

Winter 1999

programs and services that benefit business

visionNYC



news from *new york city*

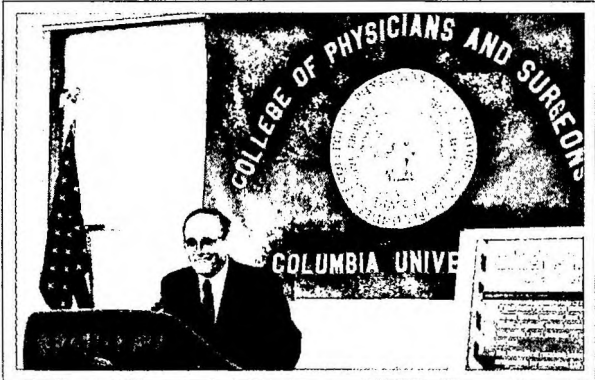


Photo Credit: Christie Johnston

Giuliani Administration Launches Biotechnology Initiative

Mayor Rudolph W. Giuliani recently announced the establishment of a Task Force on Medical Research and Development that will recommend ways the city can become more competitive in the medical research field. A toll-free number, 1-877-NYC-4-BIO, has been established to assist any biomedical company that would like to open a facility in New York City.

In addition to establishing the task force, the Mayor reaffirmed his goal to make New York City the number one place for National Institute of Health funding. He also restated his support for the creation of research parks throughout the city modeled after the successful Audubon Biomedical Science and Technology Park at Columbia University.

To further encourage the growth of the biotechnology industry in New York City, the Mayor, along with Chancellor Rudy Crew, proposed a major new apprenticeship program that will link high school students to medical researchers across the city. The program will give students the opportunity to learn about science and its application. In addition, a high school that will specialize in training students in medical research and innovation has been proposed.

Foreign Trade Zone Expands To Staten Island

Howland Hook Marine Terminal and the adjacent Port Ivory site in Staten Island are now part of Foreign Trade Zone 1, which also encompasses the Brooklyn Navy Yard. This designation means that goods stored, assembled, repackaged and manufactured at the site will be subject to lower duties and government excise taxes, and costs for importing and exporting within the zone will be significantly lower. The designations will also translate to more jobs and an overall increase in economic activity on Staten Island.

"Expanding Foreign Trade Zone 1 to Staten Island will provide New York City with a tremendous opportunity for increased manufacturing and foreign commerce," said Mayor Giuliani. "The lowering of duties means substantial savings for companies investing in these sites. And by establishing Howland Hook and Port Ivory as duty-free ports of call, the city has taken another great step forward in revitalizing its waterfront."

30 Of New York City's Brightest Companies Presented At Alley To The Valley 1999

The New York City Economic Development Corporation, along with *AlleyCat News*, hosted the second annual Alley to the Valley Conference in San Francisco, on March 8 and 9. During this two-day conference, 30 New York City companies presented their business plans to West Coast venture capital firms.

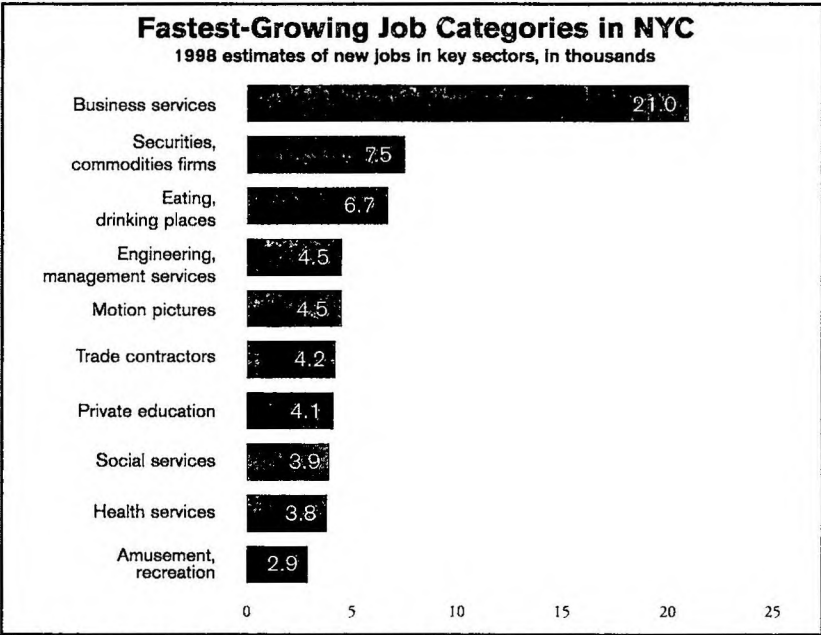


"The companies selected to present at Alley to the Valley this year represented New York City's brightest emerging high-tech companies," said Charles Millard, president of EDC. "These businesses had an excellent opportunity to establish relationships with their West Coast counterparts. And with Mayor Giuliani's ongoing support, the city's high-tech industry will continue to expand with companies as promising as the firms who attended this conference."

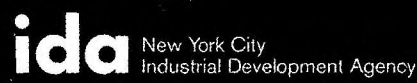
Among the presenting companies were: Absolute Reality Corp.; AdOne, LLC; Advanced Materials Design, LLC; Bikini.com; Chal Technologies Services, Inc.; Congruency, Inc.; DIG Video; The Duck Corporation; Electronic Sales Systems, Inc.; GORP; Horizon Live Distance Learning, Inc.; HotelNet USA Inc.; Hyperspace Cowgirls; IllusionFusion!; Index Stock Imagery; Intelligenesis Corp.; Jumpcut; MSGI; Paradigm Software Technologies Inc.; Passlogix, Inc.; Renal Tech International, LLC; RivCom, Inc.; Robocast, Inc.; Soliloquy Inc.; Small World Sports; StarMedia; Unicast Communications; Uproar, Inc.; Volatile/Ezcd.Com; and W-Trade Technologies.

Record Number Of Jobs Created In NYC

A new record was set in 1998 when New York City's economy added more than 99,000 jobs. That is the largest annual number since record keeping began in the early 1950s. Many of these jobs are in the new media industry, which has expanded by 150 percent since 1993.



business
programs



To ensure the growth and expansion of New York City's manufacturing and industrial firms, the Giuliani administration has reduced or eliminated taxes, such as the Commercial Rent Tax, and ensured that a number of business assistance programs are in place to serve these companies.

FUNDING SOURCES

If you are a manufacturer planning to purchase a facility or upgrade your present facilities, you should know about our tax-exempt bond financing programs. These programs may also assist you with the purchase of new production machinery and equipment.

If you are a manufacturing or industrial company requiring assistance in securing capital for start-up or expansion of operations, our loan programs may meet your needs.

TAX INCENTIVES

If you are planning to purchase or rent property and undertake improvements, real estate tax reductions may be available. Companies intending to purchase facilities may also be able to receive mortgage recording tax and sales tax savings.

ENERGY ASSISTANCE

If you would like to reduce energy costs, we'll review the programs that may allow your company to save.

To find out how your business can access the advantages in New York City, please call the New York City Economic Development Corporation toll-free at (888) NYC-0100, or call (212) 312-3600 or e-mail us at info@newyorkbiz.com.

business profiles

A-Lite Vertical Products Looks At A Bright Future
With The Help Of An IDA Program

“We have an exclusive contract to carry Hunter Douglas, the world's largest window covering manufacturer, and we were looking to expand that product line. But we needed more space,” said David Packer, president of A-Lite Vertical Products, a manufacturer and distributor of window coverings. Having been a fixture in Glendale, Queens, for 17 years, Packer wanted to stay in New York City. But due to the rising cost of running his business, he looked at space in New Jersey, South Carolina and Alabama.

After locating a building a short distance from A-Lite's current location, the only obstacle to securing a new facility was financing. A few years ago, Packer attended a breakfast on financing programs sponsored by Chase Manhattan Bank. Through contacts he made at the breakfast, he learned about the New York City Economic Development Corporation's triple tax-exempt industrial development bond program. The program allowed him to purchase a building large enough to handle A-Lite's new product line and keep him close to his customers and workers in Glendale.

“Working with the people at EDC was great. They were very helpful and if it weren't for them, my company would not be located in New York City today,” said Packer.

Empire Erectors And Electrical Co. Stays Above The Rest
With The Help Of The IDA

While wandering the streets of New York City, you're likely to have seen a sign produced and hung by Empire Erectors and Electrical Company, one of New York City's premier sign companies. With business booming, the company rapidly outgrew its facility. With the help of the Small Industry Incentive Program, this Bronx-based company was able to purchase another larger building near its current location. Although areas outside New York City were considered, staying in the Bronx was important to the owners, who wanted to keep their valued employees who live in the area.

“Without the help of the IDA, we would not have been able to stay in New York City,” said Richard Theryoung, president of Empire Erectors and Electrical Co. “This program enabled us to stay in the Bronx and to keep our employees.”

The signs that Empire produces are custom fabricated at the company's headquarters, delivered to a specific location and erected on-site by its employees. The company also installs the electrical fixtures necessary to make the signs operational. A satellite operation includes sign posting on buildings and pole structures.

The IDA Helps British Airways Improve Its Terminal

With more than four million arriving and departing passengers walking through the British Airways Terminal at JFK International Airport each year, the airline wanted to look its best. So, British Airways determined it needed to update its facility. With help from the Industrial Development Agency (IDA) bond program, British Airways is constructing an addition and renovating its existing terminal.

When the project is completed, the airline will have an additional 50,000 square feet that will include an expanded check-in area, retail space, lounges, immigration check-in areas and improved security checkpoints. The expanded facility is expected to be completed within 24 months from start of construction.

A second phase of the project will increase parking capacity to 800 cars from 400, improve curbside check-in and improve road access to the terminal. The second phase should be completed within 36 months of start of construction.

New York City is a top choice for many international travelers and this new facility will take British Airways and New York City's JFK Airport into the next century.

viewpoints New York City

“Being in New York gives you a lot of credibility overseas. The attitude is that anyone who can build a business in New York is real.”

— Kevin O'Connor, co-founder of DoubleClick, Inc.

business expansions

New York City: The Place To Be For High-Tech Companies

■ DOUBLECLICK STAYS IN NEW YORK CITY

DoubleClick, an Internet advertising solution company, is moving its headquarters from two locations downtown to one building in midtown. DoubleClick is one of the fastest-growing Internet companies, started two years ago by Kevin O'Connor and Dwight Merriman. Today, it employs 260 people and plans to expand.

As the industry leader at leveraging technology and media expertise, DoubleClick creates solutions to help advertisers and publishers use the Web for branding, selling products and building relationships with customers.

To learn more about one of New York City's vibrant high-tech companies, visit the company's web site at www.doubleclick.com.

■ ICP EXPANDS ON STATEN ISLAND

A major Staten Island information technology provider, Island Computer Products (ICP), is expanding its facilities with the help of the New York City Industrial Development Agency (IDA) after considering a move to New Jersey. "The success of ICP is proof that New York City's high-tech community extends beyond the boundaries of Silicon Alley," said Charles Millard, chairman of the IDA and president of EDC. "The Giuliani Administration is committed to helping emerging high-tech companies grow throughout New York City."

This 15-year-old computer systems integrator and reseller will purchase and renovate the building at 20 Clinton Avenue in Staten Island. "We started in Staten Island and have known tremendous success and growth here," said Tom Guarnera, ICP's marketing manager. "We feel this is a terrific location for handling business in Manhattan, New Jersey and Long Island, as well as Staten Island, and ICP is thriving in the extremely competitive metropolitan-area market."

In addition to the new facility, ICP has a sales office in Manhattan's Silicon Alley. In all, the company employs 180 people and expects to hire 140 new people over the next 15 years. To learn more about ICP, visit the company's web site at www.icpma.com.

Silicon Alley Leads In Initial Public Offerings

New York City is the leading location for Internet-related initial public offerings (IPO), according to a review by the Securities Data Company. Since 1990, 15 of New York City's Internet companies, including DoubleClick, Earth Web, and 24/7 Media, have gone public. Santa Clara and San Jose, California, shared the number two ranking with six companies in the same period.

■ KANAKARIS COMMUNICATIONS PLANS TO OPEN AN OFFICE IN SILICON ALLEY

Southern California-based Kanakaris Communications, Inc. will open a corporate office in New York City this spring. The New York City office will give the company a presence in the city's growing Silicon Alley community as well as focus on building strategic alliances and corporate finance. Kanakaris Communications seeks to become the "world's downloadable leader" creating "content before your eyes, ears, where, when and as needed." You can learn more about this new media company by visiting www.kanakaris.com.

■ DEJA NEWS MOVES TO NYC

Deja News, one of the most active sites on the World Wide Web, is moving its corporate headquarters to New York City from Austin, Texas, to be closer to its advertisers and agencies. "There is a culture in New York City that is oriented toward major marketers and advertisers," said Tom Phillips, CEO of Deja News. "There is so much more we can do to serve the advertising community by being in New York City."

Founded in 1995, Deja News offers interactive communication through the Internet. The company organizes and provides easy access to more than 80,000 free active discussion groups in 18 languages.

The site is set up so that advertisers and market researchers can target a select group of people for research. For example, companies can test messages, build brand awareness, increase web site traffic, generate leads and conduct sales for one specific segment of their markets. To learn more about Deja News, visit www.dejanews.com.

business expansions

PLUG 'N' GO Program Grows

The overwhelming success of the Plug 'n' Go program has lead the New York City Economic Development Corporation, along with the Alliance for Downtown New York, to renew the program for 1999. Plug 'n' Go provides emerging high-tech companies with pre-built, pre-wired, reasonably priced office space. The expansion of the program is expected to lure scores of other high-tech companies to Downtown's Information Technology District for the new millennium.

"With the growth of the new media industry, the city is eager to continue to help entrepreneurs locate Internet-ready, affordable space," said Mayor Giuliani. "The expansion of the Plug 'n' Go program will help more small companies grow in New York City, adding to the more than 2,600 new media businesses that already call Silicon Alley home. I am very pleased that this unique public-private partnership continues to foster the redevelopment of Lower Manhattan and the expansion of the city's new media community."

In order to accommodate the demand for Plug 'n' Go space, four new buildings have been converted: 65 Broadway, 42 Broadway, 26 Broadway and 20 Exchange Place. These buildings, along with the buildings at 90 John Street and 111 John Street (former Plug 'n' Go buildings), will take part in the 1999 campaign. Companies with a total of more than 1,300 employees have signed over 160 leases in participating Plug 'n' Go properties since 1997. New York City has seen a 105 percent increase in jobs in the new media field during the last year and a half.

Leaders in cutting-edge technologies are attracted to Lower Manhattan for many reasons. Chief among them is an extensive network of fiber optic cable — representing an investment of over \$1 billion — that has been laid throughout the streets and buildings of the neighborhood, making Downtown New York the "fiber-optic capital of the world." As a result, the area offers information technology companies much larger bandwidth, the ability of telecommunications infrastructure to carry information quickly and efficiently.

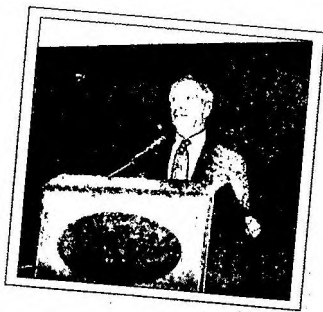
If you are interested in viewing available space in one of these buildings, please contact EDC at 1-888-NYC-0100.

business opportunities

Save The Date

The Fourth Annual New York City Venture Capital Conference will be held from June 21-23, at the Marriott Marquis in Manhattan. Last year 25 companies presented their business plans to members of the venture capital community. If you are interested in attending, exhibiting or presenting, please call (212) 302-1800.

Highlights from last year's New York City Venture Capital Conference...



Michael Bloomberg, founder of Bloomberg Financial Markets, delivered the keynote address.



Charles Millard, New York City Economic Development Corporation president, presents Robert Lessin, chairman of Wit Capital with the Alley Award.

EDC IS ON-LINE

To learn More About Business Opportunities in New York, visit our web site at www.newyorkbiz.com. This site will provide you with the latest information about many business assistance and financing programs. If you have any questions, please e-mail them to us at info@newyorkbiz.com.

We Want Your Input

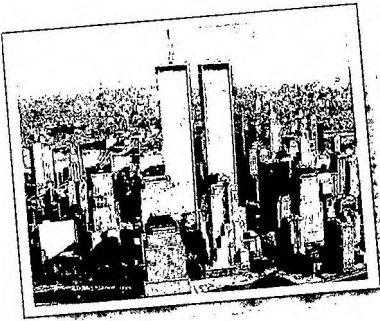
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from EDC at:

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For more information please call
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