

By Mark Spivey

“Groundbreaking” was a word used early Tuesday afternoon to describe the types of innovation believed to be necessary to spark a revitalization of New Jersey manufacturing, comments that came during a forum hosted by two Congressmen at Rutgers University’s Busch Campus.

Speakers had a figurative interpretation in mind, but the notion was driven home quite literally moments later.

The earthquake felt up and down the East Coast caused noticeable swaying on the seventh floor of the CoRE (Computing Research and Education) Building at the Rutgers School of Engineering, but only managed to interrupt the forum briefly before U.S. Reps. Rush Holt, D-12th District and Frank Pallone, D-6th District, got back down to business.

“In Washington, recently we’ve been having a lot of distractions,” Holt said, as the forum marked the end of his two-week tour of New Jersey manufacturers. “But this should have been the main interest all along.”

Holt and Pallone, who were joined by Rutgers School of Engineering Dean Thomas Farris, used the forum to solicit input from Central Jersey business leaders on how to best promote manufacturing via federal legislation. Ideas embraced by the pair included creating permanent tax credits for manufacturers that invest heavily in research and development, plus the stabilization of payroll tax rates.

Corporate tax cuts across the board “doesn’t make any sense,” Pallone said, adding that he and many of his Congressional colleagues instead are seeking to cut corporate taxes on individual industries that are able and willing to foster job growth.

“We have to be targeted in the way we do things,” he said.

Robert Loderstedt, president of the New Jersey Manufacturing Extension Program, said he hoped that approach would extend to smaller firms that don't always enjoy the subsidies and tax breaks larger corporations tend to enjoy. About half of the state's approximately 11,000 manufacturers employ 10 or fewer workers, Loderstedt said, while more than 80 percent of them employ 50 or fewer. However, the "vast majority" of research and development work is produced by those smaller manufacturers, he added.

As an example, Loderstedt noted that more than 90 percent of the newly unveiled Boeing 787 Dreamliner passenger jet is manufactured by other firms, but federal "money is being thrown at Boeing, whereas it should be in the supply chain."

Nationwide, manufacturing jobs that numbered about 20 million as recently as 1979 have dropped to fewer than 12 million today, but more than 150,000 such jobs were created last year alone, speakers noted. Coming into the forum Holt said the U.S. manufacturing sector had experienced 21 consecutive months of growth.

To read the rest of the article, please visit the [Asbury Park Press](#).