

**NEW JERSEY COMMERCE, ECONOMIC GROWTH
AND TOURISM COMMISSION**

AND

**NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY**

NEW JERSEY BUSINESS EMPLOYMENT INCENTIVE PROGRAM

ANNUAL REPORT

Fiscal Year 2005

Business Employment Incentive Program (BEIP) Annual Report FY 2005

In accordance with P.L. 2003, c.166, the New Jersey Commerce, Economic Growth and Tourism Commission, in consultation with the New Jersey Economic Development Authority (EDA), submits this report on Fiscal Year 2005 activity for the Business Employment Incentive Program (BEIP). As indicated by statute, the report includes the following: the number of BEIP agreements entered into by the state during FY 2005, and a description of each; the number of jobs created under each project; the new income tax revenue received from withholdings; the amounts awarded to each project as grants, and an update on the status of projects under each agreement.

Program Description

BEIP is a vital economic development tool with proven results in encouraging businesses to locate and expand in New Jersey. By providing annual cash grants based on new jobs created, the program serves as a key incentive for encouraging economic growth in New Jersey.

BEIP grants, administered by the EDA and marketed aggressively by Commerce, may be granted for up to 10 years and can equal 10% to 80% of the total amount of state income taxes generated by the grantees' newly created jobs during the calendar year. To qualify, a business must demonstrate that the BEIP grant is a "material" factor for expanding or relocating jobs in New Jersey, that it is financially viable, and that it will create a minimum number of jobs. New Jersey retains the balance of new income tax revenue generated by the new jobs and is the beneficiary of growth from other ancillary revenues, such as Sales and Corporation Business Taxes, which spin off from economic development.

The EDA gives greater consideration to positions that average 1.5 times the minimum wage during the grant agreement. Qualifying businesses must maintain the project in New Jersey for at least 1.5 times the number of years of the grant. The State Treasurer must certify that the amount of the withholdings received from the business for the new employees at least equals the grant amount. Point of final purchase retail facilities are not eligible for BEIP grants.

Overall BEIP Activity

From BEIP's inception in 1996 through October 2005, the EDA has executed 230 BEIP grants worth approximately \$674 million, supporting the creation of an estimated 49,517 new jobs and leveraging \$9.7 billion in total public/private investment. To date, these BEIP grants have created 53,205 actual jobs, exceeding estimates by nearly 7 percent.

FY2005 BEIP Activity

During FY 2005, the EDA executed BEIP grant agreements with 32 businesses. (*Note that executed projects are those in which the projects have been approved by the EDA Board, and a signed agreement between the company and the EDA has been finalized.*) The 32 projects are expected to create approximately 4,477 new jobs in the next decade, with estimated grant totals of nearly \$40.4 million over the term of the grant contracts (which in most cases is 10 years). These projects are anticipated to invest a total of \$260.5 million in private funds in New Jersey. As of October 2005, businesses representing these 32 projects have reported the actual creation of 1,191 new jobs. In many cases, no new gross income tax has yet been reported to the EDA by the company, as the recipient companies are not required to do so until they have reached their minimum job creation threshold.

Attached is a list of all the above projects which executed a BEIP grant agreement in FY 2005, (*Exhibit A*), which includes the date of approval and execution, award percentage, grant term, estimated job creation total, jobs created to date, estimated grant award total, disbursed funds to date, total project costs, project location, cities/states of origin, and new Gross Income Tax.

Also attached is a chart (*Exhibit B*) reflecting all BEIP grants executed to date since the inception of the program, including the FY 2005 projects.

Study of Economic Benefits of BEIP

In October 2005, EDA released a study of BEIP conducted by Dr. Joseph J. Seneca, Dr. James W. Hughes, and Will Irving of the Edward J. Bloustein School of Planning and Public Policy at Rutgers University. In addition to a broad study of the program since inception, the study also included an overview of 88 BEIP grants that were approved in FY 2005 (*Note that an "approved" BEIP grant is one which has been approved by the EDA Board of Directors, but may not yet be executed.*)

The study showed that a majority of the 88 approved FY 2005 BEIP projects are within the manufacturing (40.9%), professional and business services (20.5%) and financial activities (15.9%) sectors. The study also showed that the FY 2005 awards have gone primarily to projects creating fewer than 200 jobs (84%), while a large share of the estimated jobs to be created (42.7%) are expected to come from projects creating 500 jobs or more.

According to the study, the BEIP projects approved in FY 2005 are estimated to generate an increase of \$1.7 billion in gross state product on an annual basis, or approximately \$96.80 for each tax dollar spent on the awards. They are also expected to generate state tax revenues of \$84 million, or \$4.70 for each dollar in tax expenditures. In addition to the 12,318 estimated jobs to be created by the projects, the economic activity they generate is estimated to result in the creation of an additional 10,391 jobs, for a total of 22,709 jobs.

In terms of an overall review of BEIP-assisted companies (183 awarded and executed projects from 1997 to February 2005 that have created at least ten jobs each), the study concluded the following:

- The BEIP awards and the jobs created by the 183 BEIP projects studied are distributed across a broad range of business sectors, but are most highly concentrated in the key manufacturing, financial activities, and professional and business services sectors.
- To date, the 183 businesses that have received BEIP disbursements have created nearly 52,000 new, permanent jobs. Economic activity generated by BEIP businesses also has led indirectly to the creation of another 58,000 jobs.
- Annual sales tax revenues are estimated to increase by nearly \$350 million from the direct and induced economic impact of the nearly 52,000 jobs and associated economic activity created by BEIP projects.
- The total economic impact of the BEIP-assisted businesses add approximately \$8.4 billion annually to New Jersey's gross state product. For every dollar spent on BEIP, New Jersey's gross state product increases by \$88.

Another observation included in the report relates to the effectiveness of the program in actually influencing business location and expansion decisions. According to the report, given the magnitude of the benefit-to-cost ratios estimated, there is a wide range of flexibility in terms of assessing the net effectiveness of the BEIP awards.

One way to present the effectiveness is to calculate the percentage of the total jobs supported by the BEIP awards that, if solely attributable to the BEIP awards, would still lead to, at the least, a neutral return per tax dollar spent (i.e., a benefit-to-cost ratio of one). The report takes a conservative approach, estimating this percentage in terms of the BEIP effects on state tax revenues and not in terms of the program's broader impact on gross state product (where the average ratio of gross state product per tax dollar spent is 88).

Thus, if only 27.2% of the 51,665 direct jobs supported by BEIP were actually located in New Jersey because of the BEIP awards (i.e., the other 72.8% of the jobs would have located in New Jersey anyway with or without BEIP), the state tax revenue to state expenditure ratio would be one, indicating tax neutrality.

The conclusion is that the state would receive back \$1 in tax revenue for each tax dollar of BEIP expenditure. More generally, if only one job out of approximately every 3.7 jobs supported by BEIP exists in New Jersey *because* of BEIP, then the program would still be state tax neutral.

A summary of the study's findings is attached (*Exhibit C*). A full copy of the report can be accessed at www.njeda.com or www.policy.rutgers.edu/beipbenefits.pdf

For monthly updates on executed BEIP projects, visit: www.njeda.com/beip_activity.asp

Program History

2004 Program Modifications

In 2004, the New Jersey Policy Perspective, a non-profit and nonpartisan research and educational organization, published the report “Taking Care of Business - Does it Cost Too Much?” The report analyzed BEIP to determine the program’s effectiveness and to make recommendations for improvements. In response to the report, State Treasurer John McCormac asked Rutgers University’s Edward Bloustein School of Policy and Planning to study the program and determine if the recommendations made by the report are valid and to make any other recommendations necessary to more effectively manage the program.

Based on the Rutgers’ study, the EDA Board of Directors adopted a number of modifications to the program in October 2004, including requiring BEIP recipients to maintain 80% of their statewide employment (documented at the time of their application) for the grant commitment period, and the institution of new guidelines governing additional incentives for jobs created in excess of the employment commitment.

In addition, at the recommendation of the study, the EDA will move forward with commissioning a periodic BEIP impact study. And, in order to increase public access to information, in 2004, EDA began posting regularly updated reports of BEIP activity on the EDA website (www.njeda.com).

In October 2004, the EDA Board of Directors also adopted additional modifications to enhance the program based on internal program review, including regulations allowing the Authority to: seek full repayment of funds if a company moves out of state; withhold, reduce or terminate payment of a grant or any portion thereof should a BEIP company default on the grant agreement, such as moving out of state, and recapture grant monies already paid to the company in the event of default.

2003 Enhancements to BEIP

In September 2003, amendments were made to the BEIP Act to enhance the program, making it available to a larger range of businesses, with more targeted focus on technology-based industries.

The changes include the following:

- *Accelerating Business Growth and Job Creation*
The program now has a lower overall job growth threshold for all applicants. Originally, a business had to create 75 new jobs to be eligible (unless they were located in a targeted municipality, in which case the threshold was 25). This threshold is now 25, regardless of location.

- *Fostering High Tech/Biotech Industry Growth by Lowering Job Threshold to 10*
The new BEIP aims to target job growth in the high tech/biotech industries by lowering the job creation threshold to 10.
- *Targeting Specific Industries by Increasing Grant Formula Score by 5%*
An additional 5% has been added to the score for industries identified by the New Jersey Council of Economic Advisors as the cornerstone of New Jersey's economy. These industries include high tech/biotech, pharmaceuticals, financial services, transportation and logistics.
- *Encouraging Smart Growth by Increasing Grant Award by up to 30%*
BEIP applicants may be eligible for a grant award of up to 50%, equivalent to the total amount of the State income taxes withheld by the business during the calendar year for the new employees hired. The new BEIP allows an increase of up to 80% if the company utilizes Smart Growth principles. These include: locating in State Planning areas 1 and 2, an Urban Coordinating Council Municipality, "distressed" municipalities, brownfield sites, near mass transit, in a center designated by the State Planning Commission, or in an area designated by a locality as an "area in need of redevelopment;" linking with some housing production or renovation; or locating in close proximity to and working cooperatively with a public or non-profit university on research and development.
- *Streamlining Reporting Process*
Under the old BEIP, companies were required to submit a full payroll report each year, up to 10 reports for a 10- year grant. Under the enhanced BEIP, they are required to submit only three full reports, unless a company's payroll report raises questions or contains inconsistencies. The EDA will allow existing BEIP recipients the option of converting to the revised streamlined reporting process.
- *Providing a Stable Source of BEIP Funding*
The 2003 amendments gave the EDA the power to issue bonds, backed by a State contract, to fund the payment of BEIP grants in any year in which a state appropriation is not available for the grants. This change provides a more stable and flexible funding mechanism for the program and reflects the Administration's commitment to ensuring that BEIP recipients receive the funding upon which they rely. In 2003, the EDA issued bonds for a total of \$59 million for BEIP disbursement payments for FY 2004.

The amendments also authorized the EDA to use residual BEIP withholdings to support Designated Industries Economic Growth and Development projects. In 2003, the Joint Budget Oversight Committee approved an EDA bond resolution totaling \$60 million to fund such projects. To date, the EDA had committed \$35 million of these bonds funds for the following programs: \$10 million for Springboard II Fund, providing recoverable grants to start-up life sciences and high tech companies; \$10 million for investment in the new Garden State Life Sciences Venture Fund, and \$15 million for the expansion/construction of technology commercialization centers within the newly established Innovation Zones in Camden, Newark and the greater New Brunswick area.

- *Allowing for New Recipients*

The new law also expands BEIP benefits to companies that could not take advantage of the program due to New Jersey's reciprocal agreement with Pennsylvania. Under this agreement, New Jersey employers pay no withholding taxes in New Jersey on employees who reside in Pennsylvania. The new law allows BEIP awards to be made to companies that meet all the criteria, but would otherwise be hindered by the reciprocity agreement. This initiative allows new jobs brought by a company to the state with the BEIP incentive -- but held by a Pennsylvania resident -- to be factored into the BEIP grant to the employer. Grants for this initiative are generated by the residual income from the BEIP program statewide.

Name of Business	Approval Date	Closing Date	%	Term	Est Jobs	Jobs to date	Est. Grant Amount	Disb. to date	Total Project Cost	New GIT	Location	Originating City/Location	L.D.	Project Type	Industry Type
AAA Mid-Atlantic, Inc.	2/10/2004	12/27/2004	50	10	90		\$785,925	\$0	\$10,500,000	\$0	Mount Laurel Twp., Burlington	Pennsylvania	8	Services	finance, insurance & real estate
Accurum, Inc.	6/8/2004	8/18/2004	70	4	70	9	\$381,360	\$0	\$250,000	\$0	Jersey City, Hudson	Jersey City	31-32-33	Services	professional services
Amdocs, Inc.	10/12/2004	6/9/2005	80	10	60		\$933,900	\$0	\$1,500,000	\$0	Jersey City, Hudson	CA, MA,NY & Ontario	31-32-33	Services	professional services
American Bank Note Holographics, Inc.	11/9/2004	4/22/2005	55	10	110		\$863,940	\$0	\$10,000,000	\$0	Washington Twp., Mercer	MA,NY,PA	30	Services	art/entertainment/recreation
Antenna Software, Inc.	5/11/2004	3/31/2005	80	10	20		\$437,120	\$0	\$850,000	\$0	Jersey City, Hudson	New York City	31-32-33	Services	
Aurobindo Pharma LTD, Inc.	3/9/2004	9/14/2004	60	10	150		\$441,000	\$0	\$26,500,000	\$0	South Brunswick Twp., Middlesex	South Brunswick Twp.	14	Manufacturing	pharmaceuticals
Barclays Capital Services, LLC	11/12/2003	7/14/2004	65	10	205	304	\$3,185,416	\$0	\$40,500,000	\$116,003	Hanover Twp., Morris	New York	26	Services	finance, insurance & real estate
Celgene Corporation	2/10/2004	5/26/2005	80	10	600	82	\$6,086,250	\$0	\$35,000,000	\$137,705	Summit City, Union	Summit City	21	Manufacturing	pharmaceuticals
Component Technology, Inc.	11/12/2002	8/24/2004	55	7	50	90	\$60,637	\$0	\$1,400,000	\$34,971	Millville City, Cumberland	Millville City	1	Manufacturing	other manufacturing
Corporate Synergies Group, Inc.	10/12/2004	12/29/2004	65	10	256		\$3,984,640	\$0	\$3,500,929	\$0	Mount Laurel Twp., Burlington	Mt. Laurel	8	Commercial	finance, insurance & real estate
Dava Pharmaceuticals, Inc.	12/13/2004	4/25/2005	70	10	40		\$931,560	\$0	\$170,000	\$0	Fort Lee Boro, Bergen	New York	38	Manufacturing	retail store/commercial sales
DIRECT GROUP, LLC and MCR DIRECT MAIL, LLC	7/13/2004	4/1/2005	75	10	630		1904175	0	3125000	\$0	Swedesboro Boro, Gloucester	Logan Twp.	3	Commercial	professional services
Equity One, Inc. and Popular Financial Management	11/9/2004	6/7/2005	80	10	120		\$470,400	\$0	\$12,457,768	\$0	Cherry Hill Twp., Camden	Cherry Hill Twp.	6	Commercial	finance, insurance & real estate
Fortis Financial Services LLC	3/9/2004	8/12/2004	80	10	60	35	\$1,311,360	\$0	\$19,100,000	\$143,659	Jersey City, Hudson	New York	31-32-33	Services	finance, insurance & real estate
Government Employees Insurance Company	1/11/2005	5/25/2005	50	3	150		706050	0	1500000	\$0	Evesham Twp., Burlington	New York	8	Commercial	finance, insurance & real estate
Home Care Industries, Inc.	7/13/2004	10/25/2004	60	6	30		\$34,020	\$0	\$30,000	\$0	Clifton City, Passaic	Clifton City	34	Manufacturing	apparel/textile products
Home Decor Products, Inc.	12/13/2004	5/27/2005	40	10	48		150624	0	1600000	\$0	Sparta Twp., Sussex	Edison, NJ	24	Distribution	wholesale

Lazard Freres & Co., LLC	7/13/2004	10/21/2004	80	6	25	26	\$672,000	\$0	\$750,000	\$6,289	Jersey City, Hudson	New York	31-32-33	Office Facility	finance, insurance & real estate
marketRX, Inc.	12/9/2003	8/13/2004	70	10	40	40	\$183,792	\$0	\$573,840	\$46,201	Bridgewater Twp., Somerset	Bridgewater Twp.	16	Services	professional services
McLane New Jersey, Inc./McLane Company, Inc.	9/10/2002	9/14/2004	60	10	320	335	\$704,640	\$0	\$29,500,000	\$147,176	Upper Penns Neck Twp., Salem	Texas	3	Distribution	wholesale
Medical Diagnostics Laboratories, LLC	6/8/2004	12/27/2004	55	10	75	30	\$201,702	\$0	\$9,200,000	\$3,993	Hamilton Twp., Mercer	Mount Laurel	14	R&D	professional services
Medidata Solutions, Inc.	10/12/2004	12/27/2004	55	10	60		\$642,010	\$0	\$1,150,000	\$0	Edison Twp., Middlesex	Manhattan, NY	18	Services	communications
Merlin Industries, Inc.	11/12/2002	3/11/2005	45	10	76	57	\$58,500	\$0	\$3,500,000	\$9,039	Hamilton Twp., Mercer	Trenton	14	Manufacturing	apparel/textile products
MRS Associates, Inc. ("MRS" or the "Company")	12/13/2004	5/26/2005	55	10	200		\$443,300	\$0	\$400,000	\$0	Cherry Hill Twp., Camden	Cherry Hill Twp.	6	Services	business management & supplies
Party City Corporation	6/8/2004	9/30/2004	55	10	66		\$872,260	\$0	\$9,431,950	\$0	Rockaway Twp., Morris	Rockaway Boro	25	Retail	retail store/commercial sales
Phillips Van Heusen Corporation	7/13/2004	12/28/2004	55	10	27	42	\$263,000	\$7,539	\$3,000,000	\$13,708	Bridgewater Twp., Somerset	Maine	16	Retail	apparel/textile products
Picasso Lighting Inc. d/b/a Bernard Pecaso	11/12/2002	7/14/2004	55	10	50		\$45,738	\$0	\$3,690,000	\$0	Hillside Twp., Union	New York	29	Distribution	other manufacturing
SG Americas Operational Services Inc. / SG America	1/11/2005	4/22/2005	80	10	350		\$10,088,400	\$0	\$14,101,200	\$0	Jersey City, Hudson	NY	31-32-33	Commercial	finance, insurance & real estate
Sony BMG Music Entertainment	12/13/2004	6/20/2005	70	10	304		\$2,867,480	\$0	\$5,000,000	\$0	Lyndhurst Twp., Bergen	New York	36	Services	other manufacturing
Sun Chemical Corporation	6/8/2004	2/1/2005	55	10	30		\$286,860	\$0	\$8,797,470	\$0	Parsippany-Troy Hills Twp., Morris	Parsippany-Troy Hills Twp.	26	Office Facility	other manufacturing
Tribeca Oven Inc.	5/11/2004	2/4/2005	45	10	100	128	\$122,500	\$0	\$800,000	\$17,380	Carlstadt Boro, Bergen	Brooklyn, NY	36	Manufacturing	food products
Zimmer Trabecular Metal Technology, Inc.	9/14/2004	12/28/2004	55	10	65	13	\$283,437	\$0	\$2,680,000	\$0	Hanover Twp., Morris	Hanover Twp.	26	Manufacturing	other manufacturing

Total Executed: 32

4,477 1,191 \$40,403,996 \$7,539 \$260,558,157 \$676,124

Name of Business	Approval Date	Closing Date	%	Term	Est Jobs	Jobs to date	Est. Grant Amount	Disbursed to date	Total Project Cost	Location	Originating City/Location	L.D.
A.C. Moore Arts, Inc/ A.C. Moore Arts & Crafts	12/11/2001	12/28/2001	50	10	76	76	\$153,140	\$0	\$35,615,000	Berlin Boro, Camden	Berlin Boro	6
AAA Mid-Atlantic, Inc.	2/10/2004	12/27/2004	50	10	90		\$785,925	\$0	\$10,500,000	Mount Laurel Twp., Burlington	Pennsylvania	8
ABN AMRO Incorporated	6/11/2002	6/26/2002	80	8	500	445	\$1,211,800	\$1,286,744	\$20,000,000	Jersey City, Hudson	New York	31-32-33
Accurum, Inc.	6/8/2004	8/18/2004	70	4	70	9	\$381,360	\$0	\$250,000	Jersey City, Hudson	Jersey City	31-32-33
ACS State Healthcare, LLC and ACS Enterprise Sol	12/13/2004	7/26/2005	80	7	278		\$1,089,760	\$0	\$8,515,000	Hamilton Twp., Mercer	Hamilton Twp.	14
AIG SunAmerica Asset Management Corp.	6/12/2001	6/26/2001	80	10	147	148	\$1,928,640	\$1,210,498	\$11,400,000	Jersey City, Hudson	New York	31-32-33
Altana, Inc.	1/9/2001	1/25/2001	55	10	75	80	\$882,431	\$0	\$465,000	Parsippany-Troy Hills Twp., Morris	New York	26
Altana, Inc.	8/12/2003	12/29/2003	65	10	174	25	\$3,426,364	\$0	\$8,100,000	Florham Park Boro, Morris	Florham Park Boro	26
Amdocs, Inc.	10/12/2004	6/9/2005	80	10	60		\$933,900	\$0	\$1,500,000	Jersey City, Hudson	CA, MA, NY & Ontario	31-32-33
American Bank Note Holographics, Inc.	11/9/2004	4/22/2005	55	10	110		\$863,940	\$0	\$10,000,000	Washington Twp., Mercer	New York, Pennsylvania & M	30
American Home Assurance Company and Affiliates	7/9/2002	12/11/2002	70	10	400	280	\$8,563,500	\$1,002,854	\$12,000,000	Jersey City, Hudson	New York	31-32-33
American Home Assurance Company and Related	7/11/2000	12/27/2001	80	10	589	780	\$4,638,000	\$1,642,033	\$24,730,000	Berkeley Heights Twp., Union	New York, Pennsylvania	21
American Mortgage Express Corp.	5/16/2003	10/6/2003	60	10	150	77	\$869,850	\$0	\$2,482,000	Mount Laurel Twp., Burlington	Cherry Hill, New Jersey	8
Ansell Healthcare Products, LLC	9/10/2002	11/4/2002	55	10	75	93	\$720,480	\$0	\$825,000	Red Bank Boro, Monmouth	Ohio	12
Antenna Software, Inc.	5/11/2004	3/31/2005	80	10	20		\$437,120	\$0	\$850,000	Jersey City, Hudson	New York City	31-32-33
Apex Xpress, Inc.	1/13/2004	3/8/2004	80	10	76	47	\$476,976	\$0	\$550,000	Jersey City, Hudson	New York	31-32-33
Astor Chocolate Corp.	11/10/1998	12/1/1998	50	10	47	86	\$98,000	\$53,147	\$100,000	Lakewood Twp., Ocean	Lakewood Twp.	30
AT Systems Atlantic, Inc.	9/11/2001	9/27/2001	40	10	80	40	\$100,800	\$0	\$3,175,000	Edison Twp., Middlesex	Edison Twp.	18
AT&T Corp.	9/9/1997	12/2/1997	60	10	185	452	\$1,313,940	\$217,617	\$302,000,000	Middletown Twp., Monmouth	Middletown Twp.	13

Atco Rubber Products, Inc.	10/8/2002	12/17/2002	55	10	65	31	\$100,555	\$0	\$2,425,000	Vineland City, Cumberland	Baltimore, Maryland	1
Aurobindo Pharma LTD, Inc.	3/9/2004	9/14/2004	60	10	150		\$441,000	\$0	\$26,500,000	South Brunswick Twp., Middlesex	South Brunswick Twp.	14
AURORA LOAN SERVICES, INC. and LEHMAN BROTHERS IN.	11/9/2004	7/20/2005	65	10	210		\$1,273,390	\$0	\$7,910,000	Florham Park Boro, Morris	Florham Park Boro	26
Aventis Pharmaceuticals, Inc.	2/11/1997	6/24/1997	60	10	440	861	\$2,784,000	\$3,846,691	\$98,000,000	Bridgewater Twp., Somerset	MI,OH, France, Germany	16
Aventis Pharmaceuticals, Inc.	10/12/1999	10/29/1999	80	10	1400	1829	\$21,795,200	\$4,291,940	\$59,000,000	Bridgewater Twp., Somerset	Bridgewater Twp.	16
Ball Plastic Container Corp.	12/10/1996	6/19/1997	80	10	115	169	\$315,560	\$460,281	\$57,676,000	Delran Twp., Burlington	Delran Twp.	7
Bank of New York, The	3/11/1997	3/6/1998	80	10	241	477	\$1,245,488	\$1,194,175	\$5,368,000	Maywood Boro, Bergen	Harrison, NY	37
Bank of New York, The	1/12/1999	1/10/2000	70	10	130	133	\$274,780	\$161,208	\$6,816,989	Lodi Boro, Bergen	New York	38
Barclays Capital Services, LLC	11/12/2003	7/14/2004	65	10	205	304	\$3,185,416	\$0	\$40,500,000	Hanover Twp., Morris	New York	26
Barnes & Noble College Booksellers, Inc and	1/14/2003	3/12/2004	65	10	180	222	\$1,342,800	\$54,418	\$2,100,000	Bernards Twp., Somerset	New York	16
Barnes & Noble, Inc.	8/12/1997	10/7/1997	40	10	402	1017	\$337,680	\$794,298	\$11,000,000	Jamesburg Boro, Middlesex	Jamesburg Boro	14
Barr Laboratories, Inc. and Subsidiaries	12/10/2002	8/11/2003	60	10	150	224	\$1,969,200	\$713,312	\$7,600,000	Woodcliff Lake Boro, Bergen	New York	39
Berg East Imports, Inc.	2/10/2004	6/14/2004	45	10	35	51	\$49,613	\$0	\$3,650,000	Barrington Boro, Camden	Barrington Boro	5
Berlex Laboratories, Inc.	10/10/2000	10/27/2000	60	10	85	213	\$1,115,880	\$1,214,724	\$11,320,000	Montville Twp., Morris	Montville Twp.	26
Best Manufacturing Group LLC and affiliates	3/9/2004	5/8/2004	80	10	57	72	\$705,432	\$0	\$1,000,000	Jersey City, Hudson	New York	31-32-33
Bind Rite/Union Graphics LLC	7/14/1998	7/29/1998	40	10	100	170	\$199,600	\$365,366	\$9,000,000	Carlstadt Boro, Bergen	Linden, NJ	36
Biovail Pharmaceuticals, Inc.	4/8/2003	9/8/2003	65	10	200	182	\$4,325,100	\$0	\$12,750,000	Bridgewater Twp., Somerset	North Carolina	16
BJ's Wholesale Club, Inc.	7/13/1999	2/28/2000	50	10	225	262	\$453,550	\$57,703	\$27,562,500	Burlington Twp., Burlington	Pennsylvania	7
Blinds to Go, Inc.	7/8/1997	8/25/1997	60	10	198	222	\$872,000	\$332,902	\$21,000,000	Lakewood Twp., Ocean	Lakewood Twp.	30
BOC Group, Inc. The	3/11/1997	6/25/1997	60	10	185	156	\$673,400	\$105,142	\$7,345,000	Lebanon Boro, Hunterdon	TN,AL,IL,MA,MI,PA,IN,VA	23
Brandywine Senior Care, Inc.	10/14/2003	12/29/2003	60	10	50	32	\$480,000	\$0	\$150,000	Mount Laurel Twp., Burlington	Pennsylvania	8
Bristol-Myers Squibb Company	6/10/1997	8/22/1997	80	10	500	1780	\$4,200,000	\$12,570,796	\$197,200,000	Hopewell Boro, Mercer; New Brunswick City, Middlesex; Lawrence Twp., Mercer	Seattle, Washington	15

Burlington Coat Factory Warehouse Corporation	6/13/2000	11/7/2002	50	10	425	167	\$669,550	\$660	\$24,050,000	Edgewater Park Twp., Burlington	Edgewater Park Twp.	7
CACI Technologies, Inc.	12/10/1996	6/19/1997	50	10	75	310	\$496,080	\$85,902	\$2,296,000	Oceanport Boro, Eatontown Boro Monmouth	Virginia	11
Cadent, Inc.	12/11/2001	12/28/2001	50	10	100	59	\$142,500	\$0	\$6,700,000	Fairview Boro, Bergen	To be determined	
Cape May Foods, Inc.	8/8/2000	8/23/2000	55	10	28	58	\$152,796	\$20,442	\$7,737,500	Millville City, Cumberland	Nanticoke, Maryland	1
Capture Resource, Inc.	8/13/2002	8/28/2002	70	7	200	15	\$233,240	\$1,462	\$365,000	Millville City, Cumberland	Millville City	1
Cardinal Health 110, Inc.	8/10/1999	2/8/2000	70	10	125	273	\$320,250	\$314,823	\$15,752,571	Logan Twp., Gloucester	Allentown, PA	3
Cardinal Health PTS, LLC	1/11/2000	2/8/2000	70	10	205	212	\$2,219,950	\$0	\$57,735,000	Franklin Twp., Somerset	Franklin Twp.	17
CareGain, Inc.	4/13/2004	5/25/2004	55	10	80	5	\$856,020	\$0	\$1,665,000	East Windsor Twp., Mercer	Monroe Twp, NJ	12
Celgene Corporation	2/10/2004	5/26/2005	80	10	600	82	\$6,086,250	\$0	\$35,000,000	Summit City, Union	Summit City	21
Cendant Corporation	11/13/2001	3/20/2002	60	8	200	163	\$1,360,000	\$125,099	\$200,000	Parsippany-Troy Hills Twp., Morris	Phoenix, Arizona	26
Cendent Car Rental Group	2/13/2001	3/1/2001	70	10	300	607	\$2,029,650	\$709,810	\$1,500,000	Parsippany-Troy Hills Twp., Morris	Garden City NY	26
Chubb Corporation, The	2/8/2000	3/8/2002	65	10	250	426	\$1,569,750	\$603,797	\$398,092,000	Readington Twp., Hunterdon; Warren Twp., Somerset	Readington Twp.	23
Colgate-Palmolive Company	3/14/2000	3/31/2000	60	10	126	129	\$1,471,176	\$206,392	\$44,221,000	Morristown Town, Morris	Morristown Town	25
Collins Stewart Tullett Holdings, Inc.	1/11/2005	7/7/2005	80	10	105		\$7,958,864	\$0	\$25,908,450	Jersey City, Hudson	NY	31-32-33
Comcast of New Jersey II, LLC	2/13/2001	7/25/2001	65	10	250	344	\$511,875	\$0	\$6,600,000	Voorhees Twp., Camden	Several NJ Locations	6
Comcast Telecommunications, Inc. et. al.	9/14/2000	10/10/2000	80	10	528	581	\$6,534,530	\$0	\$40,125,000	Moorestown Twp., Burlington; Mount Laurel Twp., Burlington	Philadelphia, PA	8
Component Technology, Inc.	11/12/2002	8/24/2004	55	7	50	90	\$60,637	\$0	\$1,400,000	Millville City, Cumberland	Millville City	1
Connecticut General Life Insurance/CIGNA Healthcar	12/8/1998	5/28/1999	70	10	225	264	\$2,676,704	\$3,001,124	\$13,177,000	Jersey City, Hudson	New York City, NY	31-32-33
ConocoPhillips Services, Inc.	10/13/1998	10/29/1998	60	10	75		\$417,600	\$0	\$250,000,000	Linden City, Union	Linden City	22
Continental Airlines Inc.	7/8/1997	11/19/1997	60	10	175	45	\$753,900	\$16,639	\$30,870,500	Newark City, Essex	Newark City	27-28-29
Continental Airlines, Inc.	5/9/2000	5/26/2000	70	10	174		\$1,339,190	\$0	\$825,000,000	Newark City, Essex	Newark City	27-28-29
Corporate Synergies Group, Inc.	10/12/2004	12/29/2004	65	10	256		\$3,984,640	\$0	\$3,500,929	Mount Laurel Twp., Burlington	Mt. Laurel	8

Covance, Inc.	4/8/1997	7/3/1997	80	10	200	231	\$974,400	\$1,408,166	\$34,000,000	West Windsor Twp., Mercer	West Windsor, NJ	14
Credit Lyonnais S.A.	7/9/2002	7/24/2002	65	8	71	58	\$721,760	\$127,670	\$6,600,000	Woodbridge Twp., Middlesex	New York	19
Daniel F. Young, Inc.	10/10/2000	10/27/2000	50	10	36	41	\$366,754	\$70,311	\$600,000	Jersey City, Hudson	New York	31-32-33
Dava Pharmaceuticals, Inc.	12/13/2004	4/25/2005	70	10	40		\$931,560	\$0	\$170,000	Fort Lee Boro, Bergen	New York	38
DB Investment Managers, Inc.	11/13/2001	11/30/2001	55	10	80	107	\$1,464,000	\$799,763	\$20,015,000	Summit City, Union	Summit City	21
Dialogic Corporation	9/9/1997	10/31/1997	50	6	400	302	\$861,600	\$226,465	\$12,000,000	Parsippany-Troy Hills Twp., Morris	Parsippany-Troy Hills Twp.	26
Direct Fulfillment, LP	1/11/2000	1/27/2000	40	10	120	129	\$675,680	\$199,540	\$5,500,000	Washington Twp., Mercer	Upper Freehold Twp.	30
DIRECT GROUP, LLC and MCR DIRECT MAIL, LLC	7/13/2004	4/1/2005	75	10	630		\$1,904,175	\$0	\$3,125,000	Swedesboro Boro, Gloucester	Logan Twp.	3
Dow Jones & Company, Inc.	10/19/2001	11/8/2001	65	10	155	397	\$1,960,595	\$1,246,207	\$3,750,000	South Brunswick Twp., Middlesex	New York	14
DPC Cirrus Inc.	6/8/1999	6/25/1999	50	10	118	194	\$362,260	\$68,583	\$10,195,000	Mount Olive Twp., Morris	Mount Olive Twp.	24
DS Distribution Inc., and DS Pharmacy, Inc.	8/10/1999	11/30/1999	60	10	151	279	\$1,370,480	\$337,773	\$30,000,000	Logan Twp., Gloucester	Logan Twp.	3
Duro Bag Manufacturing Co., Inc.	3/12/2002	3/27/2002	75	7	180	255	\$355,446	\$324,032	\$3,000,000	Elizabeth City, Union	Elizabeth City	20
E. P. Henry Corporation	11/12/2002	12/30/2003	55	10	102	25	\$274,890	\$0	\$21,500,000	Wrightstown Boro, Burlington	Woodbury, NJ	7
Echosphere Corporation	6/12/2001	6/7/2002	75	10	525	659	\$1,319,060	\$13,489	\$4,868,093	Montville Twp., Morris	Montville Twp.	26
Engineered Arresting Systems Corp	11/12/2003	2/17/2004	50	10	45		\$413,280	\$0	\$3,779,560	Logan Twp., Gloucester	Pennsylvania	3
Equity One, Inc. and Popular Financial Management	11/9/2004	6/7/2005	80	10	120		\$470,400	\$0	\$12,457,768	Cherry Hill Twp., Camden	Cherry Hill Twp.	6
Euromarket Designs, Inc. d/b/a Crate & Barrel	11/12/2002	4/16/2003	60	10	127	116	\$307,292	\$0	\$8,400,000	Cranbury Twp., Middlesex	Illinois	14
FB Holdings Inc.	11/13/2001	8/28/2002	70	10	80	113	\$5,300,120	\$5,002,102	\$2,500,000	Hoboken City, Hudson	New York	31-32-33
Firmenich Incorporated	4/10/2001	7/26/2001	50	10	90	100	\$353,025	\$193,144	\$65,000,000	Plainsboro Twp., Middlesex	Plainsboro Twp.	14
Forest Laboratories Inc.	2/9/1999	3/2/1999	70	10	35	76	\$360,150	\$752,827	\$1,350,000	Jersey City, Hudson	New York	31-32-33
Forest Laboratories Inc.	12/12/2000	12/27/2000	70	10	105	354	\$990,780	\$938,774	\$10,608,000	Jersey City, Hudson	New York	31-32-33
Fortis Financial Services LLC	3/9/2004	8/12/2004	80	10	60	35	\$1,311,360	\$0	\$19,100,000	Jersey City, Hudson	New York	31-32-33
Foxdale Properties LLC	7/10/2001	7/24/2001	75	10	301	332	\$537,070	\$0	\$11,600,000	Florence Twp., Burlington	Florence Twp.	7

Galaxy, Inc.	5/10/2005	7/26/2005	70	7	150		\$503,164	\$0	\$500,000	Hackensack City, Bergen	Hackensack City	37
Galileo International, Inc.	10/11/2001	4/22/2002	55	10	75	146	\$528,000	\$260,705	\$1,351,000	Parsippany-Troy Hills Twp., Morris	Illinois	26
Garrison Printing Co. Inc.	8/12/1997	10/7/1997	60	10	28	33	\$26,598	\$154,015	\$1,518,000	Pennsauken Twp., Camden	Philadelphia, PA	7
Genta Incorporated	1/8/2002	1/23/2002	70	10	87	71	\$1,317,176	\$0	\$1,800,000	Berkeley Heights Twp., Union	Berkeley Heights Twp.	21
Goldman Sachs & Co.	6/10/1997	8/22/1997	80	10	95	121	\$917,320	\$15,695,747	\$13,100,000	Jersey City, Hudson	New York City, NY	31-32-33
Goldman Sachs Group, Inc. or nominee	1/11/2000	6/14/2002	80	10	2000	1957	\$164,336,000	\$0	\$595,000,000	Jersey City, Hudson	New York	31-32-33
Goldman Sachs Group, Inc. or nominee	5/8/2001	6/14/2002	80	10	300		\$2,271,450	\$0	\$306,000,000	Jersey City, Hudson	Jersey City	31-32-33
Goldman Sachs Group, Inc. or nominee	11/13/2001	6/14/2002	65	10	75	1	\$1,621,913	\$0	\$2,000,000	Jersey City, Hudson	Jersey City	31-32-33
Government Employees Insurance Company	1/11/2005	5/25/2005	50	3	150		\$706,050	\$0	\$1,500,000	Evesham Twp., Burlington	New York	8
Hanjin Shipping Company, Ltd.*	7/9/1996	11/5/1998	50	5	175	176	\$225,000	\$239,394	\$29,998,500	Paramus Boro, Bergen	New York and Los Angeles	38
Home Care Industries, Inc.	7/13/2004	10/25/2004	60	6	30		\$34,020	\$0	\$30,000	Clifton City, Passaic	Clifton City	34
Home Decor Products, Inc.	12/13/2004	5/27/2005	40	10	48		\$150,624	\$0	\$1,600,000	Sparta Twp., Sussex	Edison, NJ	24
ICAP North American Inc.	10/19/2001	4/2/2002	80	10	250	736	\$8,300,000	\$9,781,415	\$69,700,000	Jersey City, Hudson	New York City, NY	31-32-33
IDT Corporation, Affiliates and Subsidiaries	11/4/1999	2/29/2000	80	10	150	207	\$483,600	\$367,902	\$116,360,000	Newark City, Essex	Newark City	27-28-29
ImClone Systems Inc.	10/11/2001	10/29/2001	80	10	300	5	\$2,755,200	\$0	\$226,805,648	Somerville Boro, Somerset	Somerville Boro	16
ImClone Systems Incorporated	6/8/1999	6/25/1999	80	10	102	139	\$625,260	\$285,860	\$40,700,000	Somerville Boro, Somerset	Somerville Boro	16
Imperial Bag & Paper Company, Inc.	3/9/1999	3/26/1999	60	10	76	81	\$750,000	\$756,680	\$4,900,000	Bayonne City, Hudson	Bronx, New York	31
Infocrossing, Inc.	6/10/1997	8/22/1997	40	10	101	130	\$425,250	\$568,202	\$14,600,000	Leonora Boro, Bergen	New York City, NY	37
Infragistics, Inc.	5/10/2005	7/25/2005	50	10	12		\$69,150	\$0	\$609,456	East Windsor Twp., Mercer	East Windsor Twp.	12
Instinet Group Incorporated/Instinet Group LLC	12/11/2001	12/28/2001	80	10	300	233	\$3,712,800	\$542,856	\$14,000,000	Jersey City, Hudson	New York City	31-32-33
Insurance Services Offices, Inc.	7/13/1999	7/29/1999	80	10	1281	1088	\$11,768,730	\$7,826,312	\$30,600,000	Jersey City, Hudson	New York	31-32-33
Isaac Hazan & Co., Inc.	2/9/1999	3/2/1999	60	10	160	64	\$436,800	\$102,018	\$885,000	Secaucus Town, Hudson	New York	32
ITT Industries	5/8/2001	5/23/2001	65	10	130	232	\$1,475,792	\$281,196	\$8,484,500	Clifton City, Passaic	Clifton City	34

Jackson Hewitt Tax Service, Inc	9/14/1999	9/30/1999	50	10	75	127	\$294,960	\$366,854	\$1,303,875	Parsippany-Troy Hills Twp., Morris	Virginia	26
John Turano & Sons, Inc.	12/11/2001	12/28/2001	50	10	85	83	\$261,300	\$25,700	\$10,400,000	Edison Twp., Middlesex	Brooklyn, NY	18
John Wiley & Sons, Inc.	4/11/2000	4/28/2000	80	10	800	1013	\$7,347,200	\$2,717,099	\$46,017,000	Hoboken City, Hudson	New York	33
JPMorgan Chase Bank	3/14/2000	1/31/2002	70	10	515	445	\$2,209,865	\$865,504	\$71,850,000	Carlstadt Boro, Bergen	New York	36
JPMorgan Chase Bank	6/13/2000	6/28/2000	80	10	1000	1219	\$20,958,000	\$6,610,744	\$561,000,000	Jersey City, Hudson	New York City	31-32-33
Knight Equity Markets, L.P.	2/9/1999	3/24/1999	60	10	32	34	\$2,165,000	\$3,477,446	\$21,000,000	Jersey City, Hudson	Jersey City	31-32-33
Knight Equity Markets, L.P.	5/9/2000	6/30/2000	65	10	74	68	\$5,323,200	\$2,953,396	\$100,000,000	Jersey City, Hudson	Jersey City	31-32-33
Kos Pharmaceuticals, Inc.	3/12/2002	3/27/2002	70	10	218	48	\$2,665,150	\$0	\$55,000,000	Edison Twp., Middlesex	Florida	17
KPMG LLP	3/11/1997	12/23/1997	80	10	275	411	\$2,684,000	\$5,442,300	\$7,400,000	Woodcliff Lake Boro, Bergen	New York, TX, IL, GA	39
L.I. 2000, Inc.	2/10/1998	3/4/1998	40	10	416	404	\$350,000	\$423,527	\$3,550,000	Secaucus Town, Hudson	New York	32
L-3 Communications, Communications Systems - East	1/14/2003	2/19/2004	75	10	50	170	\$654,750	\$80,626	\$1,319,000	Camden City, Camden	Maryland	5
La Brea Bakery	6/12/2001	6/26/2001	45	10	100	216	\$141,750	\$0	\$60,500,000	Swedesboro Boro, Gloucester	Swedesboro Boro	3
Lazard Freres & Co., LLC	7/13/2004	10/21/2004	80	6	25	26	\$672,000	\$0	\$750,000	Jersey City, Hudson	New York	31-32-33
Leapstone Systems, Inc	7/10/2001	5/1/2002	65	10	230	37	\$4,973,860	\$0	\$76,250,000	Franklin Twp., Somerset	Florham Park	17
LEHMAN BROTHERS INC	11/9/2004	7/21/2005	60	10	50		\$665,550	\$0	\$52,925,000	Cranford Twp., Union	Cranford Twp.	21
Lehman Brothers, Inc.	10/19/2001	11/12/2002	80	10	700	578	\$11,540,900	\$0	\$60,000,000	Jersey City, Hudson	New York City	31-32-33
Lexicon Pharmaceuticals and Affiliates	5/14/2002	5/30/2002	55	10	75	43	\$902,550	\$0	\$9,500,000	Princeton Twp., Mercer	Princeton Boro	15
LifeCell Corporation	3/9/1999	3/26/1999	55	10	146	153	\$1,058,400	\$571,047	\$18,600,000	Branchburg Twp., Somerset	Texas	16
LNT Services, Inc.	4/14/1998	4/30/1998	80	10	200	542	\$869,120	\$1,738,053	\$15,100,000	Logan Twp., Gloucester	Logan Twp.	3
Lord Abbett & Co.	7/14/1998	9/3/1998	80	10	250	565	\$15,500,000	\$22,891,905	\$87,663,000	Jersey City, Hudson	New York, NY	31-32-33
marketRX, Inc.	12/9/2003	8/13/2004	70	10	40	40	\$183,792	\$0	\$573,840	Bridgewater Twp., Somerset	Bridgewater Twp.	16
Marsh & McLennan Companies, Inc.	2/13/2002	3/1/2002	80	10	800	1035	\$12,451,200	\$1,065,266	\$159,000,000	Hoboken City, Hudson	New York, NY	33
Mastertaste, Inc.	5/11/1999	5/27/1999	80	10	85	91	\$441,360	\$467,210	\$5,200,000	Carteret Boro, Middlesex	Long Island City, NY	22

Matthew Bender & Company/Reed Elsevier Inc.	6/13/2000	12/5/2000	80	10	205	213	\$1,987,124	\$983,400	\$35,200,000	Newark City, Essex	New York, NY	27-28-29
McKinsey & Company, Inc. United States	8/12/1997	4/28/1998	80	10	75	210	\$987,000	\$1,782,760	\$13,760,000	Florham Park Boro, Morris	Bedminster, NJ	26
McLane New Jersey, Inc./McLane Company, Inc.	9/10/2002	9/14/2004	60	10	320	335	\$704,640	\$0	\$29,500,000	Upper Penns Neck Twp., Salem	Texas	3
MCR Direct Mail, LLC	1/9/2001	1/25/2001	50	10	115	458	\$136,850	\$93,710	\$2,230,000	Woolwich Twp., Gloucester	Woolwich Twp.	3
Mechoshade Systems, Inc.	12/9/2003	4/28/2004	60	10	131	88	\$268,223	\$0	\$1,030,000	Edison Twp., Middlesex	New York	18
Medco Health Solutions of Willingboro, LLC	8/10/1999	8/26/1999	70	10	815	1095	\$2,975,312	\$541,831	\$85,000,000	Willingboro Twp., Burlington	Willingboro Twp.	7
Medco Health Solutions, Inc.	10/14/1997	11/7/1997	80	10	317	999	\$2,556,288	\$5,876,087	\$77,600,000	Franklin Lakes Boro, Bergen	Woodcliff Lake and Montval	40
Medical Diagnostics Laboratories, LLC	6/8/2004	12/27/2004	55	10	75	30	\$201,702	\$0	\$9,200,000	Hamilton Twp., Mercer	Mount Laurel	14
Medico Graphic Services, Inc.	1/11/2005	8/22/2005	70	10	34		\$75,361	\$0	\$100,000	Jersey City, Hudson	New York	31-32-33
Medidata Solutions, Inc.	10/12/2004	12/27/2004	55	10	60		\$642,010	\$0	\$1,150,000	Edison Twp., Middlesex	Manhattan, NY	18
Mercedes-Benz USA, LLC	3/12/2002	4/19/2002	55	10	150	85	\$505,725	\$0	\$77,400,000	Montvale Boro, Bergen	Hanover, Maryland	30
Meritex LLC	3/10/1998	3/23/1998	50	10	150	234	\$218,250	\$132,551	\$8,200,000	Piscataway Twp., Middlesex	New York	
Merlin Industries, Inc.	11/12/2002	3/11/2005	45	10	76	57	\$58,500	\$0	\$3,500,000	Hamilton Twp., Mercer	Trenton	14
Merrill Lynch & Co., Inc.	1/11/2000	3/6/2000	80	10	900	534	\$31,096,800	\$0	\$45,000,000	Jersey City, Hudson	New York	31-32-33
Merrill Lynch, Pierce, Fenner & Smith Incorporated	12/9/1997	10/22/2002	80	10	1100	280	\$6,400,000	\$0	\$367,400,000	Hopewell Boro, Mercer; Plainsboro Twp., Middlesex	Pennsylvania and New Jersey	
Mizuho Corporate Bank, Limited	3/12/2002	3/27/2002	80	10	357	421	\$1,745,820	\$0	\$21,000,000	Jersey City, Hudson	Jersey City	31-32-33
Mizuho Securities USA Inc	11/13/2001	1/31/2002	70	10	84	90	\$1,350,000	\$2,157,670	\$8,750,000	Hoboken City, Hudson	New York City, NY	33
Moore Reservations Systems, Inc.	3/9/2004	5/24/2004	35	10	54		\$66,204	\$0	\$170,000	Ocean City, Cape May	New York	1
Morgan Stanley D.W. a/k/a Dean Witter	12/11/2001	12/28/2001	75	10	264	95	\$1,553,331	\$0	\$1,945,000	Jersey City, Hudson	New York City	31-32-33
Morgan Stanley Dean Witter Trust FSB and Morgan	1/11/2000	1/27/2000	70	10	288	234	\$2,314,360	\$198,771	\$5,878,737	Jersey City, Hudson	New York	31-32-33
Morgan Stanley Dean Witter Trust FSB and Morgan	9/14/2000	10/2/2000	60	10	400	61	\$7,984,800	\$0	\$2,000,000	Morris Twp., Morris	New York	25
Morgan Stanley Dean Witter Trust FSB and Morgan	10/10/2000	10/2/2000	45	7	95	67	\$886,140	\$0	\$950,000	Princeton Boro, Mercer	New York, Geneva	15
MRS Associates, Inc. ("MRS" or the "Company")	12/13/2004	5/26/2005	55	10	200		\$443,300	\$0	\$400,000	Cherry Hill Twp., Camden	Cherry Hill Twp.	6

MSNBC Cable L.L.C.	11/12/1996	6/19/1997	80	10	440	490	\$2,920,000	\$6,328,387	\$1,090,000,000	Secaucus Town, Hudson	Secaucus Town	32
National Exchange Carrier Association, Inc. (NECA)	9/16/2003	2/10/2004	65	7	105	105	\$482,160	\$4,144	\$6,400,000	Hanover Twp., Morris	Hanover Twp.	26
National Financial Services, LLC	5/8/2001	5/23/2001	60	10	110	316	\$1,606,770	\$1,588,375	\$3,734,500	Jersey City, Hudson	Jersey City	31-32-33
NBC, Inc.; CNBC, Inc.; CNBC.com, LLC	9/14/1999	9/30/1999	80	10	160		\$4,611,840	\$0	\$80,500,000	Fort Lee Boro, Bergen	Englewood Cliffs Boro	37
Nebraska Meat Corp.	1/14/1997	6/24/1997	50	5	100	159	\$36,000	\$68,076	\$1,350,000	Newark City, Essex	New York	27-28-29
New Century Transportation, Inc.	3/13/2001	3/28/2001	60	10	75	269	\$606,600	\$368,961	\$20,650,000	Westampton Twp., Burlington	Glassboro	7
Newstech NJ	8/13/2002	8/28/2002	70	10	150	2	\$578,550	\$0	\$96,145,000	Garfield City, Bergen	Garfield City	36
Nextlink New York LLC	6/9/1998	6/23/1998	50	10	110	242	\$645,700	\$1,504,077	\$6,000,000	Paramus Boro, Bergen	Paramus Boro	38
NRG, Energy, Inc.	4/13/2004	6/8/2004	80	10	150	90	\$7,560,600	\$0	\$37,200,000	West Windsor Twp., Mercer	Minnesota	
NRT, Inc.	5/14/2002	5/30/2002	50	10	155	168	\$720,075	\$0	\$2,900,000	Parsippany-Troy Hills Twp., Morris	Viejo, CA	26
NVR Building Products Company	5/14/2002	6/17/2002	50	10	110	89	\$288,145	\$0	\$2,000,000	Delanco Twp., Burlington	Delanco Twp.	7
Omni Baking Company	12/12/2000	12/27/2000	55	10	44	229	\$40,656	\$50,628	\$8,157,200	Vineland City, Cumberland	Pennsauken, N.J	1
Organon, Inc.	1/12/1999	1/29/1999	80	10	115	487	\$874,000	\$594,838	\$67,000,000	West Orange Town, Essex; Roseland Boro, Essex	Roseland Boro	21
Oticon Inc.	3/11/2003	11/20/2003	55	10	80	83	\$269,720	\$0	\$6,950,000	Franklin Twp., Somerset	Franklin Twp.	17
Party City Corporation	6/8/2004	9/30/2004	55	10	66		\$872,260	\$0	\$9,431,950	Rockaway Twp., Morris	Rockaway Boro	25
Patriot Manufacturing, Inc.	12/14/1999	1/3/2000	50	10	159	283	\$201,600	\$40,852	\$7,122,000	Hammonton Town, Atlantic	Hammonton, NJ	9
Pearson Education, Inc. and Affiliates	3/13/2001	5/22/2002	60	10	307	294	\$580,230	\$0	\$8,366,666	Cranbury Twp., Middlesex; Parsippany-Troy Hills Twp., Morris; Upper Saddle River Boro, Bergen	Orangeburg, New York	14
Pharmacia & Upjohn Company	1/13/1998	2/2/1998	80	10	700	1187	\$12,500,000	\$20,242,748	\$9,100,000	Bridgewater Twp., Somerset	Kalamazoo, MI and Windsor,	16
Pharmacia Corporation, Affiliates and Subsidiaries	3/13/2001	3/28/2001	80	10	500	717	\$8,752,000	\$0	\$30,000,000	Bedminster Twp., Somerset	Michigan, Illinois, Missou	16
Phillips Van Heusen Corporation	7/13/2004	12/28/2004	55	10	27	42	\$263,000	\$7,540	\$3,000,000	Bridgewater Twp., Somerset	Maine	16
Picasso Lighting Inc. d/b/a Bernard Pecas	11/12/2002	7/14/2004	55	10	50		\$45,738	\$0	\$3,690,000	Hillside Twp., Union	New York	29

Pricewaterhouse Coopers	10/8/1996	6/24/1997	80	10	650	840	\$5,293,600	\$2,161,642	\$20,600,000	Jersey City, Hudson; Little Falls Twp., Passaic; Florham Park Boro, Morris	New York	31-32-33
Production Services, L.L.C.	7/8/1997	3/4/1998	60	5	358	287	\$63,000	\$202,398	\$3,000,000	Hillside Twp., Union	Hillside Twp.	29
Public Health Research institute	12/8/1998	12/18/1998	80	10	150	133	\$861,600	\$332,038	\$68,000,000	Newark City, Essex	New York	27-28-29
Radianz Americas, Inc	10/10/2000	10/27/2000	60	10	151	138	\$2,285,150	\$596,949	\$100,000,000	Nutley Town, Essex	Nutley Town	36
Refcon, Inc.	11/12/2003	5/19/2004	40	10	70	50	\$439,320	\$0	\$380,000	Norwood Boro, Bergen	New York	39
Reliant Pharmaceuticals, Inc.	2/13/2001	3/1/2001	60	10	75	136	\$789,440	\$334,242	\$789,440	Bernards Twp., Somerset	Bridgewater, NJ	16
Rhodia Inc.	8/12/2003	12/29/2003	55	10	87	60	\$740,239	\$0	\$19,951,000	Pennsville Twp., Salem	Boston, MA, and Malvern, PA	3
Roosevelt Paper Company	4/8/1997	6/27/1997	70	10	197	164	\$67,914	\$456,888	\$15,000,000	Mount Laurel Twp., Burlington	Philadelphia, PA	8
Royal Wine Corporation	12/14/1999	1/3/2000	50	10	78	89	\$411,600	\$191,539	\$13,350,000	Bayonne City, Hudson	Brooklyn, NY	31
RPS, Inc.	6/10/1997	8/22/1997	80	10	71	205	\$151,088	\$12,676	\$64,000,000	Woodbridge Twp., Middlesex	Woodbridge Twp.	19
Sandoz Inc.	9/10/2002	11/12/2002	70	10	153	87	\$1,866,487	\$4,270	\$20,500,000	South Brunswick Twp., Middlesex	South Brunswick Twp.	14
Schering-Plough Corporation and Affiliates	8/8/2000	3/8/2002	70	10	323	8	\$4,412,390	\$0	\$31,900,000	Summit City, Union	Summit City	21
Schering-Plough Research Institute	2/8/2000	2/28/2000	70	10	323	498	\$3,948,650	\$646,728	\$205,000,000	Kenilworth Boro, Union	Kenilworth Boro	20
SG Americas Operational Services Inc. / SG America	1/11/2005	4/22/2005	80	10	350		\$10,088,400	\$0	\$14,101,200	Jersey City, Hudson	NY	31-32-33
Silver Line Building Products Corp.	8/11/1998	8/27/1998	40	10	150	542	\$84,000	\$243,063	\$1,400,000	Middlesex Boro, Middlesex	Middlesex Boro	22
Skyframe & Art Inc.	2/10/2004	6/1/2004	60	10	48		\$74,880	\$0	\$2,675,000	Hillside Twp., Union	New York	29
Snowbird Corporation	3/10/1998	3/23/1998	80	10	112	112	\$586,440	\$376,426	\$4,580,000	Jersey City, Hudson	NYC, New York	31-32-33
Sony BMG Music Entertainment, a Delaware general p	12/13/2004	6/20/2005	70	10	304		\$2,867,480	\$0	\$5,000,000	Lyndhurst Twp., Bergen	New York	36
Sports Authority, The	8/13/2002	8/28/2002	60	10	220	217	\$531,960	\$25,642	\$11,000,000	Burlington City, Burlington	Georgia/California	7
Sprint Spectrum L.P.	6/10/1997	10/1/1997	50	10	95	558	\$329,650	\$1,607,307	\$27,448,439	Bedminster Twp., Somerset; Teterboro Boro, Bergen; Mahwah Twp., Bergen	New Jersey	
Standard Data Corporation d/b/a SDC Data, Inc.	8/8/2000	9/15/2000	65	10	26	26	\$505,830	\$141,420	\$185,000	Jersey City, Hudson	New York	31-32-33

Starborn Industries, Inc.	3/11/1997	6/25/1997	50	8	25	36	\$33,330	\$75,056	\$1,025,000	Woodbridge Twp., Middlesex	Brooklyn, NY	19
Sumitomo Trust & Banking Co.	8/8/2000	8/23/2000	65	10	150	139	\$1,702,840	\$471,007	\$5,000,000	Jersey City, Hudson	New York	31-32-33
Summit Import Corp.	11/10/1998	12/1/1998	60	10	100	69	\$168,000	\$41,333	\$9,999,261	Jersey City, Hudson	New York City, NY	31-32-33
Sun Chemical Corporation	6/8/2004	2/1/2005	55	10	30		\$286,860	\$0	\$8,797,470	Parsippany-Troy Hills Twp., Morris	Parsippany-Troy Hills Twp.	26
Taro Pharmaceuticals U.S.A., Inc.	11/12/2003	2/6/2004	65	10	205	28	\$1,287,195	\$0	\$38,200,000	South Brunswick Twp., Middlesex	New York	14
TD Waterhouse Securities, Inc.	4/13/1999	4/29/1999	80	10	300	664	\$1,092,000	\$2,419,402	\$73,450,000	Jersey City, Hudson	Jersey City	31-32-33
Tech Data Corporation	5/13/1997	7/3/1997	50	10	126	138	\$721,920	\$196,216	\$15,800,000	Logan Twp., Gloucester	Paulsboro	3
Telcordia Technologies, Inc.	6/8/1999	6/25/1999	70	10	250	276	\$14,004,000	\$164,408	\$45,000,000	Piscataway Twp., Middlesex	Piscataway Twp.	17
The Wall Street Investment Group, LTD	11/13/2001	11/30/2001	65	10	105		\$535,425	\$0	\$5,500,000	Trenton City, Mercer	New York	15
Toys "R" Us, Inc. & Toys "R" Us-Delaware, Inc.	3/10/1998	3/23/1998	75	10	200	259	\$814,500	\$627,638	\$76,500,000	Montvale Boro, Bergen; Wayne Twp., Passaic	Rochelle Park, Paramus, Pa	34
TradeWeb Group LLC	11/13/2001	11/30/2001	70	10	80	126	\$1,863,120	\$803,013	\$8,300,000	Jersey City, Hudson	New York City	31-32-33
Tribeca Oven Inc.	5/11/2004	2/4/2005	45	10	100	128	\$122,500	\$0	\$800,000	Carlstadt Boro, Bergen	Brooklyn, NY	36
Trimline Medical Products Corporation	11/12/2003	5/6/2004	40	10	30	6	\$37,800	\$0	\$555,000	Branchburg Twp., Somerset	Branchburg Twp.	16
Tyco International, Inc.	3/11/2003	6/12/2003	70	10	300	356	\$13,230,000	\$0	\$14,500,000	West Windsor Twp., Mercer	New York	14
U.S. FoodService, Inc./Alliant Foodservice, Inc.	9/9/1996	4/3/2000	80	10	80	224	\$193,200	\$722,592	\$15,281,000	Woolwich Twp., Gloucester	Philadelphia, PA	3
UBS Financial Services Inc., UBS Services USA LLC	6/13/2000	1/31/2002	80	10	1450	1641	\$28,238,750	\$1,560,358	\$167,845,417	Jersey City, Hudson; Weehawken Twp., Hudson; Secaucus Town, Hudson	New York	
United Canvas & Sling, Inc.	1/12/1999	1/28/1999	50	10	50	50	\$157,760	\$47,368	\$400,000	Kearny Town, Hudson	Orangeburg, New York	32
United HealthCare Services, Inc.	11/14/2000	1/10/2001	80	10	229	330	\$2,094,180	\$679,825	\$8,880,780	Bernards Twp., Somerset	Bernards Twp.	16
United States Trust Company of New York	12/8/1998	12/18/1998	80	10	300	326	\$3,948,000	\$4,074,989	\$14,329,000	Jersey City, Hudson	New York	31-32-33
V & S Amboy Galvanizing, L.L.C.	8/11/1998	8/27/1998	50	10	32	38	\$71,400	\$25,817	\$4,050,000	Perth Amboy City, Middlesex	Perth Amboy City	19
Vantage Custom Classics, Inc	9/9/1997	10/23/1997	50	10	50	50	\$462,672	\$161,611	\$10,400,000	Woodbridge Twp., Middlesex	Woodbridge Twp.	19
Verizon Connected Solutions, Inc.**	5/13/1997	8/13/1998	50	10	571	647	\$799,400	\$367,107	\$8,210,576	Union Twp., Union	Union Twp.	20

Verizon New Jersey Inc. & Verizon Services Corp.	2/13/2002	4/19/2002	75	10	300	111	\$1,687,500	\$2,022	\$67,500,000	Hamilton Twp., Mercer	several NJ locations	14
Verizon New Jersey Inc. & Verizon Services Corp.	6/11/2002	6/3/2003	65	10	188	93	\$556,010	\$0	\$18,900,000	Ewing Twp., Mercer	Ewing Twp.	15
Vitamin Shoppe Industries, Inc.	4/9/2002	4/24/2002	65	10	100	67	\$398,445	\$20,213	\$13,200,000	North Bergen Twp., Hudson	North Bergen Twp.	32
Volkswagen of America, Inc.	5/8/2001	5/23/2001	55	10	117	138	\$489,060	\$40,001	\$8,000,000	Cranbury Twp., Middlesex	Cranbury, NJ	14
Washington Group International Power, The	6/10/1997	8/22/1997	50	10	400	516	\$7,424,000	\$2,598,859	\$35,800,000	West Windsor Twp., Mercer	Phila, PA, NYC, NY, Lyndhur	14
WebMD Corporation	3/13/2001	5/23/2001	60	10	100	113	\$2,974,277	\$240,996	\$1,000,000	Elmwood Park Boro, Bergen	Elmwood Park Boro	38
Woolco Foods, Inc.	1/13/2004	6/21/2004	75	10	35	64	\$143,325	\$0	\$825,000	Jersey City, Hudson	New York	31-32-33
WorldxChange/dba Acceris Local Communications	10/14/2003	2/25/2004	60	10	61	14	\$254,675	\$0	\$3,206,000	Franklin Twp., Somerset	Franklin Twp.	17
Zen & Art of Client Server Computing, Inc.	3/10/1998	3/23/1998	70	10	155	111	\$1,507,800	\$117,520	\$500,000	Woodbridge Twp., Middlesex	New York, NY	19
Zimmer Trabecular Metal Technology, Inc.	9/14/2004	12/28/2004	55	10	65	13	\$283,437	\$0	\$2,680,000	Hanover Twp., Morris	Hanover Twp.	26
Zimmer Trabecular Metal Technology, Inc.	2/8/2005	7/21/2005	55	10	100		\$408,675	\$0	\$17,787,000	Parsippany-Troy Hills Twp., Morris	Allendale, NJ/Livingston,	26

Total Executed BEIP grants: 230

49,517 53,205 \$674,205,221 \$200,285,807 \$9,686,031,315

*Fully Disbursed

** Disbursements Repaid

***“The Characteristics and Economic Benefits
of the Business Employment Incentive Program”***
***Report Conducted by Edward J. Bloustein School of
Planning and Public Policy at
Rutgers University
October 2005***

Report Summary

This report is intended to serve as a comprehensive source of information about the awards that have been made since the inception of the Business Employment Incentive Program (BEIP) and to estimate the impact of the BEIP awards on New Jersey's economy. The report finds that the BEIP program is of significant benefit to the state in terms of employment, economic activity (gross state product) and fiscal flows (state tax revenues).

The report focuses primarily on 183 BEIP awards made between June 1997 and February 2005, which created 51,665 jobs. It also examines potential impacts of the 88 BEIP awards approved in fiscal year 2005, and the effects of the inclusion of smart growth criteria in the BEIP award formula. The BEIP award characteristics and economic impacts addressed by the report include:

- **Annual Economic Impact.** Each year, the operations of the BEIP projects add approximately \$8.4 billion to New Jersey's gross state product. This equates to an annual increase of approximately \$88 for each tax dollar spent to fund the program.
- **Annual Fiscal Impact.** The 183 BEIP projects generate approximately \$349 million in additional state tax revenue each year. In other words, for each tax dollar spent on the BEIP program, the state receives approximately \$3.70 in revenues.
- **Annual Employment Impact.** The 183 BEIP projects have created approximately 51,665 permanent jobs. In addition, the economic activity generated by the BEIP projects leads indirectly to the creation of another 58,089 jobs, for a total of 109,754 jobs.
- **Tax Expenditures.** The annual tax expenditures made on the BEIP program are approximately \$95.1 million, or about \$1,841 per job created by the BEIP projects. The financial activities sector had the highest tax expenditure per job created (\$3,119), followed by the professional and business services sector (\$1,661) and the manufacturing sector (\$1,422).
- **One-Time Impacts.** In addition to the annual impacts generated by the ongoing operations of the BEIP projects, each project's capital expenditures on construction, equipment and other items leads to significant one-time impacts that accrue over the duration of the project. The total capital investment leads to the creation of an additional 111,041 job-years (one job lasting for one year), \$6.6 billion in gross state product, and \$233 million in state tax revenue. If these latter two figures are annualized and added to the annual impacts noted above, the annual ratio of gross state product to tax expenditures rises from 88-to-1 to almost 95-to-1, and the ratio of state tax revenues to tax expenditures rises from 3.7-to-1 to 3.9-to-1.
- **Characteristics of Fiscal Year 2005 Awards.** The 88 BEIP projects approved in fiscal year 2005 are estimated to create approximately 12,318 jobs. Like the 183 approved and executed projects, the majority of the 88 projects are in the manufacturing (40.9%), professional and business services (20.5%), and financial activities (15.9%) sectors. The approved FY 2005 awards have gone primarily to projects creating fewer than 200 jobs (84%), while a large share of the estimated jobs to be created (42.7%) are expected to come from projects creating 500 jobs or

more. Forty-eight of the FY 2005 projects are expansions and 40 are relocations, with both types estimated to create about the same number of jobs. The annual tax expenditures for the FY 2005 projects are estimated at \$18 million, or \$1,461 per job.

- **Annual Impacts of Fiscal Year 2005 Awards.** The BEIP projects approved in fiscal 2005 are estimated to generate an increase of \$1.7 billion in gross state product on an annual basis, or approximately \$96.80 for each tax dollar spent on the awards. They are also expected to generate state tax revenues of \$84 million, or \$4.70 for each dollar in tax expenditures. In addition to the 12,318 estimated jobs to be created by the projects, the economic activity they generate is estimated to result in the creation of an additional 10,391 jobs, for a total of 22,709 jobs.

- **One-Time Impacts of Fiscal Year 2005 Awards.** Over the period of the awards, the capital investments of the projects approved in fiscal year 2005 are estimated to result in the creation of an additional 13,008 job-years, and add \$781.5 million in gross state product and \$27.1 million in state tax revenues. If these figures are annualized and added to the projects' estimated annual impacts, the ratio of gross state product to tax expenditures rises to 101.2 and the ratio of state tax revenue to tax expenditures rises to 4.8.

- **Distribution by Business Sector.** The BEIP awards and the jobs created by the 183 BEIP projects studied are distributed across a broad range of business sectors, but are most highly concentrated in the key manufacturing, financial activities, and professional and business services sectors.

- **Distribution by Employment Size.** The majority of BEIP awards examined (55.7%) have been extended to small to mid-sized projects creating fewer than 200 jobs each, while 49.3% of the jobs directly generated by the BEIP projects have come from those that created 500 jobs or more.

- **Distribution by Project Type.** Over 50% of the BEIP awards analyzed (100 out of 183) have been made to companies relocating their facilities from other states, with 42% (77 awards) going to companies expanding their existing operations in New Jersey and very few (6 awards) going to new businesses. The majority of the relocations (69%) have come from New York.

- **Distribution by County.** BEIP grants have been made to companies in almost every county in the state. The largest shares of the awards have gone to companies in Hudson (25.1%), Middlesex (12%) and Morris (9.8%) counties. The largest percentages of the total jobs created by BEIP projects have been in Hudson (34.7%), Somerset (11.6%) and Middlesex (7.6%) counties.

- **Smart Growth Protocols.** Analysis of the characteristics of BEIP awards before and after institution of the smart growth protocols demonstrates that the inclusion of these factors in the BEIP award formula has not influenced the spatial distribution of the awards or increased the average award level, but that it has had the effect of shifting the relative importance away from the economic development factors in determining the award level. Several recommendations are made to link the economic development criteria of the BEIP awards more directly with the smart growth function.