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Catalyst

 A Magazine of Connections || Developments || Insights  in the Life Science Industry

The Pharmaceutilization of Stem Cells

*Celgene Cellular
Therapeutics:*
On the Brink of
a Breakthrough

DR. ROBERT J. HARIRI, CHIEF EXECUTIVE OFFICER OF CELGENE CELLULAR THERAPEUTICS, IS WELL REGARDED AS A SCIENTIST WHO CONTINUES TO FOCUS ON BREAKING NEW GROUND IN REGENERATIVE MEDICINE.

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PUBLISHER
John Pennett, CPA
pennett@amper.com

EDITOR
Lora Muckin
muckin@amper.com

CONTRIBUTORS:

FEATURE WRITER
Bari Faye Siegel

GRAPHIC DESIGN
Bonnie Jacobs

PHOTOGRAPHY
Conrad Gloos

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To obtain permission, contact
Lora Muckin at Muckin@Amper.com.
Post Master: send address changes to
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Contact: Leo Mennitt
lmennitt@njtc.org • 856-787-9700



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Welcome...

Over the past few months, we have seen the storm clouds lingering overhead continuously, but rays of sunlight continue to emerge from the clouds – both in the form of innovative technology development and some creative deals. In this issue of Catalyst, we are featuring some terrific local companies and the interesting technologies in stem cell research that they are undertaking, as well as some of the funding opportunities and tax incentives supporting this mission – critical research.

Despite the industry overhang, we have continued to see our life sciences industry act with a strong sense of community and open communications. We should all be proud of how leaders in our industry share the secrets of their successes, and how entrepreneurs actively soak up their knowledge. The community has organized many programs to facilitate this knowledge-sharing – and attendance has been strong.

One of the things discussed frequently at these programs is some of the creative fund raising transactions that have been consummated. We have seen a tremendous increased emphasis on grant applications (and a lot of questions to us on grant compliance and allocation methodologies), add-on financings with existing investors and financings between collaborative partners.

More specifically, we see licensors of technology purchase investments in earlier-stage licensees and/or provide shared financing responsibilities for specific development programs. We have also seen certain vendors provide some current funding relief, often in change for long-term commitments. We have all seen an emphasis on milestone-based investing – a pay for play concept that mitigates risk for the investors and keeps the entrepreneurial company laser focused. This creativity is allowing programs to migrate through the clinic while the financing world continues to be a challenge. The message is to look at all of your critical partners, and communicate openly and honestly about your goals, objectives and needs.

There are quality programs and management teams getting funded. Having a credible opportunity and presenting it in a well-conceived milestone-oriented story board is critical to get invited to the dance.

With a little luck and a lot of preparation, the rains will pass you by!

John Pennett, Partner-in-Charge
Life Sciences Practice
Amper, Politziner & Mattia



Flex Work: A Competitive Advantage for a Start-up Biotech?

By Dan Sheridan

The next time an employee requests to change their work schedule, think about showing some flexibility. Flexible work programs have been viewed as a nice perk, but new research shows they can be crucial to enhancing employee productivity and retention. To compete with large companies' greater resources and benefits, small businesses can offer flexible work arrangements to attract key new hires and increase employee job satisfaction. Allowing employees to influence their work environment can be the small business "ace in the hole."

Balancing employees' work and family responsibilities has become more important in today's corporate culture. In 2007, Americans spent 20 percent more time commuting to work than on vacation, according to U.S. Census Bureau data. New Jersey residents have the second highest "extreme commute" in the nation, often traveling 90 minutes or more to get to work. Arrangements that can minimize this wasted time could directly increase your employees' job satisfaction and overall quality of life.

Some positions are better suited for flex work arrangements, where the independence and relative solitude can enhance job performance.

Traditionally, it was thought that if you took employees out of the office, they would be less productive. But current research indicates that a balanced, empowered employee is much more valuable than one who's become burned out and dissatisfied with their office job.

Job flexibility can take various forms:

- Permitting employees to work a 40-hour week in fewer days
- Letting workers put in fewer hours each day, but work more days
- Staggering work schedules and shifts
- Telecommuting either on a full-time or part-time basis

Flex work programs can vary from self-monitored to more rigid programs that offer a choice of predefined work schedules. A clear understanding of the expectations of flex working should

be communicated before the program's implementation. Such an agreement should spell out both the employer and employee's responsibilities and how the flex work arrangement will operate.

Lack of clear understanding between parties on objectives and results is the most common mistake that companies experience when instituting a flex work program. To avoid this pitfall, make the flex work agreement an employee "Business Plan," with mutually agreed upon goals, tasks and results.

Business owners must decide the optimal program for their company based on their employees' ability to self-manage and the company's corporate culture. For many owners or executives, loss of control is the main inhibitor to allowing more employees to work from home and has been shown to be an even greater concern than security or confidentiality. Some positions are better suited for flex work arrangements, where the independence and relative solitude can enhance job performance.

The State of New Jersey, through its "Smart Moves for Business" program, offers assistance in identifying and establishing flex work positions. Additionally, New Jersey provides tax exemptions and credits to employers who provide workers with telecommuting options and other alternatives to commuting alone in cars.

When planning for telecommuting, New Jersey employers should contact their local Transportation Management Association (TMA) by calling 1-800-245-7665 for assistance.

Telecommuting, flex-time and flexible work arrangements have matured from seldom-used perks to attract and retain specific employees, to a fundamental way of doing business in a demanding economy. Smaller companies implementing these innovative practices have found a powerful tool to help compete for the talent required for their continued success.



Dan Sheridan is the senior vice president and chief marketing officer of Extensis Group. Extensis is a professional employer organization. For more information on setting up a flexible working program for your business, go to www.extensigroup.com, or call 888-473-6398.