



Meeting Minutes

**Morris · Sussex · Warren  
Workforce Investment Board**

**Open Meeting**

**Date: September 27, 2012**  
**Location: Cannon Gate Catering, Picatinny Arsenal**

**IN ATTENDANCE:**

**Members**

Marie Betlow (Prime Time Personnel), Olga Burns (Employment & Training Services and **One-Stop Operator**), Ann Marie Flake (Saint Clare's Health System), James Graham (Warren County Regional Chamber of Commerce), David Hollowell (D & D Associates, **WIB Chair**), Carol Hults (Highlands State Bank), Rosalie Lamonte (Sussex County and Warren County Schools), Scott McGill (NJ Division of Vocational Rehabilitation Services), Ken Nerbak (Nerbak Jewellers), Terry Newhard (NORWESCAP), Carol Novrit (Sussex County Division of Social Services and Skylands Ride), Frank Pinto (Morris County Department of Human Services), Ed Rebholz (TheAdmins).

**Guests**

Stacy Crosson (Sussex County Technical School), Leslie Drew (Dover One-Stop Career Center), John Ehret (NJ Department of Labor/Workforce Development), Ray Gara (Warren County Technical School), Pat Green (Project Self-Sufficiency), Sean Hendricks (NJ Department of Labor/Workforce Development), Andrew Manganiello (Newton One-Stop Career Center), Mark Merclean (Picatinny Innovation Center), Jason Sarnoski (Warren County Board of Chosen Freeholders), Irene Schrader (Morris School of Technology), Terry Schweon (Morris County School of Technology), Richard Serrano (NJ Department of Labor/Workforce Development), Amanda Young (NJ Department of Labor/Workforce Development).

**Staff**

Jack Patten (**WIB Director**), Sallie Sullivan (Secretary to the WIB Director), Marin Regenthal (Secretary to the ETS Director).

**ABSENT:**

**Members**

William Austin, Paul Boudreau, Anne Marie Brown, Tammy Case, George Chando, James Dufford, Kenneth Edwards, Mary Emilius, David File, David Fiore, Robert Glowacky, George Krevet, Karen Kubert, Rosalie Lamonte, Anthony Macerino, Stephen Matthaey, Paul Mazur, Don Meng, Scott Moffitt, Kevin O'Donnell, Robert Peabody, Richard Ricca, Peter Rizzo, Kathleen Serafino, Steve Sitek, Mary Tucker, Bill Weightman, Ed Yaw.

*Prior to the September 27, 2012 Open Meeting, the following documents were posted on the WIB website ([www.mswwib.org](http://www.mswwib.org)) for review: May 24, 2012 Open Meeting minutes; July 10, 2012*

*Disability Committee minutes; July 25, 2012 Literacy Committee minutes; August 7, 2012 One-Stop Career Center Committee minutes; August 22, 2012 Executive Committee minutes; the WIB Director report; and, the One-Stop Operator report.*

## **Committee Discussions**

At 9:00 a.m., WIB members and guests visited committee stations and conferred with the chairs and staff on committee and other WIB issues. The guests enjoyed the opportunity to network with each other and WIB committee chairs, WIB Chair David Hollowell, WIB Director Jack Patten and One-Stop Operator Olga Burns.

## **WIB Business Meeting**

### **Meeting Opening Remarks**

At 9:31 a.m., WIB Chair David Hollowell opened the meeting by reading the Public Meeting Notice and welcoming everyone to the meeting. After those present introduced themselves, Chair Hollowell thanked Warren County Freeholder Jason Sarnoski for coming to the meeting, and welcomed new WIB Member James Graham, President & CEO of the Warren County Regional Chamber of Commerce.

### **Old Business**

Carol Novrit reminded the group that Sussex County now has transportation that leaves the county and goes to the Netcong train station. They are happy to report they are also seeing people use the system to come into the county for the college and community services. In addition, they can respond to individual calls for rides to specific locations.

### **New Business**

Ken Nerbak reported that Lt. Governor Kim Guadagno is presenting *NJ Resources for Business Growth*, a free event being held at Centenary College in Hackettstown on October 17, 2012. Those interested in growing their established business or getting help with a new one are encouraged to come to the event where representatives from many agencies will be present to answer questions regarding their programs and incentives. Those agencies include the NJ Business Incubation Network; Business Action Center; Board of Public Utilities; Economic Development Authority; Departments of Environmental Protection, Labor and Workforce Development and Treasury; Divisions of Purchase and Property, Revenue and Taxation; Small Business Development Center and more. Ken also noted that the Lt. Governor provides her cell phone number, and does answer it. Ken will be representing the Warren County Community College Small Business Growth Center. Ken also mentioned that Mark Merclean, the featured presenter at today's meeting, was the progenitor of the business incubator in New Jersey.

## **Meeting Topics**

### **Labor Market Discussion**

WIB Director Jack Patten introduced the labor market discussion, which was led by WIB business members. A lively discussion ensued.

**Marie Betlow** mentioned that computer skills are becoming increasingly important in health care occupations. She also identified the following job growth areas: software engineering, systems analyst, mobile applications, travel nurses, specialty physicians, pharmacists, occupational therapists, accounting and customer services.

**Ed Rebholz**, who has been in the IT business for 15 years, said they deal with IT in hospitals. He indicated high-paying jobs are out there, but not enough people with the needed skills. For

instance, he has to pay his engineers six figures to keep them, and not all of his people have four-year degrees. He has customers looking for staff people they can't find at the offered salaries. One of his companies is having a problem hiring people with the necessary skills and finds they have to go offshore to hire - not to save money, but to find the necessary talent.

With regard to training, he said New Jersey's reputation for technology innovations is improving. His main competitor was in Edison, but they were induced to move to California. Ed reiterated the need for training in emerging technologies to insure viable job placement.

**Carol Hults** is Vice President at Highlands State Bank, a small community bank in Sussex County. She indicated they're eager to do business and care about people and it is important to accommodate their needs. As a result, a lot of banking today is done with online banking. This could mean a shift in the bank needing teller positions. She said people do not need to visit banks in person nearly as much due to the convenience of online banking. It is important to have the technology, but it may mean a different focus on what positions are needed and available going forward.

Jack asked John Ehret, Labor Market Analyst for the NJ Department of Labor and Workforce Development (LWD), to share his insights with the group. John mentioned that, although it's said New Jersey is losing the pharmaceutical industry, the establishments in that sector have been growing within the state over the past few years. As many of the larger pharma companies are consolidating, New Jersey has the opportunity to attract smaller-to-mid-sized businesses into these state-of-the-art-facilities that they could not have afforded several years ago. In turn, New Jersey has a chance to grow related jobs as new establishments set up and expand in the State. He added that approximately 62% of the New Jersey workforce in Life sciences have a college degree or better.

When Roche recently looked for a location for an operation they were keeping on the East Coast, they considered New Jersey as well as other nearby states. They ended up going with New York because of the partnerships there between hospitals and universities. John stressed that these partnerships are important to keep and attract this industry-cluster.

John talked about Talent Networks, an initiative of LWD covering the industries that employ more than half of New Jersey workers and pay more than two-thirds of wages in the state. The goal of Talent Networks is to connect businesses in six key industries (Transportation, Logistics and Distribution; Life Sciences; Advanced Manufacturing; Financial Services; Healthcare; and, Technology and Entrepreneurship) with educational institutions, workforce development agencies, government and community groups to identify the skills and training Garden State employers require in prospective employees to remain competitive in the global market. John mentioned they have industry cluster newsletters, as well as studies available on LWD's website ([http://lwd.dol.state.nj.us/labor/lpa/pub/empecon/empeconomy\\_index.html](http://lwd.dol.state.nj.us/labor/lpa/pub/empecon/empeconomy_index.html)) for the Life Sciences, Health Care industry, Transportation, Logistics & Distribution, Financial Services, Advanced Manufacturing, and Leisure, Hospitality & Retail. In addition, he mentioned that LWD has regionally focused newsletters (<http://lwd.dol.state.nj.us/labor/lpa/pub/regfocus/regfocus-index.html>) that offer insight and analysis on the changing employment situation in New Jersey's regional labor areas.

Mark Merclean, Executive Director of the Picatinny Innovation Center, asked if any of the industries that John mentioned were aspirational - industries that the state was looking to actively grow and use to attract a workforce. Jack Patten remarked that since the industries mentioned were ones that already employed a majority of the workforce in New Jersey, he thought the state probably feels that job seekers would have a greater chance of success at this time with these industries.

WIB member James Graham asked how the work ethic is in New Jersey. Jack said soft skills have improved recently, but still present a problem for many companies. Jack said the number one soft skill was showing up for work.

## **Presentation - Picatinny Innovation Center (PIC)**

Mark Merclean, Executive Director of the Picatinny Innovation Center (PIC), shared his knowledge of business incubators, specifically the PIC at Picatinny Arsenal. Mr. Merclean has experience in mergers & acquisitions, product management, finance, and business development. He was formerly the CEO of a wireless software startup, CEO of a wireless systems company, and has been involved with 802.11 WiFi since its inception. He served as Director of Strategy for the Network Systems Group, a \$12B networking equipment company – among other positions. Mr. Merclean has a BA in Accounting and a MBA in Finance from Rutgers University, and served as President of the New Jersey Business Incubation Network<sup>1</sup> (NJBIN) for the year 2010.

During his presentation, Mr. Merclean defined “business incubator,” told how it works, and what results can be expected.

Incubators exist to create jobs and economic growth. While there are incubators that are “in the black” (the PIC is one), they are not a business. The goal of an incubator is to provide resources and support for small start up enterprises. These companies are typically comprised initially of several people who have an idea and need help getting started. In many cases, an incubator is interested in strategically targeted industries.

The Picatinny Innovation Center (PIC) is targeted towards high tech and presently has 22 tenants. They also have “virtual” tenants who occasionally use space for purposes such as meetings, but are not there all the time. Some of the companies there now are working on such diverse products as: batteries for automobiles, tanks and unmanned vehicles; a sterilization product that kills all pathogens; boron coatings; program management; and, product management.

The PIC was established in 1996 when Congress passed a law allowing them to be located on an army base and to receive certain services such as a custodian. The Army provides an advisor from Picatinny Arsenal since they are prohibited by law from being on the PIC Board. The PIC is a 501c3, and partners with County College of Morris, whose trustees are the shareholders.

Incubators often get seed fund grants from the state, and are able to offer loans, low-cost office space, furniture, fixtures, equipment and other support. In the case of the PIC, low-cost space is provided for a period of up to five years. Mentoring is available and an experienced team of business advisor volunteers help by coaching. Potential tenants who walk into the PIC’s door with a good idea for a product can literally get started in a day once they pass muster.

The probability of success exceeds that of the average small start up because of the due diligence by the PIC Executive Director and the Board of Directors, access to resources, and support. He added that there has been a noticeable decrease in the number of people coming to incubators in New Jersey lately, due in part to the fact that surrounding states offer more incentives to entrepreneurs. Mr. Merclean indicated it can be difficult to find entrepreneurs for an incubator, and suggested that people help to get the message out.

Chair Hollowell called for a motion to adjourn. Ken Nerbak made the motion, it was seconded, and the meeting was adjourned at 10:35 a.m.

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<sup>1</sup> NJBIN is one of the agencies that will be available to answer questions at the *NJ Resources for Business Growth* forum on October 17 (see “New Business”).