

# Worcester **Business** Journal

## Latest word from area business: "We're up"

By **Christina P. O'Neill & Lawrence D. Maloney**

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### **Brian Joyce, CPA, sees continued business growth**



Costs are rising and skilled workers are scarce, but many area businesses are still predicting growth in 2006.

Even with nagging concerns about energy prices, interest rates, and healthcare costs, the mood was mostly sunny among the more than 100 firms exhibiting their products and services at the Open for Business Expo, held April 5 at the Doubletree Hotel (formerly The Wyndham Westborough).

The decade-old event, put on by the Corridor Nine Chamber of Commerce, showcased firms ranging from alarm companies and coffee roasters to law firms and printers. For the most part, companies claimed to be tracking head of 2005.

"We're up about 5%," says Pam Jernberg of E.L. Harvey, the Westboro-based recycling and waste removal firm. "It would be better, but pricing in this business is very competitive."

A big plus for Harvey is its growing mobile-shredding business. The start of new construction projects in the Spring is also boosting hauling business for debris. On the downside, the recycling market has softened, notes Jernberg.

Businesses like Harvey and Knights limousine of Grafton are trying to cope with soaring fuel costs. "During one two-week period, our fuel bill hit nearly \$40,000," says sales manager Len Diana. Still, passenger demand for the firm's 40-vehicle fleet has remained solid, according to Diana, with good business from hotels and business training meetings.

New regulations stemming from "Nicole's Law," which requires

carbon monoxide detectors in all residences, dorms, and daycare centers, has spurred business at Worcester's American Alarm and Communications. Also in big demand, notes integrated systems consultant David Oles, are video security systems and fire alarms. With business tracking up more than 20% versus the same period last year, Oles says the firm is finding it difficult to hire enough skilled technicians and sales people

### **Busy times for services**

Brian Joyce, a CPA at Westboro-based Alexander Aronson Finning CPAs, sees continued business growth over the next couple of years, mostly for the region's CPAs. While demand for their services is on the rise due to more stringent financial reporting rules, their ranks are set to decline because of a requirement that CPAs go through five years of schooling. "Interviewees can pick and choose," he says.

Optimism with a jolt of caution is the word at Westboro's Suburban Staffing Inc. Job activity is heating up, says Nancy Carlson, president, and the quality of the leads and referrals Suburban is getting this year has improved over last year. An upward trend in direct hires and an increase in temp-to-direct hires since January — normally a slow time for temps — is keeping the company busy. But reading the indicators behind this trend is difficult, she says. CPAs are hard to find, but so are workers in the life sciences.

Suburban Staffing is seeing increased demand for its employee retention and team building programs, and hiring incentives are on the rise. "People will pay anything to get the talent," says Mark Carlson, vice president of business development. But that's not necessarily as healthy as it sounds. The price for talent has risen because there are fewer talented workers in Massachusetts, he says. The state has lost population two years in a row, a situation that's widely blamed on the high cost of living, he says.

Another staffing business, Worcester's Dophin Resources, is also in an expansion mode, adding new marketing and human resources departments in the last eight months. The firm targets small and mid-sized businesses, especially nonprofit organizations that can't afford to hire their own staff for key slots. "Marketing is really snowballing for our nonprofit clients," says VP Kerry Pascetta. "Before you ask contributors for money, they need to know who you are." Her

forecast for sales this year: Up 35%.

Fern Nissim, principal of Shrewsbury-based Integrated Marketing Source, notes a trend of people coming out of corporate life to "start all over" in their own business, and they're contacting her marketing firm seeking the tools and resources to do it. It isn't all rosy, she says: Small mortgage companies have struggled to survive the drought in the refinancing market as interest rates have risen, and they need help to regroup. Real estate salespeople, too, are struggling. Those who survive tend to concentrate in niche or specialty markets, she says.

The financial services industry sees its clients becoming less risk-averse, observes Rich Nicholson of TD Banknorth. He's been with the bank since 2000, and says that as the economy has rebounded, the nature of savings vehicles has changed. Investors, many apparently having recouped some of the losses of the last stock market bust, are now moving their assets from liquid accounts to more investment-oriented vehicles.

### **From cleaning to chili**

Among other firms that are expanding, Worcester-based Enterprise Cleaning Corp. has grown in the space of one year from 35 employees cleaning 23 buildings to 84 employees cleaning 72 buildings, notes Stephen Buchalter, president. And while homebuilding has cooled, firms that specialize in remodeling, such as Fisher's Construction & Landscaping, are staying busy. Ken Fisher says customers putting their homes on the market often call on him for improvements to make them more salable. After the sale, he says with a wry grin, the new owners call him to make changes in some of the sellers' improvements.

The Canyon Café Mexican Bar and Grill, celebrating its first full year of business on Route 9 in Westboro, says it's been a good launch year. General Manager Mark Ogilvie notes that the presence of so many hotels in the area has been a good draw for the fledgling restaurant, which serves Southwestern/ Mexican fare, all made fresh daily. Of a total of six restaurants in the U.S., the Westboro location is the company's first in the Northeast, and the staff is hitting the local Expo circuit to get their faces and names in front of new customers.

All these upbeat reports fly in the face of many economists who

remain lukewarm on the state's growth prospects. "I know the predictions are that Massachusetts will be in very slow growth mode," says Roberta Schaefer, executive director of the Worcester Regional Research Bureau. But she cites "the energy and inventiveness" at the state level and at the Central Region Competitiveness Council.