

## Manufacturing

# Manufacturing council: Other states vie to poach NJ companies

By David Hutter, June 7, 2018 at 8:20 AM



The Manufacturing Cabinet hosted its inaugural event on Driving Business Through Sustainability at the Madison Hotel in Morristown. - (WITHUMSMITH+BROWN)

Manufacturing jobs are growing in New Jersey, though some companies struggle to find enough skilled employees.

That was one theme at the “Driving Business Through Sustainability” event hosted by the manufacturing, distribution and logistics services group at WithumSmith+Brown, the Morris County Chamber of Commerce, the Somerset County Business Partnership and the New Jersey Manufacturing Extension Program. More than 100 people attended the forum at the Madison Hotel in Morristown.

Columbia University Professor William Russell, a principal of sustainability management consulting at company Transitioning to Green, said he has seen the lifecycle of manufacturing. “We have only one planet and we are doing a lot of damage to the planet,” Russell said.

Threats to manufacturing are that companies lack financial slack.

“The first down-turn in the economy they go bankrupt,” Russell said.



Manufacturing Cabinet Founders Jim Hannan, practice leader, manufacturing, distribution & logistics services group, Withum; John Kennedy, CEO, NJMEP; Paul Boudreau, president, Morris County Chamber of Commerce; and Mike Kerwin, president and CEO, Somerset County Business Partnership. - (WITHUMSMITH+BROWN)

Jim Hannan, a partner and practice leader in manufacturing, distribution and logistics at WithumSmith+Brown, said the roots of Somerset and Morris counties are in manufacturing.

“Manufacturing has never really left this area,” he said.

Manufacturing companies conduct business with companies related to wholesale, distribution, logistics, law firms, banks and accounting firms.

“These are high-paying technology-driven jobs,” Hannan said. “We are seeing a lot of insourcing.”

New Jersey Manufacturing Extension Program Executive Director John Kennedy said NJMEP is part of a national network. It employs manufacturing experts who consult companies and drive training.

“Most of us thought New Jersey manufacturing was dead,” Kennedy said. “The problem is they forgot to tell more than 11,000 manufacturing companies in New Jersey ... Everything you touch, drive in and fly in is manufactured. Part of the problem in New Jersey is we trash-talk ourselves.”

In visiting other states, Kennedy hears people belittle New Jersey. If they can beat New Jersey in home value, per capita income and public schools, go ahead, Kennedy said.



Bill Russell of Transitioning to Green and Professor of Green Accounting at Columbia University delivers the keynote address, presenting on sustainability insights for New Jersey manufacturing. - (WITHUMSMITH+BROWN)

Manufacturers need everything that every other business has, Kennedy said. Education and vendors have to understand the industry, he said.

Every week Kennedy hears from manufacturing companies in New Jersey who are being offered incentives from representatives of other states to move there.

Somerset County Business Partnership CEO Michael Kerwin grew up in Dunellen and thinks New Jersey is long past due to reconnect with its manufacturing heritage by playing offense.

“Bridgewater and Parsippany lead the pack in manufacturing jobs,” Kerwin said. “I think our states’ policies should support where the jobs are.”

Somerset County has a building dedicated to teaching employers how to get a manufacturing job, Kerwin said.

Paul Boudreau, president of the Morris County Chamber of Commerce, said manufacturing companies want to expand.

“We have small and large manufacturers,” Boudreau said. “We are very fortunate. Yet at the same time, we have challenges. We are not a low-cost state.”