

# Bucks Prospectus

## New Design, Same Great Features

As regular readers have probably already noticed, BCEDC introduces a new look for our quarterly communicate', the *Bucks Prospectus*. To improve one of our most regular and broad-reaching marketing tools, we have redesigned the newsletter and added additional pages for more content, photos, and graphics.

Complementing our new look in the newsletter will be a fully revamped web site at [www.bcedc.com](http://www.bcedc.com). With grant funding from PPL, Inc., BCEDC has incorporated a design style similar to what you find in our newsletter. As with the newsletter, changes to the web site will mean more content and graphics for our web site visitors. The casual visitor to the site will find more information about the "quality of life" in Bucks County, including sections on industry, the economy, housing, education, recreation, and more, with more photos to reflect the beauty that surrounds us in our County.

The updated web site will also be an even more valuable tool for professional site selection consultants. With the professionals in mind, we have greatly increased the amounts and types of data about our

The photos in our new masthead were chosen to reflect BCEDC and the history and diversity of Bucks County Business and Industry. From left to right: BCEDC's headquarters; the historic Delaware Canal (a vital conduit for early industry); the Grundy Industrial Commons in Bristol; a farm scene in Upper Bucks County; and a modern office complex in Lower Makefield. Our thanks to [bucksviews.com](http://bucksviews.com) for use of the Canal and Grundy photos.

County, including a data spreadsheet which follows the format recommended by the International Economic Development Council (IEDC). The data will enable site consultants to quickly locate and evaluate critical information for their clients, businesses which may wish to relocate into our community.

As always, we value the input of our readers and customers. If you have information or ideas for our newsletter or the web site, please contact us at (215) 348-9031, or email us at [info@bcedc.com](mailto:info@bcedc.com).

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# Noteworthy News

## PIDA Board Reduces Interest Rates

At its July 2nd meeting, the Board of the Pennsylvania Industrial Development Authority (PIDA), approved changes to the interest rate and loan participation schedule for PIDA loan projects, effective immediately. PIDA funds “bricks and mortar” real estate loans for industrial and large office projects, and has been a mainstay of BCEDC’s economic development program since 1958. PIDA borrowers may now qualify for rates as low as 2.75% (and as “high” as 3.75%), fixed for 15 years. Small businesses in Bristol Township may be eligible for up to 50% of the total project cost, while businesses elsewhere in the County may receive between 30 - 40% of the total project cost. Contact BCEDC at (215) 348-9031 or visit [www.bcedc.com](http://www.bcedc.com) for complete details.

## County Support Gives Dial Soap Property a Second Chance

In July, Preferred Real Estate Investments, Inc. completed the acquisition of the former Dial Soap plant on the Delaware River in Bristol Borough, now known as Island View Crossing, from the Bucks County Redevelopment Authority. The 180,000 square foot plant will be converted to Class A office space, with initial occupancy expected in late 2003. With the future construction of additional new offices at the site, Island View Crossing could become home to 2,000 new jobs. The County supported the project through the HUD 108 loan program, which leverages the County’s community development block grant funding to encourage significant economic development projects.

## TMA Launches Street Road RUSH Shuttle Service for Access to Jobs

On May 2nd, the Bucks County Transportation Management Association (TMA) launched its newest RUSH shuttle service to provide the unemployed with greater access to jobs in Bucks County. The Street Road RUSH public shuttle service provides peak-hour connections between SEPTA R-3 trains at Trevoise Station and businesses along Street Road in Bensalem, Lower Southampton, and Upper Southampton. Visit [www.rushbus.org](http://www.rushbus.org) or call the TMA toll-free at (866) 862-7433 for more information.

## Programs Scheduled for Women Business Owners

Sponsored by BCEDC, Weichert Realtors, and The Inner Passage Center, American Express Financial Services will present two seminars this fall to help women business owners plan for the financial future of their companies. To be held in Doylestown on September 17th and October 1st, the sessions will cover topics such as strategies to reduce tax liabilities, key insurance protection for businesses, ways to protect key employees, employee benefit options, and strategies for cashing out owners’ equity in the company when developing an exit plan from the business. For more information, call (215) 230-9198.

## 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 Candlewic Company: One Family's American Dream Fulfilled

The Candlewic Company is an organization that has been manufacturing and distributing a complete line of candle making supplies for the past 30 years both domestically and internationally. The family owned and operated entity is an industry leader in providing the candle making market with unparalleled service and expertise in order to assist candle makers in manufacturing products for the 3.2 billion dollar candle market. Candlewic's manufacturing capabilities, processing, purchasing, marketing, and sales mix has allowed the company to service candle makers of all sizes. The core business is supplying wholesale industrial supplies to regionally- and nationally-branded candle manufacturers, but Candlewic also markets retail supplies for the home crafter, industrial waxes for applications other than candles, scientific supplies, as well as many other applications involving specialty wax blends.

The Candlewic Company is the quintessential definition of the American Dream. The founders, Betty and William Binder Sr. started candle making as a hobby as a fun



and unique way to escape from the normal stress of working while maintaining a family of three children. What was once an activity for a local Cub Scout Troop slowly took over the family household and eventually blossomed into a corporation employing on average 40 employees in Bucks County, Pennsylvania.

"I remember making candles and selling them in front of our house as a little boy," states Candlewic's current President William Binder Jr. "I made 15 dollars profit at the days end. That was a lot of comic books and baseball cards in the 70's".

Today, the Candlewic Company is led by the next generation of Binder's who have taken the helm. The two brothers work together everyday to grow the business and maintain the commitment as industry leaders.

"There is an enormous amount of pressure to supply candle manufactures with high quality

supplies in this economy," confidently states David Binder the younger of the two siblings "We stay committed to our mission and put customers first as we weather the sluggish economy. Candle makers have come to depend on us due to our commitment to them which has helped us through the slower times."

The coming years are exciting for the Candlewic Company. Future plans include building a larger facility, expanding their market share in the retail sales division,

continued expansion in non-candle industries, and maintaining their global competitiveness for pre-manufactured wick assemblies. As the future unfolds, The Candlewic Company is poised to take their business to the next level in the never-ending pursuit of being the number one candle-making supplier in America.

For a glimpse of the impressive product mix offered by The Candlewic Company, you can visit them online at [www.candlewic.com](http://www.candlewic.com).



**If your company has a great story to tell, submit your idea to [info@bcedc.com](mailto:info@bcedc.com)!**

## Why Wait for Tax Deductions? Take Them Today. The Benefits of Cost Segregation Studies

Michael W. Donahue, CPA

The past few years have presented difficult financial times for many companies. Most have responded by reducing costs or searching for new products and services to present to their customers. In an ongoing effort to respond to a business' needs for increased liquidity and profitability, many owners have turned to recent favorable tax positions that allow them to deduct expenditures at an accelerated rate. These tax savings allow companies to have more cash available for needs other than tax payments. Oftentimes, the savings are so large that the deductions are carried-back to previous profitable years to obtain refunds of prior taxes paid.

If a business has placed real property in service after 1986, it should consider the tax and cash management benefits of implementing a **cost segregation study**. Here's the overall idea. Generally, when real property is either constructed or purchased, the taxpayer depreciates the cost over thirty-nine years on a straight-line basis. Alternatively, if the building can be viewed as an aggregate of its components as opposed to a single structure, there may be an opportunity to depreciate specific items over seven or fifteen years on an accelerated depreciation method. The increased tax depreciation means less current taxes that need to be paid to the authorities and more that can be reinvested into the business.

Who are typical users of such a study?

Generally, any business can benefit by utilizing these studies. However, the following factors make the study particularly attractive:

- a) The property is used in manufacturing or retail,
- b) The property's cost basis is in excess of one million dollars,
- c) The owners of the property intend to hold the property for at least the next five years and
- d) The owners are in high tax brackets.

Here's how it works.

If you feel as though you have a property that fits most of the above criteria, contact your tax adviser to see if your fact pattern is consistent with the recent favorable IRS pronouncements. Once you have decided there is some advantage to such a study, you and your tax adviser

should contact a reputable engineering or architectural firm skilled in performing such studies. The reputation and experience of the professional performing this study is of utmost concern to withstand possible attacks from the taxing authorities. The accountant and engineer should be in a position to give you a cost/benefit analysis of performing the study. You will be amazed at some of the savings. In some cases, up to 55% of the costs are moved from slow depreciating real property to rapidly depreciating personal property.

The trick is to start the process of evaluating the benefits of a cost segregation today as opposed to later since the premise is that a deduction today is worth more than a deduction tomorrow.

*Michael W. Donahue, CPA is a director of Tax Services for Kreisler, Miller & Co. He has a wide range of experience in providing creative tax strategies for the closely-held business owner. You can contact Michael @ (215) 441-4600, X148 or via email, [mdonahue@kmco.com](mailto:mdonahue@kmco.com).*

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### Contributors Wanted!

To submit a column with business advice suitable to the *Bucks Prospectus*, please contact BCEDC at (215) 348-9031 or submit it by email to [info@bcedc.com](mailto:info@bcedc.com).

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## EMPLOYMENT LAW ALERT: HOW ARBITRATION AGREEMENTS AND EMPLOYEE HANDBOOKS CAN SAVE YOU MONEY AND ELIMINATE CLAIMS

Ralph J. Kelly, Esq.

Every employer is faced with a myriad of potential lawsuits from unhappy employees. Discrimination, harassment, disability, family medical leave act are but a few of the claims that may be brought against a company. Even the most frivolous claims can end up costing thousands of dollars in legal fees and more in lost productivity. Employers can take two simple steps that can go a long way towards limiting- if not eliminating - these suits. I'm talking about arbitration agreements and employee handbooks. Sadly, many companies are needlessly exposing themselves to claims and costly legal proceedings by not taking advantage of recent changes in the law.

**First: Arbitration.** Arbitration is widely considered to be cheaper and faster than jury trials. Most companies, if given the choice, would rather submit their employment disputes to a panel of arbitrators than face a jury. Well, employers can do just that. Recently, the United States Supreme Court held that employment discrimination suits can be arbitrated.

Care must be taken in implementing an arbitration agreement. Standard arbitration agreements may not be upheld in the employment context. Issues such as who bears the cost and what remedies are available may affect whether or not the agreement is enforceable. One thing is certain: an employer cannot wait until a claim is

made. The agreement must be in place before that time.

**Second: Employee Handbooks.** An employer can limit its liability if the company has an adequate system in place to investigate an employee's claims of discrimination. Depending on the claim, an employee's claim can be limited - the claim may even be dismissed - if the employer has such a system in place and the employee does not give the employer notice of the claim and a chance to take appropriate action.

Companies need certain legal safeguards to prevent unwanted litigation. Arbitration agreements and employee handbooks are two necessary ways to accomplish this goal.

*Ralph J. Kelly is a Bucks County attorney with over twenty years experience litigating and counseling companies on employment matters. He can be reached at [rkelly@e-alb.com](mailto:rkelly@e-alb.com) or 215-587-0905.*

BCEDC Congratulates the Bucks County:

Health Improvement Project, Redevelopment Authority, & Planning Commission

Recipients of the 2003 Partnership Award from the Bucks Co. TMA

## WOULD YOUR COMPANY BENEFIT FROM INFORMATION TECHNOLOGY INTERNS?

Bucks County Housing Group (BCHG) is a private, non-profit organization whose goal is to provide its clients with opportunities to earn an income that can sustain a family's housing. To this end, they opened a Cisco Networking Academy in the fall of 2002.

Cisco Systems is the worldwide leader in networking for the Internet. The Cisco Networking Academy Program is a comprehensive 280-hour course that teaches students to design, build and maintain computer networks.

Tests are administered by Cisco. Forty-two students (including 32 women) signed up for the rigorous training. When the course is completed this August, these highly motivated and mature students will be available for internships. Your company pays no fee.

Benefits of sponsoring an intern:

- ✓ Productive work completed by interns adds value to your business.

**CISCO Academy**

*(Continued on page 7)*



## Bensalem Township

**Industrial Lease** - 500 State Road, 42,000 square feet owned by Coventry Associates to Alstyle Apparel, a manufacturer and distributor of t-shirt apparel, which plans to create approximately 20 new jobs in Bensalem. Colliers Lanard & Axilbund represented the landlord in the lease negotiations.

**Office Lease** - One Neshaminy Interplex, 2,251 square feet to Alpha Modeling Group. The Neshaminy Interplex is owned and operated by Korman Commercial Properties.

**Office Lease** - One Neshaminy Interplex, 2,450 square feet to Jefferson Health Systems.

**Office Lease** - Two Neshaminy Interplex, 2,100 square feet to Gazer, Kohn, Mayer & Co.

**Office Lease (expansion)** - Four Neshaminy Interplex, 2,846 square feet to Rudolph, Pizzo & Clark, LLP.

**Office Lease (renewal)** - Five Neshaminy Interplex, 3,640 square feet to Hyperion Solutions.

**Office Lease (renewal)** - Six Neshaminy Interplex, 4,403 square feet to Preferred Care, Inc.

## Bristol Township

**Industrial Sale** - 2100 Frost Road, Keystone Industrial Park, 70,000 square feet owned by Pitcairn Properties to Interprint, Inc., a Journal Register Company, one of the nation's largest publishers of daily/weekly newspapers and mass circulated community periodicals. CB Richard Ellis was the sole brokerage in the sale negotiations.

**Industrial Lease** - Bristol Industrial Park, 300,000 square feet, to Burlington Coat Factory, a national department store retail chain. Colliers Lanard & Axilbund represented the landlord, BJ's Wholesale Club, in the lease negotiations.

**Industrial Lease** - Crossings Drive, Keystone Industrial Park, 36,412 square feet to Acculogix, Inc., a pharmaceutical company. The landlord, TA Associates, was represented by Colliers Lanard & Axilbund.

## East Rockhill Township

**Industrial Sale** - 1501 West Park Avenue, 10,000 square feet, to Hydro-Instruments, a manufacturer of industrial equipment. Markward Group, Inc. brokered the sale and represented the seller, MNOP Group.

## Lower Makefield Township

**Office Lease** - 770 Township Line Road, Lower Makefield Corporate Center (South Campus), 19,998 square feet to Wolters Kluwer Healthcare, a publisher in the healthcare arena. The tenant was represented by Insignia/ESG, while Aegis Property Group brokered the lease on behalf of the landlord, Berwind Property Group, Ltd.

**Office Lease** - 770 Township Line Road, Lower Makefield Corporate Center (South Campus), 7,915 square feet to American Express, who was represented by Trammell Crow.

**Office Lease** - 770 Township Line Road, Lower Makefield Corporate Center (South Campus), 5,265 square feet to Construction Data Corporation, a publisher of construction project data. CRESA Partners and Corporate Realty Advisors represented Construction Data Corporation in the transaction.



## Companies On the Move

(Continued from page 6)

### Milford Township

**Office Lease** - 2100 Quaker Pointe Drive, 3,763 square feet, to Clinical Analysis Corporation. Markward Group, Inc. represented 2100 Quaker Pointe Associates and PREIT represented the tenant in this lease negotiation.

### New Britain Township

**Industrial Lease** - 100 High Point Drive, 13,000 square feet to U.S. Filter, an industrial water filter company, in a lease negotiated by Colliers Lanard & Axilbund.

**Industrial Lease** - 171 New Britain Boulevard, New Britain Business Park, 21,690 square feet to Colorcon, No-Tox Products Division, an international industry leader in the production of non-toxic inks and coatings for the pharmaceutical and food industries. Nappen & Associates is the developer and landlord of the facility.

### Newtown Township

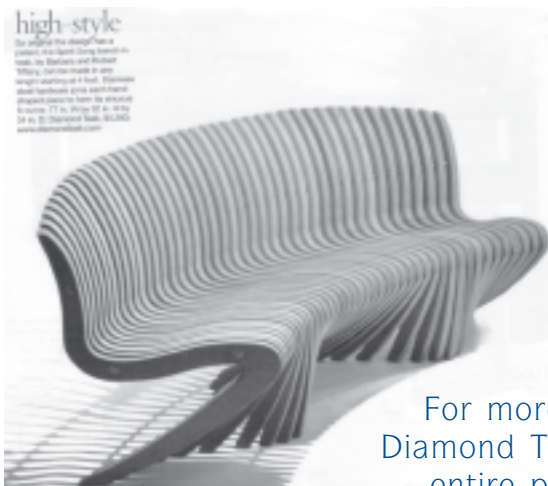
**Office Lease** - 110 Terry Drive, Newtown Industrial Commons, 19,700 square feet to Vantage Technologies, a local software company concentrating on applied artificial intelligence research. Colliers Lanard & Axilbund represented the landlord, 110 LP.

### Northampton Township

**Industrial Sale** - 1010 Pulinski Road, Jacksonville Road Industrial Park, 26,500 square feet to Jacksonville Road Properties, which will lease the facility to Suburban Marble & Granite. Tucker Realty Corporation was the sole brokerage in the transaction.

**Industrial Lease** - 157 Railroad Drive, Northampton Industrial Park, 9,600 square feet to Rapid Deployment Products, Inc., which produces plastic spineboards, immobilizers, and rescue sleds. Tucker Realty Corporation represented the landlord, Vincent and Lisa Visco, and was also the sole broker in the lease negotiations.

Congratulations to Diamond Tropical Hardwoods of Sellersville, whose "Spirit Song" teakwood bench collection was recently featured in *This Old House* magazine.



For more information on Diamond Tropical Hardwood's entire product line, visit [www.diamondteak.com](http://www.diamondteak.com).

## CISCO Academy

(Continued from page 5)

- ✓ Sponsoring an intern provides an excellent opportunity to recruit permanent staff to meet organizational needs.
- ✓ Utilizing interns is an effective strategy to address skill shortages and develop human resources.
- ✓ Your company can help address the digital divide by providing excellent training opportunities for students working toward self-sufficiency.

(Continued on page 8)



# Welcome New Members

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Niki N. Arakelian

**Cooler Solutions, Inc.**

Horsham, PA

*Sales and Marketing, Support Representative for  
Beverage-Air Equipment and Transaction Electronics*  
(215) 672-7712

Kim Harding

**Lenape Communications**

Perkasie, PA

*Graphic Design, Web Page Development Services  
and Advertising Agency*  
(215) 257-5575

*Thank you  
for Joining BCEDC!*

## CISCO Academy I.T. Interns

*(Continued from page 7)*

- √ Internships can be “Project-Based” such as cabling new offices.

To sponsor an intern, or for more detailed information, please contact:

Jodee Thompson, Job Developer  
Bucks County Housing Group  
Cisco Networking Academy Program  
215.598.3566 x 68  
[jthompson@bchg.org](mailto:jthompson@bchg.org)

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Two East Court Street  
Doylestown, PA 18901

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