assistance, with legislators highlighting initiatives like the Manufacturing Voucher Program (MVP) as a success while acknowledging the need for ongoing dialogue to address regulatory hurdles. The event displayed the importance



The view from the George Washington room, where the 'MADE in NJ' Showcase featured local manufacturers during NJMEP's State-of-the-State of Manufacturing Summit.

of collective efforts for moving New Jersey's manufacturing sector forward. For manufacturing in New Jersey, it's a matter of survival at this point—it's sink or swim. Great strides were made, and new connections forged, but one key takeaway remains—progress mustn't stop at the doors of the Trenton War Memorial.

JERSEY GUYS GOLF

Team Eagle Foundation and NJMEP's Manufacturing CARES initiative joined forces to host the 8th Annual Jersey Guys Golf Outing—Crazy 8s—which took place in July at the Rock Ridge Golf Course in Hackettstown, New Jersey. This year was particularly special because this would be the last event for John W. Kennedy, founder of Team Eagle Foundation, and NJMEP CEO Emeritus. To date, the program has supported over 800 individuals with scholarships and grants and has been a way for manufacturing to give back to the community.

The Team Eagle Foundation and NJMEP gave away \$25,000 in awards at last year's event, which brought the total value of donations to over \$800,000 since the foundation's start in 2010! All the proceeds from this important event went toward supporting Scholarships and Education Grants that benefit groups like the NJMEP Summer Jobs Program, FIRST

Robotics, County College of Morris, Veteran's Groups, Boy and Girl Scouts STEM, Junior Achievement, and many more.

SOUTH JERSEY REVITALIZATION SUMMIT

In August, NJMEP partnered with Rowan College of South Jersey (RCSJ), Community College of Morris (CCM), District 1 lawmakers, and South Jersey Industry Leaders to host the South Jersey Manufacturing Revitalization Summit at Rowan College of South Jersey. The event was part of ongoing efforts to revitalize underserved and disconnected areas of manufacturing in South Jersey. All those in attendance joined for a panel discussion on how State, Academic, and Industry partners can assist the more than 3,000 South Jersey Manufacturers with enhancing productivity, performance, and profits—and how these private-public partners can come together to help solve some of the industry's most pressing challenges.

The event was a critical success, shining a light on industry in South Jersey and helping to forge new partnerships between industry and academia, geared toward ensuring the success of South Jersey's robust manufacturing sector. "We [NJMEP] are going to work and help refocus efforts on Southern New Jersey manufacturing

and help connect the dots in terms of making this region more competitive, profitable, and accessible for businesses," said Peter Connolly, NJMEP CEO. "And it starts with industry and academia coming together and facilitating the creation of a brand-new talent pipeline, right here at Rowan College of South Jersey."

'MADE IN NEW JERSEY' MANUFACTURING DAY

The 11th Annual 'MADE in NJ' Manufacturing Day event, hosted in October at iPlay America in Freehold, gathered nearly a thousand professionals for a day of celebration and collaboration. 2023's event marked the East Coast's largest annual manufacturing networking event to date, emphasizing the significance of domestic manufacturing. The day included networking opportunities, critical industry breakout sessions, a product showcase, a high school robotics competition, and over 50 business booths. NJMEP's CEO, Peter Connolly, highlighted the achievements of local manufacturers in his opening remarks, while industry leaders Michele Siekerka, President & CEO of NJBIA and Tim Sullivan, CEO of NJEDA addressed the importance of amplifying manufacturing at both state and federal levels. "This day represents a celebration of our thriving manufacturing industry," Connolly told a packed iPlay America audience. "A testament to innovation,



Dr. John Harmon, President and CEO of the AACNJ, addressed attendees at NJMEP's State-of-the-State of Manufacturing Summit in Trenton.



Participants in the Jersey Guys Golf Outing pose for photos last July.



The view from the conference hall at iPlay America in Freehold, where the largest 'MADE in NJ' Manufacturing Day event to-date took place in October.

hard work, and a collaborative spirit that defines manufacturing."

The event featured the 'MADE in NJ' Manufacturing Day Awards, recognizing individuals and businesses for their contributions, the Manufacturing 'Honor Roll' acknowledged industry partners, and awards like Rising Stars, Leader in Life Sciences, and Innovator of the Year highlighted excellence in manufacturing. Breakout sessions covered topics like Industry 4.0, supply chain resilience, financing strategies, and women in manufacturing. The day also showcased signature cocktails, a robotics display, and a Manufacturer of the Year Award Ceremony, acknowledging outstanding manufacturers in different categories.

The Small, Medium, and Large Manufacturer of the Year Awards went to L-E-M Plastics & Supplies, Inc., Bestwork Industries for the Blind Inc., and Nipro Pharmaceutical Packaging Americas Corp., respectively. The event concluded with a look ahead to the future, aiming to inspire the next generation and showcase the diverse opportunities within the New Jersey manufacturing industry. NJMEP is already making preparations for 2024's event, with nominations for the 2024 awards opening in February—so be sure not to miss out on the action this year!

THE FUTURE MAKERS & CREATORS TOUR

The Future Makers and Creators Tour, created by NJMEP with support from the NJEDA, aims to introduce modern manufacturing to New Jersey's youth. The tour, covering all 21 counties in the state, brings advanced manufacturing technologies directly to schools, providing students with firsthand experiences and insights from local manufacturers. With nearly 4 million expected job vacancies in manufacturing over the next decade, the program seeks to offer alternatives to traditional education and inspire the future manufacturing workforce.

The tour kicked off at Pleasantville Public Schools in December, engaging over 600 7th to 10th graders in exploring modern manufacturing technologies and careers. Dr. Marilyn Martinez, the Superintendent of Schools, emphasized the creative aspects of manufacturing in her opening remarks to students before they took turns participating in interactive activities like augmented reality welding, computerized numerical control (CNC) milling, and witnessing 3D printers in action.

Manufacturers participating in the tour will have the opportunity to inspire and attract the next generation of professionals, while schools can

directly engage with manufacturers to explore alternative career paths in advanced manufacturing. NJMEP CEO Peter Connolly highlighted the program's impact on undecided students and expressed enthusiasm about connecting with young minds interested in the vital field of manufacturing, saying, "The first stop on The Future Makers and Creators Tour proved that young students are interested and can be incredibly engaged when learning about this field that's so vital to our way of life and our nation. Seeing these students smile and watching their eyes be opened to advanced manufacturing as they tried their hand at Augmented Reality welding, experienced 3D Printing in action, and connecting them directly with local manufacturers was beyond amazing," explained Connolly. The Future Makers & Creators tour, covering all 21 New Jersey counties, aims to have a lasting impact on the manufacturing industry's workforce development in New Jersey. Interested parties can contribute or get involved by visiting njmep.org/makersandcreators.

YEAR-END SALES MEETING FOSTERED TEAM BUILDING WITH A PURPOSE

The NJMEP team came together in early December for the company's year-end sales meeting, this time held at the ABCO Systems training center in Carlstadt instead of the Cedar Knolls



NJMEP CEO Emeritus Robert Loderstat was recognized posthumously for his contribution to the industry with the Manufacturing Honor Roll Award.



Ann Zaprazny, author and mental performance coach, presented to attendees at the 11th Annual 'MADE in NJ' MFG Day.



NJMEP, with the help of Santa and client ABCO Systems donated toys to children of veterans through the help of the New Jersey Army National Guard (NJARNG) Family Program.

headquarters. The meeting celebrated the achievement of the Manufacturing CARES Food Drive goal.

For the past decade, NJMEP has partnered with manufacturers and community partners like CIANJ, NJBIA, Employment Horizons, Provident Bank, DBD Partners, and others to support New Jersey's food-insecure population through 'Manufacturing Cares'—an initiative that benefits the Community FoodBank of New Jersey (CFBNJ). In 2023, NJMEP achieved the ambitious goal of raising \$20,000 for the Manufacturing CARES Food Drive, resulting in over 2 million meals served since its inception. With support from NJMEP's clients and partners, Manufacturing Cares has contributed over 60,000 meals in 2023, and over 2 million meals to date.

During the meeting's team-building activities, fifteen separate teams of NJMEP employees participated in building, inspecting, and testing pedal go-karts. Unbeknownst to the team, these go-karts were to be donated to children through the New Jersey Army National Guard Family Program (NJARNG). The NJARNG Family Programs team, along with Santa Claus, coordinated the donation to fifteen lucky military children aged 3-7 years old, each with at least one parent serving in the New Jersey Army National Guard.



NJMEP's year-end sales meeting fostered team-building that benefited children of veterans.

The donation of go-karts to military children was a meaningful way to conclude 2023, a year focused on assisting New Jersey veterans and their families through the New Jersey Defense Manufacturing Community Consortium (NJDMCC). The NJMEP team were able to end the year on a high note, with the kids' joy as they received the pre-built go-karts adding a heartwarming touch to the season.

NJMEP SOUTH OFFICE RELOCATION

In December, NJMEP CEO Peter Connolly announced that the NJMEP South Office would relocate to Rowan University's South Jersey Technology Park—a move that is as much a symbolic gesture as it is a practical one. The move to Rowan is also intended to strengthen NJMEP's partnership with Rowan University, one that can offer new talent pipelines for South Jersey Manufacturers and can also create new career pathways for young South Jerseyans. As part of NJMEP's commitment to help in the revitalization of South Jersey, a new temporary NJMEP office opened in Rowan University's South Jersey Technology Park. In about 18 months, the NJMEP South Office will relocate permanently to Rowan, and as the goal of the South Jersey Technology Park is to lead the economic revitalization of South New Jersey through an integrated program of science and technology initiatives.

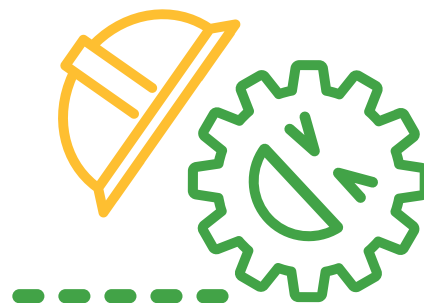


Rowan University's South Jersey Technology Park, the new temporary home of NJMEP's South Office.

NJMEP's presence will help further support this initiative.

LOOKING FORWARD

In 2023, NJMEP demonstrated unwavering commitment to empowering manufacturers by providing essential resources and guidance as the business landscape in New Jersey, and more broadly, evolved. The State-of-the-State of Manufacturing Summit, Jersey Guys Golf Outing, South Jersey Revitalization Summit, 'MADE in NJ' Manufacturing Day, and The Future Makers & Creators Tour highlighted a year filled with impactful initiatives and industry collaborations. The Manufacturing CARES initiative, yielding over 2 million meals for the food-insecure, and the team-building exercise donating go-karts to military children exemplify NJMEP's dedication to community welfare. Looking ahead in 2024, NJMEP remains poised and committed to continued success in fostering growth, innovation, and resilience within New Jersey's manufacturing sector. 🏠



MADE IN NEW JERSEY MANUFACTURING DAY

O C T O B E R 6 | 2 0 2 3

'MADE In NJ' Manufacturing Day Showcased Everything NJ Mfg Has To Offer

Nearly a Thousand Professionals Attended the 11th Annual 'MADE in NJ' MFG Day Event, the Event's Largest Gathering To-Date



Registration and Networking

In celebration of Manufacturing Day (MFG Day), the New Jersey Manufacturing Extension Program (NJMEP) held the 11th Annual 'MADE in NJ' Manufacturing Day event at iPlay America in Freehold, New Jersey. This year's 'MADE in NJ' MFG Day event was the East Coast's largest manufacturing networking event to-date, surpassing past attendance records and bringing together roughly one thousand attendees to help illustrate the importance and to change the perception of domestic manufacturing.

Attendees arrived just before 8 a.m. on October 6th, and for the first part of the day, they had an opportunity to connect with other industry professionals and engage with exhibitors throughout the iPlay America Events Center. Attendees were greeted by a military vehicle outside the venue, a military radar system in the lobby, the 'MADE in New Jersey' product showcase which has grown every year since its inception, and the over 50 business that had booths on the exhibit floor.

Opening Remarks

Following registration and networking, attendees heard opening remarks from NJMEP's CEO, Peter Connolly, who was particularly excited to host his first 'MADE in NJ' Manufacturing Day as CEO.

"Today, we gather to acknowledge the remarkable achievements of our local manufacturers—the dedicated men and women who craft products that impact our daily lives," said Connolly

during his opening remarks. "This day represents a celebration of our thriving manufacturing industry—a testament to innovation, hard work, and a collaborative spirit that defines manufacturing," he added. "Manufacturing, both on a local and global scale, holds a significant place in the heart of our economy and society."

Following Connolly's remarks, guests heard from industry notables like Michele Siekerka, President and CEO of the NJBIA, Tim Sullivan, CEO of the NJEDA, and Senator Michael Testa.

"I love to be able to tell the story of the great things that are made and curated here in the State of New Jersey," said Michele Siekerka, President and CEO of the New Jersey Business & Industry Association (NJBIA), during her remarks. "And I think for too long, you have been an underappreciated asset. And it is up to all of us to make sure that we continue to amplify and elevate what you do—not just at the state level, but at the federal level. This is a critical time not just in New Jersey, but in this country for manufacturing. All eyes are back on manufacturing, for good reason and good purpose."

'Made In NJ' Manufacturing Awards – Part 1

Once opening remarks concluded at the main stage, the first round of the 'MADE in NJ' Manufacturing Day Award winners were announced, recognizing the 'MADE in NJ' Honor Roll, the Rising Stars Award, Leaders in Life Sciences, and the Innovator of the Year.

Made In NJ Honor Roll



Celebrating the first year of the New Jersey Defense Manufacturing Community Consortium with the presentation of the colors.



NJMEP CEO Peter Connolly addressed nearly a thousand attendees during opening remarks.



Michele Siekerka, President and CEO of the NJBIA tells the audience that all eyes are back on manufacturing.



Senator Michael Testa, NJ 1st Congressional District, talked about the role of political advocacy in NJ manufacturing.



Tim Sullivan, CEO of the NJEDA, spoke about updates in the New Jersey economy.



Senator Michael Testa with his 'MADE in NJ' Manufacturing Honor Roll Award.



Peter Connolly, CEO of NJMEP, presents Dr. Anthony Iacono of CCM with his Manufacturing Honor Roll Award.



NJMEP CEO Emeritus Robert Loderstat was recognized posthumously for his contribution to the industry with the Manufacturing Honor Roll Award.



Micaela B. Alvarez, Director of Operations and Engineering at Universal Nutrition, receiving the Rising Stars Award—presented to a Woman Leader who has exemplified standout leadership in the industry.



Dean J. Paranicas, HINJ President and Chief Executive Officer (Right) presenting Weiss-Aug Group their Life Science Leader award

'MADE in New Jersey' Manufacturing Day was filled with celebrations and awards focused on New Jersey businesses, however, the industry would be nothing without its dedicated advocates and partners. This is why the 'Manufacturing Honor Roll' was created, to honor these incredible allies who work so diligently to support this critical industry. The following individuals were the industry partners that were recognized for their contribution to New Jersey Manufacturing at the 11th Annual 'MADE in NJ' Manufacturing Day:

- **Senator Michael Testa Jr. | New Jersey's 1st Legislative District**
- **Pravina Raghavan | Director, Hollings Manufacturing Extension Partnership (MEP) Program**
- **Christina Renna | President & CEO, Chamber of Commerce Southern New Jersey**
- **Dr. Anthony J. Iacono | President, County College of Morris**
- **Aaron Fichtner | President, New Jersey Council of County Colleges**
- **Steven Gerber, Esq. | Secretary Emeritus, NJMEP**
- **Robert Loderstat | CEO Emeritus, NJMEP**

Rising Stars, Leader In Life Sciences, and Innovator of the Year Awards

Following acknowledgments for the 'MADE in NJ' Honor Roll and its standout industry advocates, three more awards were presented to individuals or businesses that have shown excellence in manufacturing. Each award is a way to show the value and contributions of companies and individuals to the Garden State and to the nation.

The RISING STARS AWARD, which is presented to a Woman Leader who has exemplified standout leadership in the industry and in 2023 was presented to MICAELA B. ALVAREZ, Director of Operations & Engineering at Universal Nutrition. In her current role, Micaela is responsible for automation, innovation, capital projects, process engineering, maintenance, and training; and prior to working at Universal Nutrition, she brought new consumer products to the world from lab innovation to full-scale manufacturing at P&G and DuPont.

The LEADER IN LIFE SCIENCES AWARD, which recognizes a company that exemplifies progressive manufacturing in the Life Sciences sector, was presented to WEISS-AUG GROUP. Weiss-Aug is a recognized leader in precision metal stamping, injection molding, value-added assembly solutions, and tooling.

The INNOVATOR OF THE YEAR AWARD, which shines a light on manufacturing businesses that live and breathe innovation, was presented to CASE MEDICAL. Case Medical is a leading manufacturer of medical device reprocessing products and has been recognized for its innovation, growth, and commitment to its employees and community.

On behalf of the entire industry, NJMEP would like to thank all those who contribute to manufacturing's progression in New Jersey and congratulate all the businesses that took home this year's title of 'Manufacturer of the Year'. Congratulations to the 2023 'MADE in NJ' Manufacturing Day award winners!

Break-Out Sessions Part 1

Following the first round of the Manufacturing Day Awards, attendees took a break for some light refreshments, and more networking opportunities, and prepared to find their seats to take part in the day's first round of breakout sessions that would tackle such critical issues as:

- **Industry 4.0 And Why Cybersecurity Matters**
- **Improving Supply Chain Resiliency And Transparency**
- **Cost Savings And Financing Strategies For NJ Manufacturers**
- **Women In Manufacturing And Women In Defense**

'Made In NJ' Mfg Day Signature Cocktails & Robotics Showcase

After the first round of breakout sessions, attendees flocked back into the events center to enjoy the 'MADE in NJ' MFG Day Signature Cocktails and Beers, which were from the following New Jersey Brewers and Distillers:

- **Jersey Spirits Distilling Co.**
- **Long Branch Distillery**
- **Sourland Mountain Distilling**
- **Bellamara Distillery**
- **Mission Spirits**
- **902 Brewing Co**
- **Three 3s**
- **Jersey Girl Brewing**

While attendees were enjoying the day's signature drinks, hundreds gathered around for an exciting live robotics display and competition, compliments of the Clifton, Roxbury, and Villa Walsh High School FIRST Robotics teams. These future creators

and makers wowed onlookers with their technical know-how and command of engineering principles as their teams competed to outmaneuver and outwit their opponent's bots!

During this time, attendees also had the option to enjoy a cigar at the Pure Leaf Mobile Cigar lounge, run by NJMEP's Lance P. Lopez, Sr., Project Manager, Veterans & Community Recruitment.

Break-Out Sessions Part 2

Once the excitement subsided from the live robotics displays, attendees once again flocked to the separate conference rooms to sit in on the day's second and final round of breakout sessions that would cover critical issues like:

- **Production Best Practices**
- **Marketing Strategies Specifically For The Modern Manufacturer**
- **Workforce Solutions — What Are They, Where Are They & How To Implement**
- **New Jersey Industry And Government Collaboration — Progress And Follow Up**

Manufacturer Of The Year Awards | Large, Medium, And Small

No 'MADE in New Jersey' Manufacturing Day would be complete without the coveted Manufacturer of the Year Award Ceremony, where we recognize excellence in manufacturing in three separate categories: small manufacturers with 50 employees or less, medium-sized manufacturers with between 51 and 250 employees, and large manufacturers with 251 or more employees.



Nearly a thousand industry professionals attended the 2023 'MADE in NJ' Manufacturing Day event.



NJMEP's Senior Marketing Manager Michael Womack presenting the Innovator of the Year Award to Case Medical.



'MADE in NJ' Manufacturer Day Women in Manufacturing Panel Discussion - Cristina Prado Lopez, Manufacturing Site Leader (Veteran) (Left) Zimmer Biomet) - Hayley Katz, Materials Engineering, Advanced Manufacturing & Flexible Hybrid Electronics, US ARMY Devcom (Middle) - Micaela Brandy Alvarez, Operations Engineer, Universal Nutrition (Right)



Alan Zakin, Sea Girt Borough Council



Katie Arrington DoD Chief Information Security Officer for the Under Secretary of Defense (Ret).



Left to right: KOLEEN SINGERLINE, TIANA MAYNARD, and LARRY BANKS showcased NJMEP's workforce development training tools.



Attendees enjoyed robotics competitions that pitted FIRST Robotics competitors from local NJ High Schools against each other.



L-E-M Plastics received the Small Manufacturer of the Year Award.



Bestwork Industries for the Blind Inc. received the Medium Manufacturer of the Year Award.



The Large Manufacturer of the Year Award was given to Millville-based Nipro Pharmapackaging Corporation.

The SMALL MANUFACTURER OF THE YEAR AWARD was presented to L-E-M PLASTICS & SUPPLIES, INC., a woman-owned fabricator and distributor of raw material plastics, sheet, rod, tubing, and film, located in Fairfield, New Jersey.

The MEDIUM MANUFACTURER OF THE YEAR AWARD was presented to BESTWORK INDUSTRIES FOR THE BLIND INC., a company located in Cherry Hill, New Jersey, that provides training and employment opportunities for people who are blind to help improve their quality of life while also bringing their customers the highest quality products and services.

The LARGE MANUFACTURER OF THE YEAR AWARD was presented to NIPRO PHARMAPACKAGING AMERICAS CORP., located in Millville, New Jersey, a company that provides high-quality packaging solutions for the pharmaceutical industry such as glass tubing and specialty vials.

'MADE in NJ' Manufacturing Day takes place each year on the first Friday of October. On October 4th, NJMEP will once again host this critical day to celebrate the industry. Nominations for the 2024 'MADE in NJ' Manufacturing Day awards will open in February 2024 on NJMEP.org. Every New Jersey manufacturer will once again have the opportunity to nominate themselves for a chance to take home these prestigious titles in the new year!

Looking Ahead

to the Future

The 11th Annual 'MADE in New Jersey' Manufacturing Day was a massive success, boasting the largest number of manufacturing professionals in attendance in the event's history and truly evocative of what New Jersey Manufacturing has to offer. From the 'MADE in NJ' MFG Day Awards, to the vital discussions happening in the breakout sessions, there were tons of valuable information and resources on display for manufacturers at this year's event. The event achieved what it set out to accomplish—recognizing the excellence and diversity of the 'MADE in NJ' Manufacturing sector, bringing together the information and resources that are driving innovation and advancement within the industry, and showcasing that there's much more to manufacturing than meets the eye. This event hopes to inspire the next generation of makers and creators and illustrate to the public that there are valuable career opportunities, diverse technologies, and expansive sectors that touch almost every aspect of our daily lives right here in the New Jersey manufacturing industry.

For NJMEP's CEO Peter Connolly, the event is an opportunity to connect, honor, and drive manufacturing forward. "Today is a day to honor the past, enhance the present, and look ahead to the future," says Connolly, "Where manufacturing remains an integral part of our vibrant New Jersey community." 



*New Jersey manufacturing is
Built to Last. Come discover some of the
featured manufacturers in this edition of
*Manufacturing Matters.**

HK Metalcraft & Minor Rubber

HK Metalcraft

Headquartered in Lodi, New Jersey, HK Metalcraft Manufacturing Corp. (HKM) is a family-owned and operated custom metal stamping manufacturer with nearly a century's worth of experience in the industry. Providing custom stamping, DFM, and custom engineering experience, HK Metalcraft is an innovative leader in the metal stamping industry led by the fourth generation of the Hopp family. HKM, a leader in custom metal stamping, faced a common industry challenge—dealing with succession planning for their quality management systems team.

Collaborating with NJMEP, HK Metalcraft addressed this challenge by enhancing its internal audit capabilities, and by training some of its operators to be able to perform ISO Quality Audits. NJMEP trained ten operators, ensuring they could conduct rigorous internal audits to maintain the high-quality standards that HK Metalcraft has become known for. HKM continues to innovate, recently incorporating a 150-ton servo-press to expand its portfolio and exploring advancements in metal and non-metal processing, value-add, and automation. This success story exemplifies how small manufacturers can be empowered to achieve feats that may seem unattainable given the limited resources at their disposal when working with the right partners. Discover how HK Metalcraft was able to overcome this challenge and better prepare their business for the future by upskilling their existing workforce with ISO Internal Audit training by turning to page 14.

Minor Rubber

Minor Rubber, established in 1914, emerged from the acquisition of The Alling Rubber Company by Charles W. Humphreys in Newark, New Jersey. Over a century later, this family-owned manufacturing enterprise has consistently innovated and adapted to advancements in rubber technology. From supplying defense needs during World War II to contributing to the aerospace and electronics industries in the '50s and '60s, Minor Rubber has evolved with the times. Today, as a third-generation manufacturer, it remains at the forefront of the market, utilizing efficient manufacturing technologies and advanced rubber compounds. Their high-quality products span diverse industries, including defense, aerospace, electronics, healthcare, and more.

Learn how Minor Rubber, a century-old rubber manufacturer successfully navigated the intricate landscape of Cybersecurity Maturity Model Certification (CMMC) 2.0 with NJMEP's support. Focused on supplying rubber components to aerospace and defense, Minor Rubber faced the challenge of complying with the stringent CMMC standards to retain government contracts. Collaborating with NJMEP, they undertook a comprehensive Cybersecurity Assessment, NIST SP 800-171 Gap Analysis, and implementation of cybersecurity monitoring services. The results were impressive and this success story highlights how manufacturers can conquer even the most complex compliance challenges. Discover on page 16 how Minor Rubber was able to secure their CMMC 2.0 certification by working with NJMEP's knowledgeable cybersecurity team.

New Jersey manufacturing is Built to Last. These businesses and the employees that make it all possible are truly, 'Unsung Heroes.'

Check back in Manufacturing Matters every quarter to see the Built to Last manufacturing list.

To be included, contact Mike Womack at mwomack@njmep.org and show the world your company is Built to Last.

HK METALCRAFT UPHOLDS REPUTATION FOR QUALITY MANAGEMENT WITH INTERNAL AUDIT TRAINING

Background

Headquartered in Lodi, New Jersey, HK Metalcraft Manufacturing Corp. (HKM) is a family-owned and operated custom metal stamping manufacturer with nearly a century's worth of experience in the industry. Providing custom stamping, DFM, and custom engineering experience, HK Metalcraft is an innovative leader in the metal stamping industry led by the fourth generation of the Hopp family.

HK Metalcraft's state-of-the-art facility houses their corporate headquarters, manufacturing facility, and warehouse space, and by being under one roof it allows them to offer individualized customer attention, custom engineering, advanced manufacturing techniques, run more efficiently, and deliver their custom-manufactured products globally to innovative companies in North and South America, Europe, Africa, Asia, and Australia.

Challenge

Facing an aging workforce without the talent pipeline to refuel and fill the gaps, HK Metalcraft finds itself in a position all too familiar to other manufacturers in the industry. When it comes to something like Quality Management, HKM has been a leader for nearly a century, delivering reliable custom metal components around the world while holding true to their commitment to customer satisfaction and quality. With this dwindling workforce come certain challenges that many manufacturers must face.

For John Speidel, General Manager of HKM, and a manufacturing leader with over 20 years of experience in the industry, "The challenge that brought us to NJMEP was increasing the number of resources we have capable of performing internal audits and collecting quality data, especially from an SPC (Statistical Process Control) standpoint." SPC is an industry-standard methodology for measuring and controlling quality during the manufacturing

process, which allows quality data in the form of Product or Process measurements to be obtained in real time. Having this real-time data is critical in an industry where precision metal-making features tight tolerances and high-quality standards to ensure products perform to the standard and reputation that HKM has developed over 90 years.

"One of the ways this could disrupt our operations in the future would be with retiring employees and succession planning," says John. "We needed to ensure that some operators who've never been trained to perform audits could do so in the future."

Solution

John and his team decided to enlist NJMEP's expert resource to help train a new batch of internal auditors who could carry out quality audits going forward and ensure that HKM's products continue to meet the highest standards for its customers. With the relationship between NJMEP and HKM going back over a decade, NJMEP was the clear choice for facilitating their Internal Auditor Training.

"We've had NJMEP help us in the past with various aspects of management review and training new operators on metrology—using new measurement devices and instruments," says Speidel.

NJMEP's expert resource set about training ten HKM operators on how to conduct internal audits on manufacturing operations. First, they collaborated with John and his management team on audit planning and scheduling dates, then set about reviewing HKM's current documentation and updated the documentation wherever needed. The next stage was conducting process-based internal audits and recording findings before completing an audit report. Lastly, NJMEP's expert resource ensured HKM's QMS was compliant with ISO 9001: 2015/IATF 16949 Standard.



SUCCESS STORY: OPERATIONAL EXCELLENCE

The following steps were taken:

ISO QUALITY SYSTEMS - IATF Audit Training

- Session 1, 52 hrs, 10 employees

LEAN MANUFACTURING- IMPLEMENTING 5S FOR WORKPLACE ORGANIZATIONS

- Session 1, 24 hrs, 10 employees

MANUFACTURING TECHNOLOGY/TECH - Error Proofing – Pokayoke

- Session 1, 24 hrs, 10 employees

In the wake of HKM's Internal Audit Training, John noticed some clear results of working together with NJMEP. "There were definitely some aha moments for operators that were never able to see some of the aspects that we just never trained them on—how all the data that we collect can be used to help them control their process," he adds.

Results

When asked about the success of the Internal Auditing Training project NJMEP and HKM conducted, John had this to say about working together: "I definitely recommend working with NJMEP," he says, "[NJMEP] provides manufacturers the tools they need to do things that you may otherwise not be able to do as a small business."

The following results reflect the impact HK Metalcraft Manufacturing Corp. experienced while engaging with NJMEP over the past 12 months:

- ✓ **INCREASED SALES: \$1,500,000**
- ✓ **RETAINED SALES: \$4,580,000**
- ✓ **JOBS CREATED: 3**
- ✓ **RETAINED JOBS: 31**
- ✓ **COST SAVINGS: \$75,000**

What's next for HK Metalcraft? "We recently installed a 150-ton servo-press into operation and we're going to be able to expand our portfolio offering due to that," says John.

"We've continued to innovate in other areas—both metal and non-metal processing areas including value-add and automation."

John Speidel, General Manager, HK Metalcraft
Manufacturing Corp. (HKM)

TECHNOLOGY ISN'T GOING AWAY: MINOR RUBBER IMPLEMENTS CMMC 2.0 TO STAY AHEAD OF CYBER THREATS

Background

Minor Rubber began its journey as The Alling Rubber Company, and when they withdrew from the market, Charles W. Humphreys, a former employee, purchased the Newark, New Jersey location and Minor Rubber opened its doors in 1914. From the beginning, Minor Rubber established a reputation for innovative, high-quality rubber products, and was at the forefront of adapting to advancements and changing technologies in rubber materials. As technology advanced, Minor Rubber continued expanding its offerings and its product line forayed into custom rubber mats and matting, gaskets, and washers. With the onset of World War II, Minor Rubber again evolved to supply new products to the defense sector and then once again to the emerging aerospace and electronics industries of the '50s and '60s.

Half a century later, Minor Rubber is still a third-generation, family-owned New Jersey Manufacturer that utilizes more efficient manufacturing technologies and advanced rubber compounds, allowing it to remain on the leading edge of the market.

Challenge

As a supplier of standard and custom molded rubber components to the aerospace and defense industries, and with the onset of Cybersecurity Maturity Model Certification (CMMC) 2.0—a complex and rigorous process that determines how securely your organization creates, handles, and disseminates Controlled Unclassified Information (CUI)—there's a chance that without meeting these new compliance standards set forth by the Department of Defense, that suppliers can lose out on lucrative government contract work.

"We wouldn't be able to seek out new government business," says Josh Gordon, CFO of Minor Rubber. "Some of the business would have to be done through intermediaries and some we would lose altogether. It was the right time for us, and we embarked on the CMMC project."

Outside of that, Josh says that it was just the perfect time to

adopt this new cybersecurity standard as well.

"One of the ways I sold it internally was by saying technology isn't going away," adds Gordon, "It's just going to become more of an issue you have to solve, so why wouldn't we just start to do this, and evaluate these processes and protections."

By chance, Minor Rubber just happened to get an email regarding one of NJMEP's no-cost webinars where Cybersecurity experts would be discussing the latest changes to CMMC.

"It was the right time—we don't do a ton of government business, but the nature of the business that we do with them we do have to be compliant."

Solution

"Once we started really looking into it, we just knew we didn't have the expertise internally," says Gordon, talking about implementing CMMC 2.0. "And the IT firm we used had the expertise to implement, but in terms of traversing the actual standard and ensuring the documentation was there, and when you had questions—we would've wasted so much time having to investigate each and every one ourselves," Gordon adds. "So that guidance is key to the whole process, and that is definitely where it would've been overwhelming, and when you looked at the project as a whole that was the overwhelming side of it."

Luckily, NJMEP's Cyber Experts have decades-worth of experience in navigating Cybersecurity compliance, and the collaboration between Minor Rubber and NJMEP began with a Cybersecurity Assessment, based on Cyber Maturity Model Certification (CMMC) 2.0, which incorporates FAR 52.204-21, NIST SP 800-171 rev 1 and NIST SP 800-172. NJMEP's expert resource assessed CMMC 2.0 Levels 1-2, which, once achieved, demonstrates good cyber hygiene and effective implementation of controls that meet the security requirements of FAR 52.204-21 and NIST SP 800-171.



SUCCESS STORY: OPERATIONAL EXCELLENCE

Embarking on a CMMC project requires substantial commitment on the part of the service provider as well as the client, and it can prove to be a very time-consuming process. This journey required multiple steps to ensure Minor Rubber complied with the correct CMMC requirements.

The following steps were taken:

1. Cybersecurity Assessment – Based on the DFARS 252.204-7012 and the DoD-designed set of controls as prescribed in the NIST SP800-171 revision 2.
2. NIST SP 800-171 Rev2 Gap Analysis and cross reference with CMMC Level 1-2
3. Cybersecurity Monitoring and Detection Services – Monitoring and Detection Service based on the DFARS and DoD controls
4. Cybersecurity Security Operations Center Service (SOC) – Providing outsourced monitoring and detection to include real-time visibility of data reflecting the state of risk to security posture, the network, endpoints, cloud devices, and specific applications.

Each of the above points requires dozens of individual steps to complete. CMMC is not an easy certification to achieve without the right support and partner. However, with the right team, a manufacturer will be guided through every individual requirement to ensure compliance and audit readiness will be reached as quickly and efficiently as possible.

"As daunting as a task as it is to go through and put these plans in place," says Gordon, "It's beneficial for ANY organization, just the protections that you can put in place to keep yourselves protected at the digital level. It's a no-brainer."

Results

Minor Rubber completed its CMMC requirements and has fulfilled the Cybersecurity requirements to retain its current and secure future government contracts. Through the support

of NJMEP and their Cybersecurity Resource, Minor Rubber was able to efficiently meet their contractual requirements and is thoroughly prepared for inspection and audit, safe in the knowledge and guidance that was provided during their time working with NJMEP.

"One of the ways we've benefitted from [CMMC compliance] is we've actually been told by other subcontractors, either Lockheed or someone like that has actually come back to us and said, 'Well, let us know when it's done because we can't buy from you until you're compliant,'" says Gordon.

The following results reflect the impact Minor Rubber experienced while engaging with NJMEP over the past 12 months:

- ✓ **INCREASED SALES: \$300,000**
- ✓ **RETAINED SALES: \$550,000**
- ✓ **RETAINED JOBS: 1**
- ✓ **COST SAVINGS: \$50,000**

"We're looking to expand the product lines that we have, we're starting to do some value-added services," says Gordon, talking about what's next for Minor Rubber. "Part of the LEAN project we did with [NJMEP], was the revamp of our whole shipping and receiving area, and we were able to invest in new technology—a counting machine that bags and prints on the bags. So, we're now offering that as a service to customers, offering this service to customers in a standardized fashion at minimal cost. We're also starting to do some light assembly work as well."

"Amazing, I mean it really was an amazing experience," says Gordon. "I one hundred percent recommend NJMEP to other manufacturers. We want to be able to use these resources [like NJMEP] to educate ourselves so that we can be a better organization."

Josh Gordon, CFO of Minor Rubber

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Switlik Is Conserving Military History In Trenton

The mainsail and lines are woven from the finest silk. The lowly worm spins a cocoon, crawls out, and flies away from certain death. **Thus, was born the Caterpillar Club.**

By Matt Hrisko, Copywriter | njmep.org

What is the Caterpillar Club?

The Caterpillar Club is an exclusive semi-secret organization intended to honor military servicemembers who've been saved by deploying a parachute during an emergency jump. It's an exclusive group and not just anyone can join—but where did it all start?

Anecdotal evidence suggests that the Caterpillar Club got its start when tragedy struck over the skies of Chicago in July 1919. The Goodyear airship so called the Wingfoot Air Express set off from Grant Park for the White City Amusement Park balloon hangar. As the Wingfoot Express was passing over the Illinois Trust and Savings Bank it burst into flames, and four tiny white specks were seen in the foreground, indicating that the crew had bailed out over the city and used their emergency parachutes. Unfortunately, only two members of the crew survived—Henry Wacker, Chief Mechanic, and John Boettner, Pilot. These two became known as the first and second members of the Caterpillar Club, an organization that wouldn't officially be formed until 3 years later in 1922.

NJ Manufacturer Dedicated to Honoring And Conserving History

The name Switlik is synonymous with survival and safety gear, especially during the pioneering years of military aviation and the subsequent use of parachutes, so much so that Stanley Switlik, Founder of Switlik Parachute Company, DBA Switlik Survival Products, decided to take the organization's mythical presence to an organized one, incorporating the Caterpillar Club on April 6, 1943. Switlik's timing was pivotal, considering the United States was about to get involved in operations

in Europe during WWII, where the use of parachutes, and the potential for new Caterpillar Club Members, would increase exponentially. At that time, Mr. Switlik dedicated office space and his assistance with accepting and processing applications and credentials for the Caterpillar Club, a tradition that lives on through his Grandson Stanley and Great-Granddaughter Sarah.

Famous Caterpillar Club Members

Over the years there have been some notable members added to the ranks of the Caterpillar Club, most notably is Amelia Earhart, American aviation pioneer and writer, whose picture is prominently displayed in Switlik's on-site museum. In the photo, Earhart is standing at an aircraft door, the word "Switlik" emblazoned across her parachute harness.

Other famous members of the Caterpillar Club include:

- ✓ John Glenn, Astronaut, First American to orbit the Earth
- ✓ General James Harold Doolittle, American Military General and Medal of Honor Recipient
- ✓ President George H.W. Bush, 41st U.S. President
- ✓ Irene McFarland, Stunt Jumper and First Female Caterpillar Club Member
- ✓ Charles Lindbergh, American Aviator and Military Officer
- ✓ Amelia Earhart, American Aviation Pioneer and Writer

A Century Later the Caterpillar Club Lives On

Switlik didn't start the Caterpillar Club, but by the nature of being the largest supplier of parachutes to U.S.

Airborne troops during WWII, most of the jumps that were happening were with Switlik parachutes, so it just made sense that they would take on the role of facilitator to keep the legacy of the club going.

"We were grandfathered into it, and we're continuing the legacy since Stan and Sarah [Switlik] really believe in it, but it wasn't something we started," says Sara Betancur, Marketing Manager of Switlik Survival Products. "But it's something that really resonates at Switlik, which is why we continue to do it and continue to be the forefront of the Caterpillar Club."

How to Join

For anyone wishing to join the venerable ranks of the Caterpillar Club, all you have to do is contact Switlik at info@switlik.com, then you'll receive the application and pin selection. If approved, all you need to do is pay the \$10 filing fee by check or credit card, and then you'll receive your Caterpillar Club pin and certificate by mail, which is signed personally by Stan or Sarah Switlik. Your information will then be added to the online database and a physical copy will be added to the Switlik Museum's on-site database as well.

"We don't make any profit from it, the cost [of signing up] just covers the pin, certificates, and shipping," says Betancur. "The purpose of carrying on the tradition of the Caterpillar Club is just to keep the value in what people go through when they are in the military and honoring their sacrifice and the troubles they went through to keep everybody else safe. It's really just for the people whose lives were spared, and out of the satisfaction in knowing that someone out there is proud to wear their Caterpillar Club pin." 🍷



Allen Flavors Offers a Taste of Advanced Manufacturing Careers

Company Culture Hinges on Promoting from Within and Illustrating Career Paths Within the Industry

By Matt Hrisko, Copywriter | njmep.org

Who is Allen Flavors?

Odds are, you've tasted Allen Flavors products, but owing to the nature of their business they're the unsung heroes in the food manufacturing industry. Allen Flavors Inc. is a privately owned, dynamic, innovative leader in the food and beverage industry offering an array of specialized services well beyond that of a typical flavor house. Working with middle market, entrepreneurial, and select multinational food and beverage brands, they offer their customers a catalog of high-performance, great-tasting traditional flavors, including the industry's broadest and most rapidly growing collection of certified organic flavors, along with world-class expertise in the development of customized ingredient kits. Many New Jerseyans are familiar with their products even if they don't realize it, with Arizona Iced Tea being one of their flagship products.

"The innovation is really what we do for our customers," says Ira Steinberg, CEO

of Allen Flavors. “We’re problem-solvers for businesses in the beverage and food industry. We don’t just sell ingredients or flavors—we sell them in an innovative and useful way. That’s been our DNA for thirty years,” he adds.

Headquartered in South Plainfield, with an adjacent manufacturing facility, Allen Flavors has a further two facilities that handle dry blending in Edison, where the company’s roots are, with a new facility recently opening in Piscataway. Allen Flavors is expanding its operations at an unprecedented rate, which comes with its own unique set of challenges—most notably, the need for qualified, skilled candidates for manufacturing roles that run the gamut of food science, machine operating, supply chain management, and even IT services.

Allen Flavors is looking to fill nearly a dozen roles, but with the current skills gap and labor shortage, they’re having trouble finding motivated workers who are interested in launching a career in advanced manufacturing—a challenge to which many New Jersey manufacturers can relate.

“The focus [for Allen Flavors] is that we’re investing in our facilities, our customer needs, and our people,” says Ira. Which is why they’re trying to attract the next generation’s makers and creators to join their ranks.

Attracting Young Workers to Manufacturing Careers

Allen Flavors has been on the offensive when it comes to combating the skills gap and labor shortage, offering regular internship opportunities for a variety of departments and areas of production, even partnering with

Rutgers University, and having as many as eleven interns at one time.

In his experience when working with and interviewing interns for various roles at Allen Flavors, Sal Brucato, Vice President of Operations, says that many candidates coming from the food science or similar food manufacturing background have never even heard of major industry players like IFF or even Allen Flavors.

“This industry’s done a very bad job of promoting itself to the colleges,” says Sal. “The only reason I had heard of IFF when I was in school is because I went to Keansburg my whole life and passed it all the time. In college, rarely did we even hear about this industry,” he adds.

“That’s something that we would like to continue to promote, that there are jobs in so many different functional areas that we’re looking for,” Sal adds, “We did internships in at least six or seven different areas aside from the food science group.”

Offering Career Trajectories in Advanced Manufacturing

One of the biggest hurdles that manufacturers seem to be running

into is attracting young people to the industry. Manufacturing has always faced an uphill battle when trying to sell itself to young workers, as public perception often holds that manufacturing is a dirty and often dangerous job where you’ll end up working on an assembly line for the duration of your career—but that isn’t the case in modern advanced manufacturing. What Allen Flavors is doing to combat this archaic way of thinking is putting their money where their mouth is.

“We’re investing in all kinds of equipment to make the jobs safer, easier, less labor-intensive, cleaner,” says Ira. But that’s not the only roadblock that they’re up against. Another one is the amount of young people who are willing to sacrifice long-term benefits and advancement opportunities for marginally higher starting pay.

“The problem is getting these operators to recognize that there’s a career in starting here and touching the product and then moving along and breaking off into another more specialized area of operations,” says Ira. “In this industry, you have to get in the door, you have to work hard, and you have to be a team



player and take pride in your work,” he adds.

For Allen Flavors, they prefer to promote from within and shift highly motivated employees that are familiar with their product, having worked hands-on with it on the production floor, to elevated roles where they can further advance their personal and professional goals within the organization.

“There are several people here that started on the floor at the lowest level who’ve been given the opportunity to move up through the ranks and become supervisors, assistant managers, and plant managers before eventually getting into planning,” says Sal, talking about advancement opportunities at Allen Flavors. “As we grew, we saw the need of those talented people that were in plant management to move into planning and now it created openings all the way down the line,” he adds. “We’ve tried to do this in-house,” he continues, “There’s a lot of opportunity and a lot of people [at Allen Flavors] who have followed that path, and that’s something that we’re very proud of.”

When it comes to tackling the current workforce challenges that are impacting much of the industry, Allen Flavors’ CEO is optimistic. “I think there are still great candidates out there,” says Ira, “And ones that want to work.”

Why would anybody want to consider applying or interviewing at a place like Allen Flavors? “This is a great place to work with a great culture,” says Ira. Not to mention an environment where your advanced manufacturing career won’t die on the production room floor. 🎮



NJMEP Year-End Sales Meeting Fostered Team Building with a Purpose

NJMEP Team Building Exercise Culminates in Gifts for Children of Military Servicemembers

NJMEP Sales Meeting Hosted at Client Training Center

The NJMEP team gathered together in early December for its year-end sales meeting, but this time, instead of coming together at the Cedar Knolls office in North Jersey, the team was to meet at the ABCO Systems training center in Carlstadt.

ABCO Systems is a leader in warehouse automation and design, serving New Jersey’s manufacturing and e-commerce needs for over 30 years. As an NJMEP client and automation resource, they happily extended an invitation to NJMEP to host the year-end sales meeting, where team building and collaboration would take place in their 10,000-square-foot training center!



Manufacturing Cares Initiative Goal Met

One of the key highlights of the NJMEP year-end sales meeting was the announcement of achieving the organization's goal of raising \$20,000 in donations for the Manufacturing CARES Food Drive, which benefits the Community Foodbank of New Jersey (CFBNJ)—a cause that NJMEP has proudly supported for the past ten years. For every dollar donated to the CFBNJ, three meals are provided to the nearly one million food-insecure New Jerseyans, many of whom are children. These efforts, with the support of NJMEP's clients and partners, have provided over 60,000 meals to those in need this past year!

Team Building with a Purpose

Throughout the day's events, there were multiple opportunities and activities for team-building, outside of the normal sales meeting format, the last of which pitted fifteen separate teams of NJMEP employees against one another building, inspecting, and testing pedal go-karts. Each team took their time opening and assembling their

go-kart before finally trading it with another NJMEP team for inspection. Little did the NJMEP team know, but these go-karts would actually be donated to children through the New Jersey Army National Guard Family Program—by way of good ol' Saint Nick!

The New Jersey Army National Guard (NJARNG) Family Programs team assists National Guard soldiers and their families with resources. Through the organization's eight Family Assistance Centers throughout New Jersey, a Soldier and Family Readiness Specialist is available to aid NJARNG families. Diana Becker, the Soldier and Family Readiness Specialist with the Morristown Armory, assisted NJMEP and Santa Claus with the coordination of finding fifteen lucky military children who would receive go-karts. These lucky kids aged 3-7 years old, each have at least one parent who is a New Jersey Army National Guard soldier in northern New Jersey. The soldiers represented the following NJARNG units: HHB 3-112 Field Artillery (Morristown), 102nd Cavalry Troop A and C (Dover and Hackettstown), 143rd Transportation Company (Picatinny). The parents, soldiers, NJARNG

administrators, and especially the children were all incredibly grateful to receive these go-karts!

It was the perfect feather in the cap as 2023 was the year of focusing on assisting New Jersey Veterans and their families with obtaining industry training certificates, services intended to help combat veteran unemployment and underemployment in New Jersey by providing meaningful career opportunities to our nation's military veterans. For more information on how to obtain training certificates as a veteran or as a family member of a veteran, please visit njmep.org/njdmcc

Happy Holidays from NJMEP

Seeing the kids' faces light up when they saw their pre-built go-karts was the perfect culmination of the day's events. The kids were so excited that they took to the warehouse floor in their new rides for a test drive as Santa coordinated the rest of the children's gifts. It was a humbling reminder of what the season is all about. 🎁



SUUCHI

THE NEW STANDARD FOR SUPPLY CHAIN OPERATIONS



Suuchi Inc. Puts New Jersey on the Grid

Delivering a User-Friendly Supply Chain Management Platform to Mid-Sized and Enterprise Companies

Supply Chain Management Platform for All

Suuchi Inc. was founded in 2017 with a simple mission in mind—creating a supply chain management platform for rapidly growing mid-sized and enterprise companies which are often overlooked in the supply chain management market. This vision of filling a niche role in the supply chain management market comes from the mind of the company's namesake, immigrant female founder Suuchi Ramesh, who leveraged her decade-long career in data and analytics and set about fixing the broken and disjointed connectivity across the digital supply chain landscape. Ramesh was born and educated in India and was later recruited by Intel to work in predictive analytics before moving on to work for two supply-chain analytics startups that grew into unicorns. While her career began on the technical side, she later moved into account management and sales, where she got an up-close look at enterprises' tech-stack challenges.

Ramesh could see that the market needed a solution with a simple, intuitive, and

user-friendly interface that could be a single source of truth across inbound and outbound workflows while also democratizing access for all user types. "Our goal with starting Suuchi Inc. was to build a next-generation SAP or next-generation Oracle," says Ramesh. "And what we observed in our past lives in our jobs is that the technology stacks for the supply chain are broken," she continues, "The data across supply chains . . . massive amounts of data, are just sitting on Excel sheets and massive ERPs, and while there are all these pockets of data, they're not communicating with one another." Enter Suuchi Inc.'s GRID Platform. "We felt like there had to be a platform that could serve as a system of record, where instead of a fifteen million dollar company buying into an SAP they could use us as a PLM and ERP, or as companies grade up in size, let's say fifteen billion in size, and likely already have ERPs and PLMs, we're able to sit on top and provide a layer of collaboration, visibility, exception management, reporting—essentially digitizing all the supply chain operations in order to reduce operating expenses and costs, and improve margins overall," Ramesh adds.

The GRID

Suuchi Inc. began as a sourcing platform connecting companies and factories to facilitate the design and manufacture of consumer products, which would later serve as the catalyst for developing the GRID Platform. Much of GRID's functionality was derived from the on-the-ground experience Suuchi encountered as a sourcing platform deeply embedded in the fashion and beauty cosmetics supply

chain here in New Jersey.

The vision for the GRID Platform was big from the onset, but Ramesh started out small, focusing on one vertical—fashion. “The need for solutions was heavier in fashion, and there was a lot of demand,” said Ramesh. “We added 400 brands and hundreds of factories in the first two years.”

Next, the company moved on to a neighboring market—beauty. Since then, the GRID has evolved to serve other verticals like food and beverage, generic pharma, and direct-to-consumer sectors such as home goods, pet supplies, shoes, and the components needed to manufacture beauty cosmetics. This experience provided Ramesh with real-time feedback from customers and helped Suuchi evolve the product into the supply chain solution that it is today. “We fill the operational gaps across the supply chain that the current technology stack can’t resolve,” says Ramesh.

Filling the Gaps for NJ Manufacturers

The best part about the GRID Platform is that it’s tried and tested, specifically by manufacturers in New Jersey, the first client of which was Ramesh herself.

“We started as a manufacturer and a sourcing platform in New Jersey,” says Ramesh. “That’s really how we were known in the early years. We began in 2017 and we started in fashion, first as our own manufacturer for fashion companies and then slowly started sub-contracting to other manufacturers; and starting that way allowed us to offer the early version of the software products along with the sourcing service so we got feedback on the software from both the customers and the suppliers that we were connecting.”

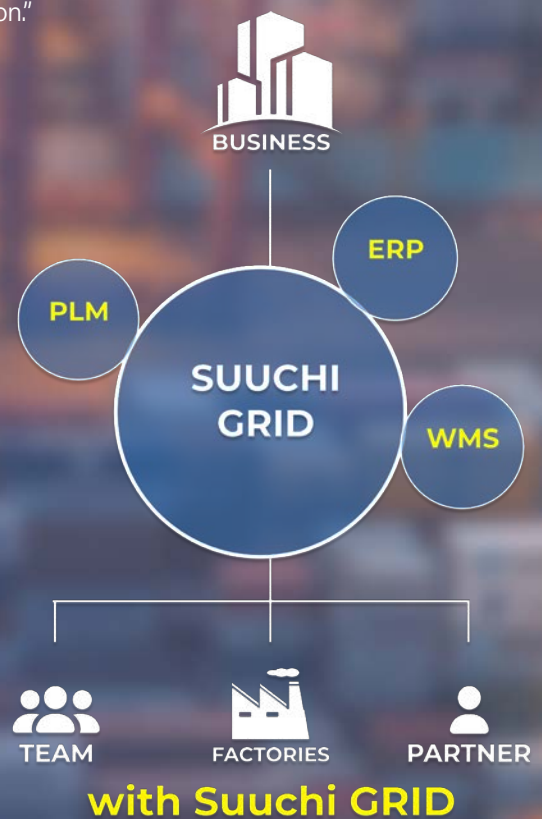
Ramesh continued, “Being on the ground in those first few years immersed us in the industry here in New Jersey as a manufacturer and really allowed Suuchi Inc. to get their finger on the pulse and determine what gaps needed filling in the supply chain management arena. Another thing that makes the GRID different is that it’s user friendly, meaning it can fit into just about any company’s system and operation.”

“The big draw is it’s all homogeneous and a much friendlier UI and UX,” says Ramesh. “If you’re a growing company or even a well-established company, you need to look at technology not as a cost but as something that not only pays for itself but drives ten times the return in increased profits and revenue combined,” she explained, “And in order to do that you’re going to need to connect all the varied datasets across your supply chain and have an intuitive interface where you can have more people within the company and outside participate in using that data.”

“We’re a very unique solution,” continues Ramesh, “So talk to us and we’d love to come in and see what we can do about supercharging your ROI by digitizing supply chain operations.”

GRID

Powered by **SUUCHI**



New Jersey Recycled Content Law Requirements are in Effect

Supporters Say This Legislation Will Be a Benchmark for Boosting Local Recycling Economy with Critics Worried about the Impact on Manufacturers

What is New Jersey's Recycled Content Law?

On January 18, 2022, Governor Phil Murphy signed P.L. 2021, c. 391 (N.J.S.A. 13:1E-99.135-157), requiring manufacturers to meet minimum recycled content requirements for regulated containers and packaging products sold or offered for sale in New Jersey beginning in 2024.

As per the law itself, it reads:

"New Jersey's Recycled Content Law is intended to stimulate recycling markets by requiring manufacturers to meet minimum recycled content standards for regulated containers and packaging products sold or offered for sale in New Jersey. By requiring manufacturers to utilize postconsumer recycled content, markets for such materials are enhanced as demand shifts from virgin to recycled sources. Recycling relies heavily on supply and demand to keep the industry afloat. As oil prices decrease so do prices for virgin plastic which subsequently decrease the demand for recycled materials. Requiring manufacturers to meet minimum recycled content requirements helps to stabilize markets, increase the resiliency of the recycling industry when oil prices fluctuate, and shield municipal recycling programs from the volatility of the cost to recycle."

-New Jersey Recycled Content Law (N.J.S.A. 13:1E-99.135-157)

Supporters of the New Jersey Recycled Content Law laud it as the most ambitious recycled content law in the Northeast, which could serve as a model for neighboring states that are also looking to boost the local recycling economy. The recycling industry had to make huge adjustments in 2018 when China stopped accepting most recycled material imports, so like many other industries falling victim to trade tensions with China, it's looking to foster a better domestic

system.

"New Jersey recyclers are not unique," says Doug O'Malley, Director of Environment New Jersey, a supporter of the bill. "Recycling as an industry is in crisis, and we need to look at recycling close to home and create markets for it," he adds. "No more business as usual—now it's about increasing recycled content over the course of this decade."

How Will This Affect NJ Manufacturers?

The bill could help bolster the local recycling economy as well as help shield municipalities from volatile market costs. The most immediate impact will be the manufacturing businesses' challenge of meeting requirements as demand outpaces supply. To help alleviate some of this burden, the bill directs the state's Department of Environmental Protection (DEP) to establish incentives for manufacturers, recyclers, and retailers to collect and reuse polyethylene film, but as of January 2024, there have been no hard initiatives launched in support of this area of the legislation. Under the New Jersey Recycled Content Law, the DEP will also be able to review and update any of the postconsumer recycled content requirements based on factors like changing market conditions, availability of recycled material, or recycling infrastructure capacity.

What Manufacturers Need To Know

Rigid plastic containers will need to contain at least 10% postconsumer recycled content, and plastic beverage

containers will need to contain at least 15%, with these rates required to increase incrementally over the years and cap at 50% by 2036 and 2045, respectively.

The New Jersey Recycled Content Law also establishes a 35% standard for recycled content in glass bottles; a 20% standard for plastic carryout bags; a standard of between 20% and 40% for paper carryout bags, depending on size; as well as a range of standards for plastic trash bags based on thickness. Following suit with Washington State, polystyrene packing peanuts will also be banned in 2024.

NEW POSTCONSUMER RECYCLED CONTENT (PRC) STANDARDS FOR 2024:

- ✓ **RIGID PLASTIC CONTAINERS** will need to contain at least 10% postconsumer recycled content
- ✓ **PLASTIC BEVERAGE CONTAINERS** will need to contain at least 15% postconsumer recycled content
- ✓ **GLASS BOTTLES** will need to contain 35% postconsumer recycled content
- ✓ **PLASTIC CARRYOUT BAGS** will need to contain 20% postconsumer recycled content
- ✓ **PAPER CARRYOUT BAGS** will need to contain between 20%-40% (depending on size) postconsumer recycled content
- ✓ **POLYSTYRENE PACKING PEANUTS** will be banned in 2024

IMPORTANT DATES:

- ✓ **July 18, 2022:** Manufacturers were required to begin registering
- ✓ **January 18, 2024:** Standards for all regulated containers and packaging products begins
- ✓ **July 18, 2025:** Manufacturers are required to submit first-year compliance reports by this date and then annually thereafter

Get Help Navigating These Regulatory Changes

For more resources concerning the New Jersey Recycled Content Law (N.J.S.A. 13:1E-99.135-157), check out the State's website to review the bill itself and get clarification on specific terms and definitions outlined within, or see the State's FAQ on the New Jersey Recycled Content Law to get more answers to common questions.

As manufacturers adjust to these changes, it's important to remember that there are resources available through local MEPs. For manufacturers looking for more clarification or support, or for those encountering difficulties meeting the PRC requirements, NJMEP is here to assist you with navigating these new regulatory changes. In the meantime, it's important to stay up to date and monitor the impact this new legislation will have on your operation. 🧩



6 Ways to Unlock Productivity: How Automation Empowers the Human Workforce in Manufacturing

By Mike Womack, Sr. Marketing & Communications Manager | njmep.org

In the ever-evolving landscape of manufacturing, automation has emerged as a powerful tool that can revolutionize operations, increase efficiency, and drive innovation. However, there is a common misconception that automation is solely about replacing human workers. That is simply not the reality. Automation and the human workforce can work hand in hand, creating a synergy that leads to greater productivity and success. Come explore how automation can enhance the human workforce in the manufacturing industry and how the value it brings will complement rather than replace people.

1. Streamlining Repetitive

Tasks: One of the key benefits of automation is its ability to streamline repetitive and mundane tasks. In the manufacturing industry, there are numerous processes that require repetitive actions, such as assembly line operations or data entry. Automating these tasks allows leaders to free up human workers to focus on more complex and value-added activities. This not only improves efficiency but also allows employees to utilize their skills and expertise in areas that require human judgment and creativity. Instead of spending hours manually assembling components, workers can focus on quality control, problem-solving, and process optimization.

2. Enhancing Safety and

Ergonomics: Automation plays a vital role in improving workplace safety and ergonomics. When automated systems take over heavily manual and strenuous tasks, the risk of injuries is significantly reduced, and overall employee well-being is improved. Heavy lifting or exposure to hazardous materials can be handled by robots or other automated equipment, while human workers can concentrate on tasks that require critical thinking, problem-solving skills, or even overseeing these automated systems. This ensures a safer work environment and enhances job satisfaction and morale.

3. Increasing Productivity and Output:

Automation has the potential to significantly increase productivity and output in manufacturing operations when used correctly. Automated systems can work tirelessly, 24/7, without the need for breaks or rest. Integrating the right automation into the production process can help businesses achieve higher production volumes, meet customer demands more efficiently, and reduce lead times. This increased productivity not only benefits the bottom line but also creates opportunities for growth and expansion. It is vital that manufacturers do not over or underinvest. Conducting an ROI and feasibility study will be a vital part of the automation process to ensure money doesn't go to waste and the business achieves the desired outcome from their investment and time commitment.

4. Enabling Data-Driven Decision Making:

Automation generates vast amounts of data that can be leveraged to make informed decisions. Collecting and analyzing data from automated systems provides valuable insights into production processes, quality control, and overall performance. This data-driven approach allows human workers to make more accurate and strategic decisions, leading to continuous improvement and optimization. Monitoring and analyzing data from automated machines allow leaders to identify bottlenecks, optimize workflows, and make proactive adjustments

to improve efficiency and quality.

5. Fostering Collaboration and Professional Development:

Contrary to the belief that automation replaces human workers, it actually fosters collaboration and leads to additional professional development opportunities. Human workers are essential in designing, implementing, and maintaining automated systems. This requires a deep understanding of the technology and the ability to adapt to new processes. Working alongside automated systems gives employees the opportunity to develop new skills, such as programming, data analysis, and system integration. This collaboration between humans and automation creates a dynamic workforce that is adaptable and capable of driving innovation. For example, employees can collaborate with automation experts to optimize processes, troubleshoot issues, and identify opportunities for improvement, ultimately leading to a more skilled and empowered workforce.

6. Partnering with Experts for Successful Implementation:

Implementing an automation system is a significant investment for any manufacturing organization. To ensure the system's return on investment (ROI) and its effective utilization, it is crucial to work with a partner who understands the intricacies of the manufacturing process.

Collaborating with experts in automation can provide valuable insights and guidance throughout the implementation journey.

Automation is not the enemy of the human workforce; it is a powerful ally that can enhance productivity, improve safety, and drive innovation in the manufacturing industry. Embracing automation and recognizing its role as a complement to human workers can lead to manufacturers unlocking new levels of efficiency and success. The key lies in understanding how automation can streamline repetitive tasks, enhance safety, increase productivity, enable data-driven decision making, and foster collaboration and professional development. Embracing automation is not about replacing people; it's about empowering them to reach their full potential and achieve greater heights. 🧠





NJMEP is Heading South Again

The Goal: To Better Serve South Jersey Manufacturers

NJMEP remains committed to serving South Jersey Manufacturers. A new temporary NJMEP office will open in Rowan University's South Jersey Technology Park to better serve the South Jersey community. In about 18 months, the NJMEP South Office will relocate permanently. As the goal of the South Jersey Technology Park is to lead the economic revitalization of South Jersey through an integrated program of science and technology initiatives, NJMEP's presence will help further support this revitalization.

Following up on the South Jersey Revitalization Summit—a formal discussion that occurred at Rowan College of South Jersey back in August, 2023 between industry leaders and partners, academia, and political advocates—Peter Connolly, CEO of NJMEP, announced that the NJMEP South Office would relocate to Rowan University's South Jersey Technology Park—a move that is as much a symbolic gesture as it is a practical one. The move to Rowan is also intended to strengthen NJMEP's partnership with Rowan University, one that can offer new talent pipelines for South Jersey Manufacturers and can also create new career pathways for young South Jerseyans.

"I am thrilled to announce the opening of our new office at the Rowan Technology Park in South Jersey," says Connolly.

"This strategic expansion reinforces our commitment to supporting and empowering South Jersey's vibrant manufacturing sector. We look forward to fostering innovation, collaboration, and sustainable growth in this underserved area within our state. South Jersey holds so much promise, it just needs the resources and visibility to foster a thriving manufacturing industry. This continued collaboration with Rowan is an important step forward toward progress." NJMEP's South Jersey Office relocation is currently underway, beginning with the temporary relocation of certain NJMEP staff to Rowan University, to be followed by a full office relocation in early 2025. 

THE ART OF BEING A MODERN LATINA



MARCH 7, 2024
Save the date

8:30 AM – 11:30 AM

**DoubleTree Fairfield, 690 Route 46 East Fairfield,
New Jersey 07004**

This Annual Latina-focused panel event covers various topics such as diversity in the workplace and leadership. The goal of this panel discussion is to get a sense of what it takes for a modern Latina to be successful in various industries.



**RESERVE YOUR
SPOTS NOW!**



Contact information:
(201) 935-0035
Erica Horton - ehorton@shccnj.org



The Makers & Creators Tour Begins Its Journey in South Jersey

The Tour's Kickoff Began at Pleasantville Public Schools Where 600 Students Tinkered and Tooled with Modern Manufacturing Technologies

Bringing Modern Manufacturing to New Jersey's Youth

New Jersey Manufacturing Extension Program's (NJMEP) Future Makers and Creators Tour—an initiative brought into existence by NJMEP with support from the New Jersey Economic Development Authority (NJEDA), is offering a unique opportunity for schools and students in New Jersey to learn about and experience modern manufacturing firsthand. NJMEP will be traveling to schools in all 21 New Jersey counties bringing the latest advanced manufacturing technologies to students all over the Garden State. Students will hear directly from local manufacturers in their area, learn about the industry, and get to connect with employers, giving local manufacturing businesses the chance to get to know and engage directly with their future workforce.

Manufacturing is expected to have nearly 4 million job vacancies over the next decade, so it's more important than ever for the industry and educators to offer New Jersey's youth alternatives to the traditional four-year institution. The goal of The Future Makers & Creators Tour is to educate and inspire the manufacturing workforce of the future.

Kickoff in South Jersey

The first stop along The Future Makers & Creators Tour began at Pleasantville Public Schools on December 12th and



showcased advanced manufacturing technologies and careers to over 600 eager 7th, 8th, 9th, and 10th graders, giving them a chance to see modern manufacturing in action.

"Manufacturing in Spanish is fabricación," explained Dr. Marilyn Martinez, Superintendent of Schools, to hundreds of culturally and economically diverse students. "It's a way that you can create and make possible your dreams."

Larry Banks, Project manager and head of NJMEP's PEN team explained, "Manufacturers who participate in The Future Makers & Creators Tour will have the opportunity to inspire and attract the next generation of manufacturing professionals." He continued, "Schools that take part in the tour will have the opportunity to engage directly with these manufacturers who can provide their insights and real-world experience regarding alternative career paths in advanced manufacturing."

Tinkering and Tooling with Modern Manufacturing

Once opening remarks concluded, Pleasantville Students broke down into class-sized groups and made their way through the Makers & Creators event, taking time at each station to share remarks with industry professionals and gather insights into their background and experience in manufacturing. Whether they were competing to get the best welds on the Augmented Reality ARC Welding machine, were listening intently to NJMEP Staff Trainers explain how to program and use a HAAS PLC powered Desktop Computerized Numerical Control (CNC) mill or robotic

arm, or were simply mesmerized by the 3D Printers that were actively making Geary Mascot baubles on-site, students spent their morning engaged and participating in everything that advanced manufacturing has to offer.

Coming to a Town Near You

Manufacturers participating in The Future Makers & Creators Tour will have the opportunity to inspire and attract the next generation of manufacturing professionals, and schools that take part in the tour will have the opportunity to engage directly with these manufacturers who can provide their insights and real-world experience regarding alternative career paths in advanced manufacturing. NJMEP CEO Peter Connolly shares his thoughts on the invaluable exposure this program can have on certain students' undecided or uncertain futures.

"Connecting with students who have yet to make up their minds about a career path is invaluable when showing the real value the manufacturing industry has to offer them and their families," says Connolly. "The first stop on the Future Makers and Creators Tour proved that young students are interested and can be incredibly engaged when learning about this field that's so vital to our way of life and our nation. Seeing these students smile and watching their eyes be opened to advanced manufacturing as they tried their hand at Augmented Reality welding, experienced 3D Printing in action, and connecting them directly with local manufacturers was beyond amazing," explained Connolly, bubbling with enthusiasm and excitement. "We

will be visiting at least 21 schools in every county throughout New Jersey during this tour, all impossible without support from the NJEDA. The Future Makers and Creators Tour will have a long-lasting impact on the manufacturing industry. Without this kind of action, the industry will not have a passionate workforce to connect with as manufacturing continues to grow in New Jersey," he adds.

Want to learn more about the program or get involved? Head to njmep.org/makersandcreators to learn how you can contribute to this initiative as a manufacturer, media outlet, or how you can enroll your school in the program and become a stop along The Future Makers & Creators Tour! 





New Jersey has rediscovered the importance and value of its 'MADE in New Jersey' manufacturing industry. The small and medium sized businesses that make up the majority of this critical industry contribute billions to the state's GDP. These businesses range from food manufacturing all the way to advanced semiconductor production and touch nearly every sector in between. As the state continues to recognize its value, New Jersey has been investing in manufacturing at a rate not seen in decades. Key state legislators and industry supporters have shared their thoughts on the industry with Manufacturing Matters magazine. Find their input and comments in the Trenton Talks section, below:



At Work For You In Trenton – Passing the *Manufacturing In Higher Education Act*

As co-chairs of the Legislative Manufacturing Caucus, we have spoken to countless manufacturers from across New Jersey and found that their most significant challenge is the need for qualified individuals to fill the high-paying careers that the manufacturing industry offers. With the Legislature's passage of the Manufacturing in Higher Education Act, New Jersey is taking a major step towards addressing this need. As of this writing, the bill is awaiting the Governor's signature.



The Manufacturing in Higher Education Act would create a comprehensive framework aimed at promoting and supporting manufacturing career pathways within the higher education system of New Jersey. The bill requires that the New Jersey Department of State designates a dedicated liaison between the state government and New Jersey's manufacturing community. The Act would also take the critical step of creating the New Jersey Advanced Manufacturing Council to promote industry-led partnerships, implement advanced manufacturing initiatives, aid companies with technical challenges, and submit

annual reports to the Governor and Legislature. In addition, the council will have the authority to hold public hearings, employ staff, and access necessary records. As co-chairs of the Legislative Manufacturing Caucus, we will be members of the council and will use it as a new avenue to ensure that New Jersey's manufacturing industry is well-represented in Trenton.

We would also like to give a whole-hearted thank you and congratulations to Senator Steve Oroho upon his retirement from the State Senate. Not only was Senator Oroho the prime sponsor of the Manufacturing in Higher Education Act, but he was the dutiful co-chair of the Legislative Manufacturing Caucus for a number of years. A tireless advocate for New Jersey's manufacturing community, Senator Oroho will be deeply missed in Trenton by all, including the two of us!

We look forward to continuing the important work of the Legislative Manufacturing Caucus in the new legislative session.

“...to ensure that
New Jersey's
manufacturing
industry is well-
represented in
Trenton”



**CAUCUS CO-CHAIRS
SENATOR LINDA GREENSTEIN
AND SENATOR MICHAEL TESTA**



The Lame Duck Legacy: Shaping New Jersey's Business Landscape for the Future

The legislative Lame Duck Period isn't commonly associated with large policy pushes or big ideas, but as we close out the current legislative session, our state has an opportunity to make a big impact on the business environment in New Jersey for decades to come. There is a continuum of controversial issues from the Spring session that still need to be addressed by our Legislature, and plenty of opportunity to shrink Trenton's constant interference with business both large and small. As the recently reelected State Senator representing New Jersey's First Senate District, I'll loop you in on some key legislative priorities I will focus on in the coming months.

Despite what I hear from our business community, the legislative outlook in our state is not entirely bleak. One thing that everyone should hope to see is the expiration of the additional 2.5 percentage surcharge on the Corporation Business Tax (CBT) at the end of this year. This will encourage more businesses to stay in the Garden State, and will result in lower prices at the pump, at the grocery store, and when you're Christmas shopping this time next year.

Additionally, New Jersey's onerous liquor license system, so ridiculous that even Governor Murphy has called for reform, is at the top of the agenda for the Legislature. How licenses are bought and sold has been a contentious topic for years, and now even the municipalities that gain the most from our antiquated system are seeking reform in what they see as an unfair process for local businesses. I have been an adamant supporter for legislative amendments to the nonsense restrictions that breweries have just trying to



operate in New Jersey, and if not addressed during the Lame Duck Session, I will continue this fight into 2024.

Small business owners continue to bear the brunt of the Murphy Administration's misconception that they are all endowed with magical, never-ending pockets. The Red Tape syndrome that continues to hinder new or expansion business plans must be cut back to prevent further exodus of businesses and industries from our state. If we hope to continue to grow, we must make NJ a more hospitable place for business to not only survive, but thrive. We must stop victimizing the small business owners who make our communities what they are.

As the Co-Chair of the New Jersey Manufacturing Caucus, my mission continues to develop pathways for manufacturers to thrive in New Jersey. With outstanding partnerships with New Jersey Manufacturing Expansion Program (NJMEP) and New Jersey Business Industry Association (NJBIA), more manufacturing businesses are signing up every day for the tools and resources that these two organizations provide.

But we can't stop there; establishing a plan to reduce the burdensome regulations not only for licensing but also for the permitting process that weighs down business progress is of paramount importance.

State agencies have made it more difficult for manufacturers at all levels to succeed in growing and diversifying their product lines. Reigning in these repetitive steps of duplicated efforts, unanswered applications, wasted processing time, and demanding rules must be a bipartisan priority in our state.

All manufacturers are unique in their business plans, their missions, their products, and their goals. I have always remembered an entrepreneur who said to me, "I never wanted to be involved in politics," that he just wanted to manage his own company. My response to him was, "but politics has a way of involving itself in you". The unfortunate truth is that government touches every aspect of business. It's time to make that contact positive.

As we move forward to the 2024-2025 Legislative Session, it is my goal that we will be able to restore the Trenton Bridge motto of "Trenton Makes, The Word Takes" to its full glory over the next 4 years.

“...politics has a way of involving itself in you.”



CAUCUS CO-CHAIR
SENATOR MICHAEL TESTA
STATE SENATOR REPRESENTING NEW JERSEY'S 1ST LEGISLATIVE DISTRICT

The Evolution of Elections

Well, another election season has come and gone and everyone is wondering now what?

I mention season because not long ago, many of us knew it as election day when registered voters took some time before or after work to go and cast their vote on election day. With the advent of early in-person voting and the vote by mail, there is more flexibility of when and how you vote but in spite of it, only 3 out of 10 voters cast their vote this year. Why? Well for starters, unless it is a presidential or gubernatorial election, most people may not be as passionate or focused on local and state elections and yet local and state government play such a critical role in how our businesses operate. From local permits and approvals to taxes and regulations, if you are operating a business, the government we elect matters.

In reviewing this years' election results, it was clear it came down to voter turnout in



many districts and as the former Speaker of the House Tip O'Neill once said, "all politics is local" and that proved to be the case this year. What will it take to motivate more voters to vote? Perhaps we have to make it even easier for them. With technology advancing by the day, there is little doubt we may see changes in the coming years in how we vote and that may be a good thing. No matter what your perspective, we should all agree that a true democracy only exists when the majority of voters weigh in and if you do the math, that is closer to 6 out of 10 voters casting their vote. If you are keeping track, in the 2020 presidential election, voter turnout in NJ exceeded 8 out of 10 which is good but we should strive for that result for every election.

“...true democracy only exists when the majority of voters weigh in...”



ANTHONY RUSSO

PRESIDENT, CIANJ / PUBLISHER AND CEO
OF COMMERCE MAGAZINE



Looking Ahead to the Year of the Manufacturer in 2024

U.S. manufacturing jobs have recovered faster since the COVID-19 pandemic than from any other recession in modern history. Today, there are nearly 13 million U.S. manufacturing jobs – a rebound and then some from the 11.41 million jobs the industry had in April 2020 after the pandemic started.

Against this positive backdrop NJBIA is launching the Year of the Manufacturer in 2024, a yearlong campaign to shine a brighter light on the industry's successes and challenges, especially given the new government initiatives to reshore manufacturing and strengthen supply chain resilience.

With our partners at the New Jersey Manufacturing Extension Program and the National Association of Manufacturers, there is much to achieve. For starters, the 2022 federal CHIPS Act is providing billions of dollars in incentives to make the U.S. competitive again in the production of semiconductors, which are the brains of modern electronics and vital to a wide range of industries including communications, computing, healthcare, military systems, transportation, clean energy, and more.

Our work with federal and state policymakers to ensure the CHIPS Act leads to strong investment in domestic and New Jersey-based manufacturing, research and development,



and STEM education has already started and will continue into 2024. As you well know, New Jersey manufacturers produce a wide array of products, including critical components for the aerospace and defense industries. Growing New Jersey's role in semiconductor manufacturing – and making it a leader in providing the intelligence for our nation's security, electronics, household machines and automobiles – will also grow New Jersey's economy and competitiveness.

The Year of the Manufacturer is also an opportunity to focus on challenges, such as the onslaught of government regulations that undermine the ability of manufacturers to expand operations, hire new workers and boost wages. A recent NAM study found manufacturers spent \$349 billion in 2022 to comply with environmental, economic, tax, and occupational safety, health and homeland security regulations affecting their operations. That is an inflation-adjusted 26% increase from a decade ago. Closer to home in our 65th annual Business Outlook Survey, only 3% of respondents said New Jersey is better than other states when it comes to the cost of regulatory compliance, and just 4% said the state is better than others in the timely issuance of permits. These are areas that hit manufacturers more than most. Additionally, only 12% said they believe New Jersey has made progress over the

last year in easing regulatory obstacles. And that number has declined steadily from 24% in 2017. But regulatory reform was one of the main topics for legislative leaders at NJBIA's Public Policy Forum in late November. And the conversation seemed to re-ignite the need to create a commission to review government inefficiencies and overregulation.

"I'm in business as a CEO of a large company," Senate Budget Chair Paul Sarlo told our audience. "At the end of the day, we need to do a better job (on regulatory reform)," he continues, "I have railed against bureaucracy. I think sometimes at DEP and DCA, I'd love to go down there some time and walk floor to floor to say we could get those permits out the door just a little bit faster. You're strangling our businesses."

In 2021, Gov. Phil Murphy vetoed an NJBIA-supported bill that would have created the Government Efficiency and Regulatory Review (GEARR) Commission, despite having near unanimous support from the Legislature. The GEARR Commission would have reviewed New Jersey's regulatory structure to identify and address government inefficiencies and red tape. It also would have been chaired by the Chief Information Officer of the governor's office. At NJBIA's Public Policy Forum, lawmakers on both sides of the aisle said the GEARR Commission bill should get a new ride

through the Legislature.

"Quite frankly, when all of us vote in favor, we should talk to the governor and say we're veto-proof here," Senator Steve Oroho said. "Help us out here. It's not that we're coming after the administration or anything like that, we just want to give the ability to come and take a look at some of the regulations."

Assembly Budget Committee Chair Eliana Pintor Marin agreed that, "[The GEARR Commission] makes complete sense. I'm not sure why we wouldn't be able to take it up in the next session," she added.

Further, following NJBIA's Public Policy Forum, Senator Holly Schepisi put out a statement to bring the GEARR legislation back – based on Connecticut Gov. Ned Lamont withdrawing his state from the Advanced Clean Car Act II rules because its Regulation Review Committee was poised to vote against the adoption of the controversial rules.

"These policies are being implemented without regard for the capacity of our electric grid, the cost of improvements that will be required, or how the average family will afford the significant costs associated," she said. "That's why I'm joining the call to establish the Government Efficiency and Regulatory Commission to reign in the Governor's ever-increasing regulations being implemented through unelected boards and commissions."

The good news in our annual Business Outlook Survey is there were several areas of improvement – or at least a sign that things weren't as bad as they were a year ago. For example, 89% of business owners or executive staff said they were substantially impacted or moderately impacted by inflation in 2023. Not great.

But those who said they were substantially impacted by inflation decreased from 45% last year to 36% this year. Similarly, 51% said they were substantially impacted by inflation for supplies and materials, compared to 65% who said the same last year; 40% said they were substantially impacted by inflation for labor costs this year, compared to 48% last year; and 43% said they were substantially impacted by inflation for fuel costs, compared to 63% last year. Other improvements came in the outlook for staffing. A year ago, for example, 70% of respondents said they were challenged to find appropriate staffing. But in 2023, only 55% said they had that challenge.

Respondents were asked to list the top three factors leading to those staffing challenges, with the following results:

- Not enough candidates or applicants to fill open positions (76%)
- Candidates lacked the required skills or qualifications (67%)
- Unable to provide the requested compensation or benefits (34%)
- Faster-than-typical employee turnover (20%)
- Unable to provide requested hybrid/remote work arrangement (16%)
- Candidates lacked sufficient access to childcare services (8%)
- Greater-than-typical number of employee retirements (8%)

These are all things we must improve upon in 2024, especially as it relates to manufacturers. Fact is, New Jersey is still climbing out of a profit hole. From 2012 to 2019, in our Business Outlook Survey, most



New Jersey businesses reported more gains than losses.

But that all changed during the pandemic year of 2020, and the climb from that hole continues as follows:

In 2023, only 32% of respondents reported profits for the year. In 2022, that number was 36%. At the same time, 44% reported a loss, compared to 40% in 2022.

The 2024 outlook for profits is also lukewarm. Only 37% believe they will make a profit, compared to 28% who expect they won't. That net positive of 9% is the lowest outlook for profits in our survey since 2012.

Of the 37% hoping to be on the plus-side for 2024, 13% are only forecasting profits of 1% to 3%.

If there's an overarching mission that we must work toward in 2024 it's that small and medium-sized businesses and manufacturers face considerable headwinds when trying to make a profit. This is why NJBIA uses a mantra to Trenton lawmakers that 'every dollar counts' when informing on policy.

Looking more into 2024, New Jersey will host the annual gathering this July of the Conference of State Manufacturers Associations (COSMA), of which I proudly serve as vice chair. COSMA is a nationwide network of 50 state-based manufacturing

partners that work with NAM to advance smart policies at the local level. This is an opportunity for New Jersey to shine at an event that drives manufacturers' priorities on state issues and mobilizes action on federal policies.

Over the past few decades, manufacturing output has grown, but the industry has evolved to become more capital intensive with a leaner, but more highly trained workforce. In 2024 we must leverage government incentives to grow New Jersey manufacturing and strengthen relationships between industry partners and educational institutions to build the highly skilled workforce needed to produce the wide array of unique products – from aerospace components to life-saving prescription drugs – all made in New Jersey.



MICHELE SIEKERKA, ESQ.
PRESIDENT & CEO OF NJBIA &
BOARD OF DIRECTORS OF THE NATIONAL
ASSOCIATION OF MANUFACTURERS



Manufacturing – A Necessity for a Competitive Economy

Our love/hate relationship with manufacturing, or people working with their hands and minds, has existed since the beginning of time.

Everything that we use in life that has a meaningful purpose, was first designed in someone's mind then assembled for its purpose. The following are a few examples of our love for manufacturing in the early 1900's with the advent of the assembly line where men and women would be aligned in a structured fashion to produce components that would be assembled to produce several products: the automobile, electrical components for lamps, outlets, and or complex circuits to operate machines. The manufacturing sector always provided employment opportunities that gave way to a middle-class lifestyle and these high paying careers had a direct impact on the economy and the expansion of companies that produced various goods.

Automobile manufacturers pivoted from producing vehicles on the assembly lines to airplanes, military vehicles, and ammunition during times of war in the United States. Our ability to have our manufacturers pivot from their intended production of a component or commodity that they produce every day to one which is essential to the nation's security is noteworthy. This is Americanism at its best. During the pandemic, we saw domestic manufacturers spring into action to produce Personal Protection Equipment (PPE) to keep us as healthy and safe as humanly possible. Also, we saw the vulnerabilities of the supply chain in the United States during this crisis which forced the hand of government officials

and corporate leaders to rethink their strategies of importing items from outside of the United States. Ironically, everything seems inexpensive until it is no longer true. This strategy of importing essential societal needs abroad to save a few dollars here and there has severe implications for our daily living.

Beginning in the 1970's leaders of our K-12 education system began the process of removing vocational programming from many of our urban schools in New Jersey. While at Trenton High School, I studied automobile mechanics which led to my employment with a Firestone store and a Ford dealership. These skills learned in conjunction with Math, English, and Science while in school made me a more well-rounded person and lessened my dependence on my parents financially. Additionally, I was able to work on my neighbors' and friend's vehicles for extra money.

I can recall participating in an exploratory program at Mercer County Vocational School over the summer and my exposure to various trades, carpentry, plumbing, electrical, sheet metal and masonry. Once an individual becomes proficient in any of the trades, it could provide a pathway to a middle- or upper-income lifestyle. Ironically, each of these potential career paths were available at Trenton High School (TCHS) through the 1990's. Unfortunately, these programs were all removed from TCHS just prior to New Jersey's \$8-\$12 billion School Construction program that was court ordered to build new structures or improve the condition of thirty-one low-income schools in New Jersey. This is an additional conversation regarding the lost opportunity to upskill members within these communities for the anticipated career

opportunities that would result from this court mandate. However, we do not want to lose sight of the fact that construction materials are all manufactured.

The appliances in your home, furniture in your home or office, the technology used to make cellphone calls, automated checkout lanes, the food we consume all origin through a process of manufacturing.

In New Jersey today, there are tens of thousands of high paying career opportunities that can be attained with less than a college education. We at the African American Chamber of Commerce of New Jersey, in partnership with NJMEP are speaking with anyone that will listen to the significance of making this industry a top priority within our state's economic strategy. Moreover, we are working to position individuals as young as 18 years of age with a high school diploma to consider manufacturing as a career option. Whether you have an interest in producing equipment for farming, medical devices or computer chips manufacturing is a career option that I would strongly recommend that you consider, because it could favorably impact the lifestyle of you and your family.



JOHN E. HARMON, SR., IOM
FOUNDER, PRESIDENT & CEO
AFRICAN AMERICAN CHAMBER OF
COMMERCE OF NEW JERSEY



NJ Manufacturing: A Bipartisan Boost for Growth, Jobs, and Innovation

With more than 240,000 employees, New Jersey's manufacturing industry has brought our state on its way, once again, to being the innovation and growth capital of the United States.

Thanks to our small and mid-sized manufacturers all across the Garden State, and the work of NJMEP, hard-working women and men are unlocking new technologies, helping strengthen our supply chains, and ensuring our Jersey economy can strengthen and grow.

In Congress, since day one, I've worked across the aisle, and as Co-Chair of the bipartisan Problem Solvers Caucus — a group split evenly between Democrats and Republicans — to support the incredible work of New Jersey's manufacturers

I'm proud to have helped write and get signed into law the Bipartisan Infrastructure Bill — the greatest infrastructure investment in a century and a huge win for New Jersey families. It will help build the new Gateway Train Tunnel, fix our crumbling roads, bridges, rails, and NJ Transit, help fight climate change, invest in our ports, expand broadband access to the unconnected, and get lead out of our children's drinking water. Our bipartisan legislation will also help create nearly 500,000 new manufacturing jobs in the coming years, helping our equipment manufacturing industry ensure these infrastructure improvements become a reality.

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The Problem Solvers Caucus also helped get signed into law the bipartisan CHIPS and Science Act. This critical legislation will invest in American competitiveness and address major supply chain issues, boost domestic manufacturing, accelerate U.S. production of semiconductor chips and related equipment, reduce our reliance on foreign countries like China, and help lower costs for North Jersey families and small businesses — all while creating new jobs here in the U.S. It is estimated that the CHIPS and Science Act will create tens of thousands of construction jobs and thousands of high-skilled manufacturing jobs.

This common sense, bipartisan approach to governing has helped pass legislation to lower costs for families, stimulate our economy, support small businesses,

boost gun and school safety, and get the backs of our veterans, military, and first responders.

In recent months, we've demonstrated that in a divided government, you have to actually work across the aisle to find solutions that can get across the finish line. For instance, working together, we helped negotiate and pass the bipartisan debt ceiling agreement to protect our economy, American's 401Ks, pensions, and savings. Then, we helped pass bipartisan legislation to avoid a government shutdown.

The only way to support families, small businesses, and vital industries like manufacturing in New Jersey is to put common sense, bipartisan governing over extremism. That is the way government should work.

If we continue to work together across lines that too often divide us, I know that the best days of Garden State manufacturing, for Jersey, and for our nation, will always be ahead of us.

Josh Gottheimer represents New Jersey's Fifth Congressional District and is co-chair of the bipartisan Problem Solvers Caucus.



**CONGRESSMAN
JOSH GOTTHEIMER**
NEW JERSEY'S 5TH
CONGRESSIONAL DISTRICT

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GRASSI

Food and Beverage Industry Leaders Identify Operational Challenges and Opportunities in New Jersey and New York

In preparation for our annual New Jersey and New York food and beverage industry survey which has just launched, Grassi and the New Jersey Food Processors Association (NJFPA) conducted two focus groups in December, 2023. These meetings, with industry leaders, probed participants to better understand the issues and challenges they faced last year and what opportunities lie ahead for the industry in 2024. The findings informed the development of questions for our 2024 industry benchmarking study.

In 2023, companies faced many challenges:

- Inside their own facilities, some manufacturers are operating with outdated or inadequate systems and processes that hamper productivity and efficiency.
- Expanding demand has also led some manufacturers to outgrow current facilities, creating capacity constraints.
- Managing extensive ingredient and finished goods inventories remains an ongoing challenge.
- On the commercial side, unit sales have declined for some staple products as consumers shift spending in a post-pandemic landscape.
- Fierce retail competition and finite grocery shelf space has made expanding market share difficult despite new product innovation.
- Ongoing labor challenges including high turnover, recruitment, and leadership continuity have added staffing pressures.

To thrive in this climate, food and beverage leaders told us they are focusing internally and externally:

- Many companies are looking inward to find ways to streamline operations, boost efficiency, and improve profitability.
 - Upgrading legacy systems with new enterprise resource planning (ERP) software can provide the visibility and control needed to optimize processes.

- Investing in automation and new machinery, where applicable, can also reduce labor costs and human error.
- Businesses are investing in new facilities, expanding geographically to tap new markets, and opening additional distribution channels like direct-to-consumer e-commerce.
- Using predictive analytics and AI to gain insights from data can inform better supply chain management and inventory planning.
- On the customer front, companies expect to focus on new customer acquisition through updated sales and marketing strategies.
 - Broker networks and partnerships can potentially open doors to new accounts.
 - Product innovation and diversification provides opportunities to meet evolving customer needs.
 - Internal product rationalization allows businesses to focus on their most profitable offerings.
- Lastly, workforce investments in the form of training, benefits, and succession planning can create an engaged culture ready to drive the business forward.

By taking a holistic approach across operations, supply chain, sales and marketing, product offerings, and labor, company leaders said they expect to position themselves to tackle today's challenges and thrive into the future.

Grassi and the NJFPA will expand on these focus group findings through our 2024 New York & New Jersey Food Industry Survey. Please take a few minutes and share your opinions to receive a copy of the report. The findings will also be presented with additional insights at the NJFPA's 2024 Annual Conference, April 3-4 at Harrah's Resort in Atlantic City.



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The Value of Publicity to Manufacturers

So, just what is public relations and publicity, and how is it different from advertising and other forms of communication? Most important, what is its value, and why should you be seeking it? I'm glad you asked!

Public relations and publicity function to raise your profile and credibility. It creates a climate favorable to sales, whereas advertising is designed to drive traffic and sales. In the landmark book *The Fall of Advertising and the Rise of PR*, father and daughter team Al Ries and Laura Ries explain the importance of having favorable publicity before you advertise. Why, you ask?

Publicity is what an independent, third party says about you, while advertising is what you say about yourself. Hence, favorable third-party endorsement will make you appear more credible so people will be more receptive to your advertising message when they see it.

Think of publicity as the news. It's a non-selling message. Remember the old adage, "If a dog bites a man, it's not news. If a man bites a dog, it's news." How does this apply to manufacturing, you ask? Well, every time you hire a new person with expert credentials, every time you purchase a new machine that helps you satisfy a customer demand, every time you incorporate a new

material that results in a better end product for your customer, every time you streamline your processes to deliver faster, you have something that is potentially newsworthy to a media outlet.

The trick involves fishing in the right pond. If you align your story to the media outlet's audience and give them valuable information that they crave, your stories will resonate with their reporters, editors and producers. For example, suppose you purchased a new technology that allowed you to deliver a better, stronger component for a military vehicle. That story may spark interest with a trade publication—and also with a mainstream popular media outlet because you may be protecting the lives of the soldiers using that vehicle. It's all about recognizing the inherent value in what you have to say—and exactly who will place a high value on it.

There is an important secondary benefit to a manufacturer engaging in a proactive publicity program. Notice I said "program." Publicity requires an ongoing campaign—not a "one-off," in order to establish long-term brand building. The secondary benefit I alluded to? Expanding your digital footprint—your overall online presence. It's not just about your website. If a prospective customer does not know you, your company name or your URL (website

address), how will they find you? They will find you by conducting an online search. What are they searching for? They are searching for your subject matter. The more content there is about you in more places around the web that lead back to your site, the better the chances are they will find you.

We have run a series of guest columns authored by the president of our client's company in various trade magazines. These are educational, informational, non-selling articles that position him and his company as progressive thought leaders. This creates an image of a contemporary, cutting-edge company that people would want to do business with—or for talented employees to come and work for. Not only will this make the company more visible and more searchable online, but it also provides material for the company's own website and blogs.

Consider hiring a small PR firm or an independent publicist. They may already have contacts and established relationships with the media outlets you would like to be featured in, which can accelerate the process of getting you coverage.



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Strengthening B2B Contracts

Part 2

B2B contracts are an essential part of any business. In addition to accurately capturing a deal's commercial terms, they should also provide an enforceable framework for resolving potential disputes. For NJ manufacturing companies, understanding how key contract provisions will work in the event of a dispute is particularly important. In the last issue, we discussed warranties and limitation of liability; and here - in Part 2 - we will review indemnification and time of the essence clauses.

Indemnification Clauses

An indemnification clause is an agreement where one party (the indemnifying party) agrees to compensate the other party (the indemnified party) for any losses or damages that may arise if a specified event or circumstance occurs. The purpose of the clause, sometimes referred to as a "hold harmless" clause, is to shift liability from the indemnified (or held harmless) party to the indemnifying party.

Indemnification clauses often include long sentences written in confusing legalese that essentially transfers the risk of liability from one party to another, usually flowing downstream from the party with greater negotiating leverage to the party with less bargaining power. Many executives, especially those anxious to close deals, are willing to sign a contract without first pushing back on the scope of the indemnity being requested by the opposing party. However, it is very important that you take the time to fully negotiate this provision in order to avoid accepting more risk than you expected or than is the industry norm.

Specifically, attention should be paid to details such as who controls the legal defense in the event of a claim made within the scope of the indemnification, who will pay the legal fees, and who has the authority to settle an indemnified claim. The indemnity clause should be clear on these points.

With respect to the scope of the indemnity, it is important to understand which liabilities are coverable under insurance and which are not. When something cannot be covered under insurance, the company should carefully consider the risks associated with such activity before providing an indemnification for it.

Time of Essence Clauses

Time of essence clauses refer to the amount of time by which parties to a contract must complete their respective performance obligations to the other party. While seemingly

straightforward, time of essence clauses have a distinct legal meaning and often carry potentially severe consequences.

Generally, where a time of essence clause applies, a failure to perform obligations within the time frame spelled out in the contract may result in a material breach, providing the non-breaching party with the right to terminate the agreement and demand its money back. By agreeing to this clause, a company essentially waives its right to perform a contract in an otherwise reasonable amount of time, in accordance with the applicable standard of care.

The takeaway here is to pay close attention when a time of the essence clause is included in a commercial B2B contract. These clauses are overused, yet their consequences are often misunderstood.

In many cases, the parties can achieve the same protection with a liquidated damages provision, which provides a small monetary penalty for critical path delays with a maximum overall delay penalty, without the risk of termination.

Consulting an experienced attorney on these and other issues can help achieve business objectives and reduce risk.



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Navigating Growth Capital Challenges

Strategies for New Jersey Manufacturers

By Iliya Zogovic, CEO DBD PARTNERS | dbdpartners.com

The economic landscape of 2024 brings forth unique challenges for businesses, particularly for clients of the New Jersey Manufacturing Extension Program (NJMEP). In an environment where traditional bank financing faces constraints due to high-interest rates and stringent capitalization requirements imposed by the Federal Reserve, NJMEP clients can turn to DBD Investment Bank for innovative solutions. This article explores how DBD Investment Bank is adept at tapping into the private debt markets, providing various solutions for manufacturers seeking alternative financing.

As NJMEP clients strive for growth and sustainability in 2024, the tightening grip on traditional bank financing poses a significant hurdle. The Federal Reserve's high-interest rates and capitalization requirements have challenged securing loans from conventional banks, pushing manufacturers to seek alternative funding sources to fuel their operations and expansion plans. Recognizing the evolving financial landscape, DBD Investment Bank adopts a strategic approach by tapping into the private debt markets. Private debt presents an alternative avenue for NJMEP clients to

secure financing outside the traditional banking system, offering flexibility and tailored solutions to meet the diverse needs of manufacturing businesses.

NJMEP clients, primarily operating in the manufacturing sector, require financing solutions that align with their industry's specific challenges and opportunities. From technology upgrades and equipment purchases to workforce training and expansion initiatives, the financial needs of manufacturing companies are diverse and often require a nuanced approach. DBD Investment Bank stands out as a strategic partner for NJMEP clients. With a team of experienced financial professionals, DBD Investment Bank understands the intricacies of the manufacturing sector, allowing them to design targeted and effective financing solutions.

Private debt markets often offer more favorable flexible terms and conditions compared to traditional banks. DBD Investment Bank leverages its expertise to connect NJMEP clients with private lenders who understand the manufacturing sector's intricacies and can provide financing with competitive structures and requirements. Private debt markets offer greater flexibility than traditional banks bound by stringent capitalization requirements. DBD Investment Bank can structure financing deals that align with the specific capital needs of NJMEP clients, allowing for customized solutions that facilitate growth without unnecessary constraints.

Additionally, private debt transactions often involve a more streamlined approval process, enabling NJMEP clients

to access funds quickly. DBD Investment Bank expedites the financing process, ensuring manufacturers can seize timely opportunities and navigate challenges without delays. DBD Investment Bank distinguishes itself by fostering a collaborative partnership with NJMEP clients. The bank's financial experts provide insightful guidance throughout the private debt financing process, offering strategic advice on structuring deals, negotiating terms, and optimizing financial outcomes for manufacturing businesses.

The Private Debt markets boast a significant advantage in their capacity to tailor financing options to meet the distinct needs of NJMEP clients. Whether a small business seeks working capital or a larger enterprise requires funding for expansion, DBD Investment Bank excels in customizing solutions that align with the specific scale and scope of financial requirements. Recognizing that financing is far from a one-size-fits-all solution, DBD Investment Bank collaborates closely with NJMEP clients. The bank delves into understanding its unique financing needs and expertly designs bespoke packages that address specific challenges, be it facilitating equipment upgrades, meeting working capital demands, or supporting expansion initiatives.

As NJMEP clients explore opportunities for expansion through acquisitions, DBD Investment Bank provides strategic financing solutions. The bank's experienced team collaborates with manufacturers to structure acquisition financing aligned with their strategic needs. DBD Investment Bank recognizes

that acquiring other companies requires meticulous planning and foresight. The experienced team at the bank engages in thorough consultations with NJMEP clients to understand their growth objectives, industry dynamics, and the specific opportunities presented by the targeted acquisition. This initial consultation lays the foundation for crafting a financing strategy aligned with the manufacturer's overarching business goals. No two acquisitions are the same, and DBD Investment Bank understands the importance of tailoring financing structures to the unique characteristics of each transaction. Whether the acquisition involves a competitor, a supplier, or a complementary business, the bank's financial experts collaborate closely with NJMEP clients to design structures that optimize capital utilization, mitigate risks, and enhance the overall success of the endeavor. Striking the right balance between debt and equity is crucial in any acquisition financing strategy. DBD Investment Bank works with manufacturers to determine the optimal mix, considering factors such as the financial health of the acquiring company, market conditions, and the risk tolerance of the stakeholders. This balanced approach ensures that the acquisition is financially viable and sustainable in the long run.

As NJMEP clients strategically plan for expansion and navigate the nuanced terrain of capital requirements in 2024, DBD Investment Bank emerges as a steadfast financial ally. Offering diverse financing solutions meticulously crafted for working capital, acquisitions, and various capital needs, the bank

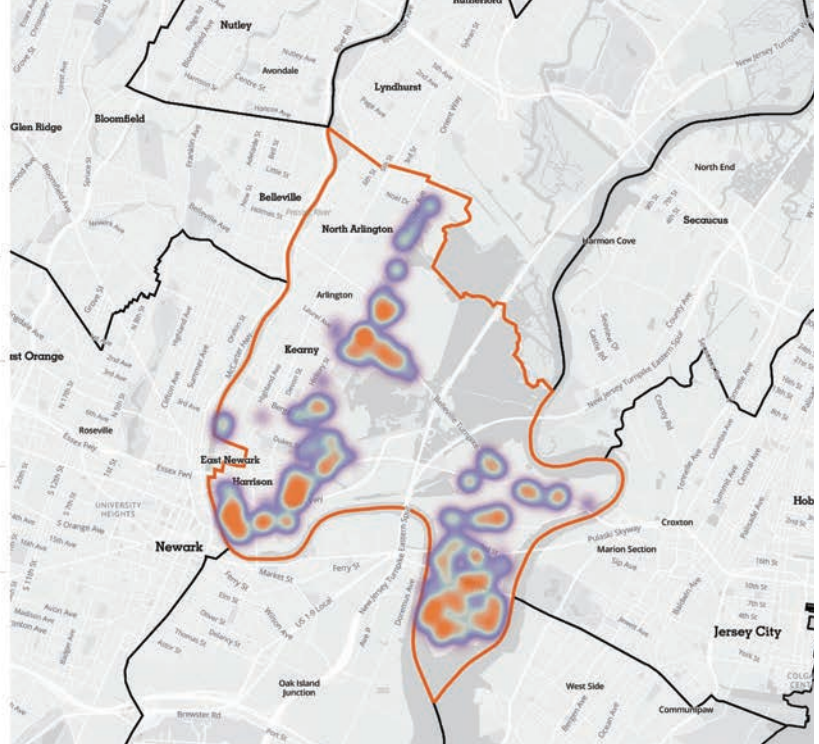
empowers manufacturers to actualize their objectives, foster innovation, and flourish within the ever-evolving manufacturing landscape. Through purposeful collaboration and personalized financial strategies, DBD Investment Bank remains unwavering in its dedication to propelling NJMEP clients forward on their path toward enduring growth and success.

We firmly believe in fostering transparent and accessible communication with our clients, and that's why we offer complimentary initial consultations free of charge and devoid of any commitment expectations. DBD Investment Bank's commitment to providing value starts from the first interaction. During these cost-free consultations, our experienced team thoroughly understands our clients' unique financial goals, challenges, and aspirations. This commitment to an obligation-free dialogue ensures that clients can explore our services, ask questions, and gain insights into potential solutions without any financial burden or pressure. We view these initial consultations as an opportunity to build trust, showcase our expertise, and demonstrate our dedication to tailoring financial solutions that precisely meet the needs of our clients. This commitment to transparency and client-centric communication sets the stage for a collaborative and mutually beneficial relationship as we work together toward financial success.

Industrial Market Snapshot

(Kearny Industrial)

Total Market	Class A
16.3 msf total square footage	2.2 msf total square footage
109 total buildings	13 total buildings
\$23.6 nnn average asking rent	\$26.2 nnn average asking rent
4.4% total vacancy rate	2.4% total vacancy rate



Industrial Submarket Report: Kearny

The Kearny industrial submarket spans the townships of Kearny, Harrison and North Arlington, consisting of 16.3M total square feet across 109 buildings. All of these properties have direct access off Exit 15W of the New Jersey Turnpike, which is the main artery for the U.S.'s northeast e-commerce distribution network. Kearny offers a range of industrial buildings that cater to various tenant needs. The buildings, mostly categorized as Class A and B, showcase modern specifications such as high ceiling clear heights, often 36 feet or more, indicative of their suitability for logistics and large-scale distribution operations. The properties in this submarket comprise premises that were constructed as early as the 1900s to projections into 2024, demonstrating a mix of established and cutting-edge facilities. This blend provides tenants with options to choose traditional spaces or opt for newer, state-of-the-art buildings.

For tenants and occupiers, this means access to a broad spectrum of industrial spaces that can support a variety of operations, from traditional storage and distribution to sophisticated logistics and e-commerce functions. The presence of recently constructed or renovated spaces also suggests that businesses can benefit from modern amenities and infrastructure, ensuring efficiency in their supply chain and distribution channels. Moreover, the Kearny area's location, with its proximity to the New Jersey Turnpike, allows for exceptional transport and logistics connectivity, making it a

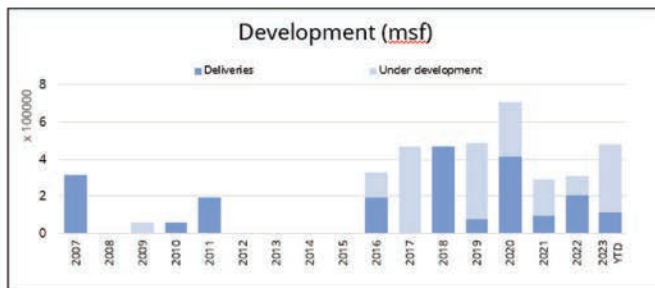
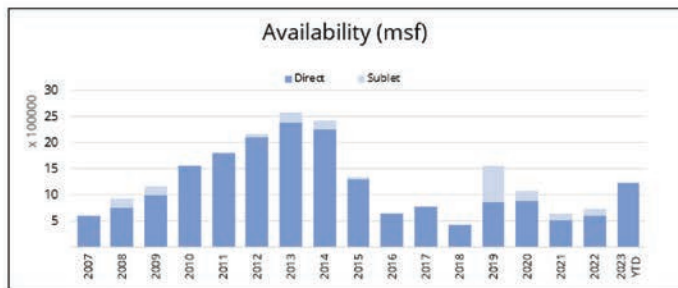
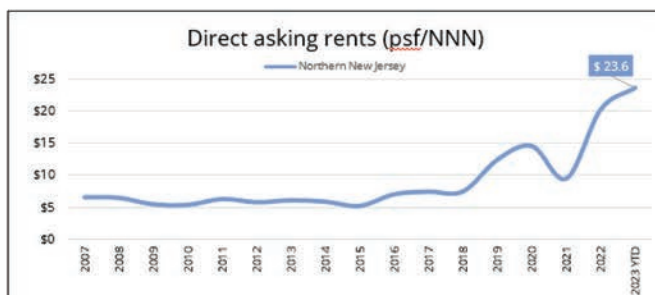
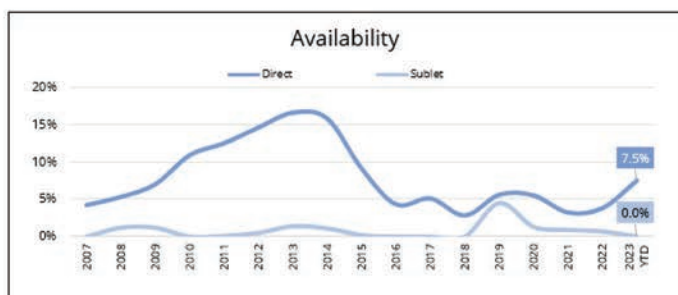
strategic choice for businesses looking to optimize their distribution operations in the Northeastern U.S., specifically to the consumer-rich areas of New York City, Boston, Philadelphia, and Washington D.C.

This submarket is also utilized by a range of tenants, including e-commerce giant Amazon, transportation service provider CDL Last Mile Solutions, automotive parts distributor Keystone Automotive, cold storage operator Lineage Logistics Services, courier service company FedEx, and logistics and transportation leader Schneider. These tenants represent the submarket's utility for various logistics, distribution, and service companies that address the supply demands of the greater Metropolitan area.

Trends/Forecasts

The Kearny industrial submarket is currently seeing the construction of three new buildings. The first, located at 936 Harrison Avenue in Kearny Township, is a Class A facility offering 211,287 square feet of space on a 17-acre site. Key features

Kearny industrial market indicators



include 38-foot clear ceiling heights, 41 tailgate loading docks, 64 trailer stalls, 251 car parking spaces, and a robust electrical supply with 3,000 amps, accommodating high-power usage. Completion is anticipated by the end of 2023. A second building, expected to be ready in Q1 of 2024, is situated at 100-140 Lincoln Highway, also in Kearny Township. It spans 164,000 square feet, which includes 4,800 square feet of mezzanine office space. This building boasts 40-foot clear ceiling heights, 34 loading docks, two drive-in doors, parking for 18 trailers and 82 cars. Its location along Lincoln Highway provides direct access to East Newark and proximity to the Hackensack River Waterfront. The third development, Porete Meadowlands Logistics Park, is at 12 Porete Avenue in North Arlington, with delivery also projected for Q1 of 2024. This property will offer 108,000 square feet of space, including 5,000 square feet of speculative office space. Features include 40-foot clear ceiling heights, 1,200 amps of power, an advanced ESFR sprinkler system, 20 tailgate loading docks, and

two drive-in doors. These three buildings represent 3% of the total industrial inventory at Kearny.

For occupiers and tenants, the ongoing development within the Kearny industrial submarket signifies enhanced options and opportunities. The introduction of these new facilities, featuring modern amenities such as high clear ceiling heights, ample loading docks, and generous power supplies, caters to a wide array of operational needs. Businesses requiring sophisticated logistics infrastructure, such as e-commerce platforms and distribution centers, will find the space and technical specifications conducive to efficient operations. Furthermore, their strategic locations offer excellent transportation links, facilitating easy access to key commercial routes and urban centers. The expansion of this submarket is poised to accommodate future growth and scalability for tenants, ensuring their ability to meet the evolving demands of commerce and industry.

Since 2016, the Kearny industrial submarket has witnessed a significant escalation in asking rents, reflecting a more competitive environment for tenants. The year 2016 saw an increase of 34.41%, with rents rising to \$7.07 per square foot. Subsequent years brought steadier growth, with 2017 seeing a 5.52% rise and 2018 a marginal increase of 0.54%. A substantial hike in 2019 marked a 66.13% increase, setting rents at \$12.46, signaling a sharp uptick in market demand and a squeeze on available premium space.

The growth persisted into 2020 and 2021, with rents climbing by 16.85% and 20.19% respectively, indicating that tenants were facing an increasingly expensive market. In 2022, the upward trend continued, albeit at a slightly slower pace of 15.60%, pushing rents to \$20.23 per square foot. The current year-to-date figure for 2023 shows a 16.66% rise in rents, now sitting at \$23.06 per square foot, reinforcing the pattern of robust market conditions.

Kearny's industrial submarket commands

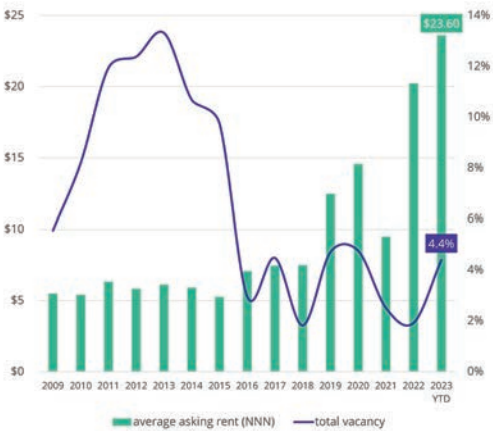
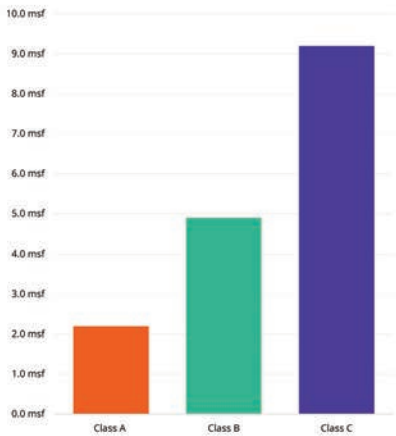
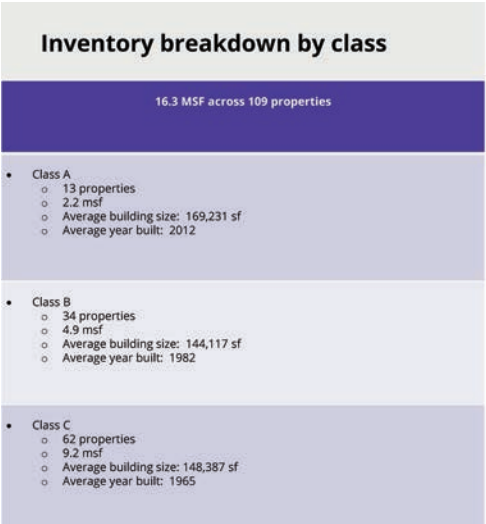
some of the highest asking rents in the state of New Jersey due to its proximity to key logistics hubs. Situated just 5 miles from the Port of Newark/Elizabeth—the principal container ship facility for goods entering and leaving the New York metropolitan area and the northeastern quadrant of North America—offers a significant logistical advantage. It also stands only 6 miles from New York City, granting access to a vast consumer market of 13 million people within a 20-mile radius. This prime location reduces transportation time and costs, vital for ‘just-in-time’ delivery models. Consequently, the demand for space in such a strategically positioned market drives higher asking rents, reflecting the premium on accessibility and efficiency that occupiers gain in this competitive landscape.

The vacancy rates in the Kearny industrial submarket have shown an inverse relationship with the increasing asking rents from 2013 to 2023, a trend that carries various implications for tenants. In 2013, with a total vacancy of 13.3%, asking rents were relatively low at \$6.13, but

as the vacancy rates began to decline, reaching as low as 1.8% in 2018, asking rents steadily increased, reflecting a tighter market. The sharp rent increase of 66.13% in 2019 coincided with a slight uptick in vacancy to 4.7%, possibly because four new, Class A industrial distribution centers were delivered

The increasing rents during this period highlight a growing premium on available spaces, pressuring tenants to either accept higher rates or seek alternative locations. The recent increase in vacancy to 4.4% in 2023 may offer some relief and more options for tenants, but the continued rise in asking rents by

16.66% indicates a sustained demand and a market that still favors landlords. Occupiers must, therefore, strategically approach lease negotiations and consider the long-term implications of these market dynamics on their operational costs.



The Tenant's Perspective

Tenants and occupiers within the Kearny industrial submarket have nearly quadrupled since 2007, in addition to the trend of decreasing vacancy rates until 2022, signify

a competitive environment with a premium on available spaces. This environment demands strategic lease negotiations to secure favorable terms amidst rising costs. The observed increase in rent per square foot, particularly post-2020, reflects a market

that year.

For tenants, the historical low vacancy rates, particularly between 2016 and 2022, signal a competitive environment with limited negotiation leverage due to high demand for industrial spaces.

New Jersey Industrial market activity

Quarterly leasing activity

Tenant name	Tenant Industry	Address	Size (sf)	Deal type	Space use	Landlord
EFulfill	Logistics, Distribution	600 Ridge Road, Piscataway	469,600	Direct/Sublease	Industrial	Prologis
Weida Freight Systems	Logistics, Distribution	400 Salt Meadow Road, Carteret	188,000	Direct/Renewal	Warehouse	Crow Holdings
Luxe Event Rental	Logistics, Distribution	1735 Jersey Ave., North Brunswick	175,000	Direct/New	Industrial	Saadia Group

Quarterly sales activity

Buyer	Address	Sale price	Sale price psf	Percent leased at sale	Seller
Faropoint	70-90 McKee Dr.	\$ 25,985,001	\$152.85	100%	Camber Real Estate Partners
Faropoint	91-97 McKee Dr.	\$ 21,662,255	\$177.71	70.4%	Camber Real Estate Partners
Service Tire Truck Centers	1900 Lower Rd.	\$ 21,000,000	\$306.57	100%	Turtle & Hughes
Marcus Partners	100 Fulton St.	\$ 20,900,000	\$188.04	100%	Dasco

Notable Development

Address	Subtype	Delivery	Building Size (sf)	Total available sf	Owner
3000 Valley Brook Ave, Lyndhurst	Distribution	Dec 2023	1.18 msf	1.18 msf	Russo Development
1 Malcolm Avenue, Teterboro	Warehouse	Sep 2023	515,420	515,420	Hartz Mountain Industries

adapting to new demands, potentially driven by e-commerce and supply chain shifts. Occupiers must navigate these market conditions with foresight,

considering the future trajectory of rent increases and the availability of suitable spaces. The market's path suggests a sustained demand for space in Kearny,

necessitating careful financial planning and space utilization for current and prospective tenants.

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