

# Bucks Prospectus

A Newsletter for  
Bucks County's Business & Industry  
Communities

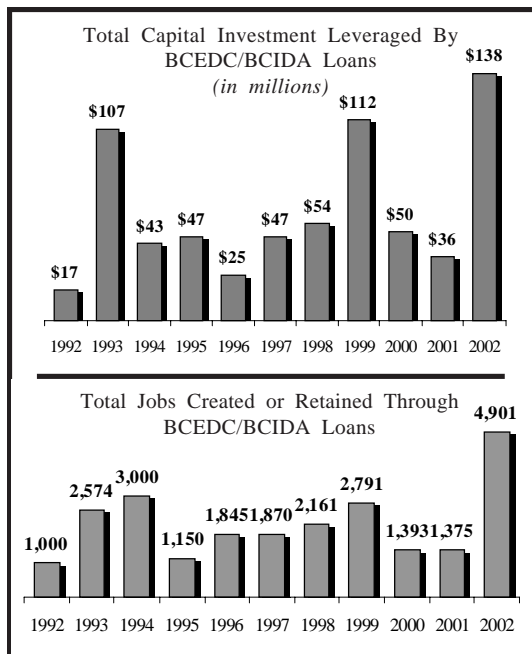


In partnership with the Bucks County Industrial Development Authority

## 2002 IN REVIEW: ONE OF OUR BIGGEST YEARS YET

Throughout Bucks County in 2002, BCEDC and BCIDA approved more than \$112,000,000 in low-interest loans to 15 borrowers, including 13 private companies and 2 nonprofit organizations. These loans will act as leverage for nearly \$138,000,000 million in capital investment. In addition, we closed on more than \$92,000,000 in financing approved in this or previous years. Most importantly, the companies that will benefit from these loans are committing to retaining or creating nearly 5,600 jobs for Bucks County and across the Commonwealth.

While 2002 ranked only behind 1999 in the total dollars lent through BCEDC/BCIDA in a single year, much of our financing activity was with borrowers which might not ordinarily be considered typical targets for economic development programs. For example, BCIDA approved four major tax-exempt bond projects in 2002, for borrowers including Pennsylvania Suburban Water Company (a private supplier of water and water treatment services), Pennswood Village (a nonprofit retirement community), Law School Admissions Council (the nonprofit administrator of the LSAT test) and Waste Management, Inc. (a private provider of solid waste handling and disposal services). These four projects accounted for more than \$100,000,000 of the \$112,325,000 approved by BCEDC and BCIDA in 2002. These projects were also unique in that the Pennsylvania Suburban Water Company and Waste Management projects included bond financing issued by BCIDA for use beyond the borders of Bucks County. Such multi-county bond issues are becoming more common throughout Pennsylvania, and allow borrowers to cost-effectively finance multiple capital investment projects by minimizing the up front costs to issue the bonds.



While BCIDA was active, BCEDC saw its own activity in 2002 with a variety of local companies providing a wide range of products and services. For example, J. Sharp's Landscaping borrowed through the Small Business First Fund and Business Builder Loan Fund to double the size of the company's headquarters facility in Tullytown. BriteClean, Inc., a tank truck cleaning and maintenance company in Bensalem, borrowed from the Bucks County Revolving Loan Fund to make necessary improvements to its facility, and Pizza Equipment International, Inc., relocated to Bristol Borough thanks to a combination of financing through PIDA, Small Business First and the Revolving Loan Fund. Pizza Equipment International, Inc. refurbishes and resells used restaurant equipment, primarily pizza ovens and related equipment.

BCEDC provides much more than financing to support our local companies. In 2002, we also:

- ✓ Responded to more than 250 companies or individuals seeking information about Bucks County as a potential location. BCEDC promotes Bucks County in national, regional and local print media. Our web site, [www.bcedc.com](http://www.bcedc.com) is an excellent marketing vehicle and information source, routinely receiving over 2,750 qualified visitors per month.
- ✓ Starting in 2002, [www.bcedc.com](http://www.bcedc.com) offers a new GIS mapping service in connection with our database of available real estate, making it even easier for companies to find the location they need to grow in Bucks County. The mapping

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# NOTEWORTHY NEWS

## PA DCED Reverses Itself on Prevailing Wage Ruling

As reported in the Fall 2002 edition of the Bucks Prospectus, the Pennsylvania Department of Community and Economic Development (DCED) recently announced that most loans and grants to private businesses for construction or renovation projects would be subject to review under the Pennsylvania Prevailing Wage Act. According to regulations, in publicly financed projects involving construction (including new construction and renovations), workers completing the construction must be paid "prevailing wages."

Following DCED's announcement, further discussions between DCED and the Pennsylvania Department of Labor and Industry have led DCED officials to reverse the Department's ruling, but only as it pertains to low-interest loans such as PIDA and Small Business First. However, construction projects funded through grant programs such as the Opportunity Grant Program, Infrastructure Development Program, or the Industrial Sites Reuse Program will continue to be reviewed for compliance with the Prevailing Wage Act. Prevailing Wage Act compliance is not required for tax-exempt financing projects approved through local Industrial Development Authorities (such as the BCIDA) or PEDFA.

## PIDA Rates and Participation Schedule Changes

The Pennsylvania Industrial Development Authority (PIDA) Board of Directors has approved changes to the interest rates charged on PIDA loans, and has also revised the maximum PIDA participation rates for Bucks County projects.

PIDA will fund 30% of the project cost (40% for businesses with fewer than 50 employees in Bristol, Bensalem, and Warminster Townships), up to \$1,250,000 (or \$1,750,000 for projects in the Enterprise Zone, Keystone Opportunity Zones, or at brownfields locations). Interest rates are based on the following schedule:

	<b>Interest Rate</b>
Bucks County (general rate)	5.00%
Bristol Twp.	4.00%
Enterprise Zone, Keystone Opp. Zones	3.00%
Brownfield Sites	3.00%
Advanced Technology Designated Projects	3.00%

## Small Business First Fund Lowers Interest Rates and Opens for Agri-businesses

The Pennsylvania Small Business First Fund has lowered its interest rate charged on loans from 5.0% to 3.75% and is now open for funding to assist Pennsylvania's agricultural production enterprises in expansion and modernization efforts. Projects must involve farming operations of at least 10 contiguous acres, with no more than 100 employees. Loans are generally limited to \$200,000 or 50% of the total project cost. Funds are available for land, buildings, machinery, and working capital. Contact BCEDC at (215) 348-9031 for more information.

*Bucks  
Prospectus*



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**BUCKS PROSPECTUS** is the quarterly newsletter of the Bucks County Economic Development Corporation (BCEDC). BCEDC, the official Economic Development Agency for Bucks County, is a nonprofit economic development corporation with a mandate to increase job opportunities for local residents through various programs.

# \$\$\$ The Bottom Line \$\$\$

A Regular Feature to Help Your Business Improve Its Profitability

## Staying Afloat During a Capital Drought

By Joel Cardis, Esq.



As the nineties ended, money blew into start-ups faster than Brian Mitchell on a punt return. The flood of venture money has now become drier than last week's pizza. Those rare deals that do close can contain such extreme terms that the entrepreneurs getting funded can't help wondering whether to celebrate.

"Keeping powder dry" has become a mantra among venture capitalists, meaning they are reserving money for portfolio companies instead of new deals. Moreover, for the deals they are willing to do, many fund managers have reduced risk by looking to later stage companies than before. The days of multi-million dollar deals for cocktail napkin business plans are long gone.

The depression in the stock market, however, doesn't depress the ability of entrepreneurs to come up with tomorrow's next big thing. So what can you do if you have an early stage company that needs – and deserves – money to grow?

### Make yourself a PACT

PACT stands for Planning and Presentation, Alternative Financing, Cost Containment and Time. Each element is critical for your company's ability to weather the capital drought and simultaneously make yourself more attractive to investors.

Planning and presentation means that you need to have a strong business plan and a solid presentation, and to update them—regularly. Updating a plan will make you look at whether you are sticking to your plan, or even whether you need to rethink it. This will help your internal operations, and will also prove beneficial in raising capital, as potential investors see you have the flexibility and intelligence needed to deal with a changing environment.

Updating your presentation is a natural consequence of updating your plan. Showing investors a presentation that doesn't represent your current plan just looks sloppy.

Alternative financing means familiarizing yourself with all available means of capitalizing your business, including banks, government loan and grant programs, incubator-based financing, factoring, credit cards, home-equity loans, lessor financing, angel investment and venture funding.

Cost containment means cutting your expenses. Renegotiate

any contract. Get better terms from your creditors. One client bought lab equipment on e-Bay for a tenth of its \$150,000 price tag. Trade organization memberships can sometimes provide savings on anything from office supplies to health care costs that far exceed membership fees.

Time means giving yourself more time than you might expect to do anything, especially since you will have to do even more yourself if the money isn't there to hire someone. Raising capital today takes longer and more time than it has in years. Few venture investments are being made in, so investors can proceed cautiously. The worst that happens to them is that they lose an opportunity. The worst that can happen to you is losing your business. But with the proper plan and execution, you can greatly increase your chances not only for survival, but for success

Joel Cardis is an author, attorney and consultant to emerging growth companies. He can be reached at [jcardisesq@comcast.net](mailto:jcardisesq@comcast.net).

### Contributors Wanted!

To submit a column with business advice suitable to the *Bucks Prospectus*, please contact Bill Maeglin at (215) 348-9031.

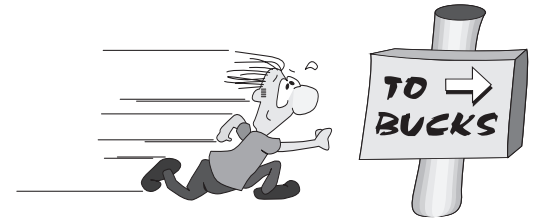
### SPOTLIGHT ON BUCKS BUSINESS

Do you know a Bucks County company that deserves to be recognized in the next edition of the *Bucks Prospectus*? Can you tell us about a business that has an interesting product or service, a good management story to tell, or has made significant positive impacts in our community?

If so, contact us at [info@bcedc.com](mailto:info@bcedc.com) or (215) 348-9031, extension 16, to make your nomination. If selected, your nomination will be profiled in the next edition of the *Prospectus*, which is mailed to more than 3,000 local, regional and state contacts. The *Prospectus* is also available to the public at [www.bcedc.com](http://www.bcedc.com).

Please take advantage of this great public relations opportunity for a local business, and help us promote Bucks County as a premier business location!

# COMPANIES ON THE MOVE



## Bensalem Township

**Industrial Sale** - 1820 Byberry Road, Bridgewater Industrial Park, 20,000 square feet to **FLC Partners, LLC**, on behalf of its related company, **Frankford Leather Company**. NAI Mertz Corporation represented the seller, 1820 Byberry Road Associates, while Tucker Realty Corporation represented FLC Partners LLC.

**Office Lease** - One Neshaminy Interplex, 1,197 square feet to **Aegis Mortgage Corporation**. The Neshaminy Interplex is owned and operated by Korman Commercial Properties.

**Office Lease** - Two Neshaminy Interplex, 1,197 square feet to **IMR Limited**.

**Office Lease** - Six Neshaminy Interplex, 2,068 square feet to **Insyte Business Partners LLC**.

**Office Lease (renewal)** - Seven Neshaminy Interplex, 13,323 square feet to **Steelworkers Pension Trust**.

**Office Lease (renewal)** - Four Neshaminy Interplex, 4,845 square feet to **Omega Electronic Sales, Inc.**

**Office Lease (renewal)** - Eight Neshaminy Interplex, 1,462 square feet to **Americredit Financial Services**.

**Office Lease (renewal)** - Three Neshaminy Interplex, 1,392 square feet to **Medical Staffing and Network**.

## Bristol Township

**Industrial Sale** - 970 River Road, Croydon Industrial Park, 16,100 square feet to **970 River Road Associates, LP**, on behalf of its related company, **Cooper Roofing**, a commercial roofing company currently located in Levittown. Roddy, Inc. represented the seller, North City Bus Armature, and the sale price was \$550,000.

**Industrial Lease** - Keystone Industrial Park, 30,800 square feet to **Clopay Building Products Company, Inc.**, a manufacturer of residential, commercial and industrial garage doors for new construction, repair and remodel markets. Colliers Lanard & Axilbund negotiated the lease with the building's owner, Pitcairn Properties.

**Industrial Lease (renewal)** - 200 Rittenhouse Circle, Keystone Industrial Park, 32,120 square feet to **Giles & Ransome, Inc.** for sale, service, parts and rental of material handling equipment. The lease was negotiated by Roddy, Inc., with property owner Whitesell Construction Company.

## Hilltown Township

**Industrial Sale** - 535 Schoolhouse Road, 44,922 square feet on 10.2 acres to **Garfield Edmunds, III**. The property will be utilized by **Alloy & Stainless Fasteners** as they expand their operations from Montgomeryville for the manufacture of nuts and bolts. NAI Mertz Corporation represented the seller, Telford Realty Associates, in the transaction.

## Lower Makefield Township

**Office Lease** - 800 Township Line Road, Lower Makefield Corporate Center (South Campus), 30,000 square feet to **ApotheCom Associates**. The Lower Makefield Corporate Center is marketed by Aegis Property Group on behalf of Berwind Properties.

**Office Lease** - 770 Township Line Road, Lower Makefield Corporate Center (South Campus), 34,000 square feet to **ATI Research**. The Lower Makefield Corporate Center is marketed by Aegis Property Group on behalf of Berwind Properties.

**Office Lease** - 770 Township Line Road, Lower Makefield Corporate Center (South Campus), 6,500 square feet to **DVC Healthcare**. The Lower Makefield Corporate Center is marketed by Aegis Property Group on behalf of Berwind Properties.

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## BCIDA Approves \$25,000,000 Tax-Exempt Bond Project

Bucks County Industrial Development Authority (BCIDA) has approved and closed a tax-exempt bond project valued at \$25,000,000.

**Waste Management of Pennsylvania, Inc. ("WMI")**, with landfill operations in Falls Township and Tullytown, was approved to borrow up to \$25,000,000 in tax-exempt bond financing through the BCIDA. WMI offers waste removal, disposal, storage and recycling services nationwide. The "Exempt Facilities" bonds will pay for the capital upgrades and improvements at WMI's Bucks County solid waste landfill centers, and in WMI facilities located in Allegheny, Cambria, Erie, Schuylkill and Somerset Counties. WMI employs more than 800 workers in Bucks County and 3,500 throughout Pennsylvania.

*NOTE: The companies listed in this report were approved for financing by the BCEDC or BCIDA, but may not have received necessary approval through state or federal funding agencies at the time of this printing.*

**\$** For information about the low-interest loans available through BCEDC & BCIDA, visit [www.bcedc.com](http://www.bcedc.com) or phone (215) 348-9031. **\$**

### BCEDC Board Member Named SIOR President

Congratulations to Peter Liebert, a member of BCEDC's Board of Directors, for being named President of the Philadelphia Chapter of the Society of Industrial and Office Realtors (SIOR) in 2003.

SIOR is a Washington, DC-based organization of 2,700 commercial real estate professionals, 2200 of whom have been designated "Specialist, Industrial and Office Real Estate" (SIOR). Mr. Liebert has held his SIOR designation for more than 13 years, and also holds leadership positions with the Pennsylvania Association of Realtors, the TriState Realtors Commercial Alliance, and is a Team Pennsylvania Ambassador.

For more information contact Peter Liebert at (610) 940-0120 or visit [www.sior.com](http://www.sior.com).

## COMPANIES on the MOVE (cont.)

**Office Lease** - 1010 Stoney Hill Road, Lower Makefield Corporate Center (North Campus), 2,500 square feet to **OSI Software**. The Lower Makefield Corporate Center is marketed by Aegis Property Group on behalf of Berwind Properties.

### Middletown Township

**Office Lease** - 670 Woodbourne Road, Cornerstone Executive Suites, 3,000 square feet to **AA National Mortgage Corporation**. Colliers Lanard & Axilbund negotiated the lease on behalf of Roach Properties, developer of the new four building, 65,000 square foot office complex.

### Milford Township

**Industrial Sale** - 4000 AM Drive, 150,000 square feet on 19.3 acres, to **CFC Logistics, Inc.**, a subsidiary of **Clemens Family Corporation**, also owner of Hatfield Quality Meats. CFC Logistics will provide cold storage, handling and distribution for regional food manufacturers. NAI Mertz Corporation represented the Clemens Family in the sale transaction with the Markward Group, Inc. representing the property's seller.

**Industrial Sale/Leaseback** - 2200 Kumry Road, 39,000 square feet on 7 acres to a private investment group, which will lease the property back to the seller/tenant, Universal Fabric Structures. The Markward Group, Inc. negotiated this transaction.

## 2002 In Review, From Page 1

service was funded through generous grant support by Commerce Bank, PPL, Inc. and Stampfl & Associates Architects & Engineering.

√ BCEDC also welcomed a new resource for small businesses to its headquarters in Doylestown. SCORE (the Service Corps of Retired Executives) Chapter 570, opened a new office at the BCEDC building, to better serve small businesses and entrepreneurs in the Central Bucks area. SCORE provides free counseling and low-cost workshops which enable new business operators to draw on the experience of SCORE's team of retired business executives.

√ The Federal Lands Reuse Authority of Bucks County (FLRA) succeeded in converting all but 8 acres of land at the former Naval Air Warfare Center in Warminster, into residential, commercial, and senior living uses. This major redevelopment project will provide tax revenues and more jobs for Warminster and the surrounding communities.

We look optimistically into 2003 and hope that the coming year will provide us with many opportunities to serve the business community of Bucks County, as we have in the past. Please contact us at (215) 348-9031 or visit [www.bcedc.com](http://www.bcedc.com) to become one of our partners in the New Year!



**Welcome New BCEDC Members**

Ralph J. Kelly  
**Abrahams Lowenstein &  
Bushman**  
*Full Service Commercial Law Firm.*  
(215)493-0727

Rebecca Wingenroth  
**Lockwood Greene**  
*Engineering & Construction*  
(610)796-6715

Michael F. Gettis  
**Colorcon, No-Tox Products**  
*Printing Inks & Coatings for Food,  
Medical and Pharmaceutical  
Industries*  
(215)661-2652

Louis A. Iatarola  
**Realty Appraisal Group Ltd.**  
*Real Estate Appraisal Services*  
(215)331-1551

Thanks for joining BCEDC  
and supporting economic development in Bucks County!

To become a BCEDC member, for complete contact  
information for all BCEDC members, or to learn more about  
BCEDC's programs and services, please visit  
[www.bcedc.com](http://www.bcedc.com).

**Biotechnology Strong in Bucks**

According to a recent list in the *Philadelphia Business Journal* (November 22-28, 2002), Bucks County is home to 8 of the 22 largest biotechnology companies in the Philadelphia region, ranked by total gross revenue:

- (3) Collagenex Pharmaceuticals, Inc. (Newtown)
- (5) 3-Dimensional Pharmaceuticals, Inc. (Yardley)
- (6) Quigley Corp. (Doylestown)
- (8) Polysciences, Inc. (Warrington)
- (9) Lampire Biological Laboratories, Inc. (Pipersville)
- (13) Ecogen, Inc. (formerly in Langhorne)
- (16) Discovery Laboratories, Inc. (Doylestown)
- (20) Photogen Technologies, Inc. (New Hope)



**BUCKS COUNTY ECONOMIC DEVELOPMENT CORPORATION**  
Two East Court Street  
Doylestown, PA 18901  
**RETURN SERVICE REQUESTED**