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A bill would allow businesses located in UEZs to deduct taxes on interest from loans. [Page 5](#)

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Christina Haza

Cheryl A. O'Brien, vice president and general manager for the air-ground freight services operations division at FedEx Express.

Handling the unexpected with care

FedEx executive takes disasters in stride while coordinating deliveries

BY MARTIN C. DAKS

WHEN A NATURAL disaster like Hurricane Irene strikes, it may be days before **Cheryl A.**

O'Brien gets to clock out.

In times of crisis, O'Brien is a kind of conductor for **Fed Ex Express**, coordinating the

movements of workers up and down the East Coast. In rapid-fire meetings with team leaders

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The train stop that changed Hub City

Chance and creed the links between New Brunswick, J&J

BY JARED KALTWASSER

IT ALL STARTED in 1886, when **James Wood Johnson** and his two brothers had just decided to start a company to provide the world with mass-produced sterile surgery products.

Johnson "was on a train going from New York to Philadelphia, thinking about where they wanted to locate the new business," said **Margaret Gurowitz, Johnson & Johnson's** corporate historian, when the train made its regular stop in New Brun-

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Applauding economic growth plan

Insiders: Christie gives sense of direction to N.J. business

BY JOSHUA BURD

IF THERE'S ONE feature of the governor's newly unveiled economic growth plan that's most appreciated by the business community, it's the sense of direction it lays out for the state's most dependable industries.

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JOHNSON

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wick. Johnson looked out the window and saw a former wallpaper factory of four stories with a "For Rent" sign.

"So he got off the train, looked at it, liked what he saw, and rented it for Johnson & Johnson," Gurowitz said. "And we've been here ever since. That was literally where our parking deck is today."

Today, Johnson & Johnson is one of the world's largest pharmaceutical companies, with a portfolio of products ranging from Band-Aids to heart stents to blockbuster drugs like Concerta. This year, J&J is celebrating its 125th anniversary.

New Brunswick, too, has undergone changes over the years. Indeed, J&J's iconic **I.M. Pei**-designed world headquarters isn't the only Hub City skyscraper that wouldn't be there today if not for J&J, but the company seriously considered leaving before its current world headquarters opened in 1983, said **Lawrence G. Foster**, former corporate vice president for public relations at J&J.

"In the early '70s, it became apparent that J&J needed a much larger headquarters," Foster said. "We were at the time in buildings that were built in the turn of the century, and we were occupying every square foot of space that we could."

And New Brunswick in the early '80s didn't look nearly as appealing as it had when James Wood Johnson first disembarked nearly a century before.

"The economy was bad, and New Brunswick was a downtrodden city," Foster said. "It was really on its back. Downtown New Brunswick began to look like a war zone, with so many retail stores boarded up and out of business."

Foster said the majority of employees lived outside of New Brunswick, and many wanted the company to build its new headquarters in one of the half-dozen suburban communities where the company had operating units. But

Web extra

For video coverage of Johnson & Johnson, visit NJBIZ.com.

John J. Heldrich, a lifelong New Brunswick resident and former corporate vice president for administration at J&J, said its then-chairman and CEO, **Richard B. Sellars**, wanted to adhere to the company's credo — a statement of priorities spelled out by one of Sellars' predecessors, **Robert Wood Johnson**.

"That credo says we have a responsibility to the communities in which we are located," Heldrich said. "So there was a strong moral and ethical commitment that we discussed ... that meant we were going to move in and organize to start the renaissance of our city."

The company launched a public-private partnership, called New Brunswick Tomorrow. Out of that process came two organizations — a social services arm that kept the name, and a redevelopment arm, New Brunswick Development Corp., or Devco.

One of the early tasks, Foster said, was recruiting a high-end hotel to the city. **James Burke**, who succeeded Sellars in 1976, succeeded in that goal.

"He met with the **Hyatt** chairman, and

Christina Mazza



Johnson & Johnson's headquarters was founded by James Wood Johnson, in 1886, while riding a train through New Brunswick, says Margaret Gurowitz, Johnson & Johnson's corporate historian.

after a lengthy discussion, the Hyatt chairman said to Burke, 'Mr. Burke, you're a very convincing man, and we're going to build this hotel in New Brunswick across from your new corporate headquarters — but you're going to pay for it,'" Foster recalled.

J&J became the hotel's prime customer, regularly using its meeting rooms, and lodging visiting executives in its rooms.

The benefits have also extended into education, said **David Finegold**, senior vice president for lifelong learning and strategic growth at Rutgers University, in the city. J&J acts as a draw for potential students, he said: "These days, with the economic times that we're in, I think one of the top-of-mind issues for any family or any student is, 'Am I going to be able to find a good job after investing in this degree?'"

Finegold said J&J provides internships and full-time co-ops to many Rutgers students each year, in addition to direct financial support for the university.

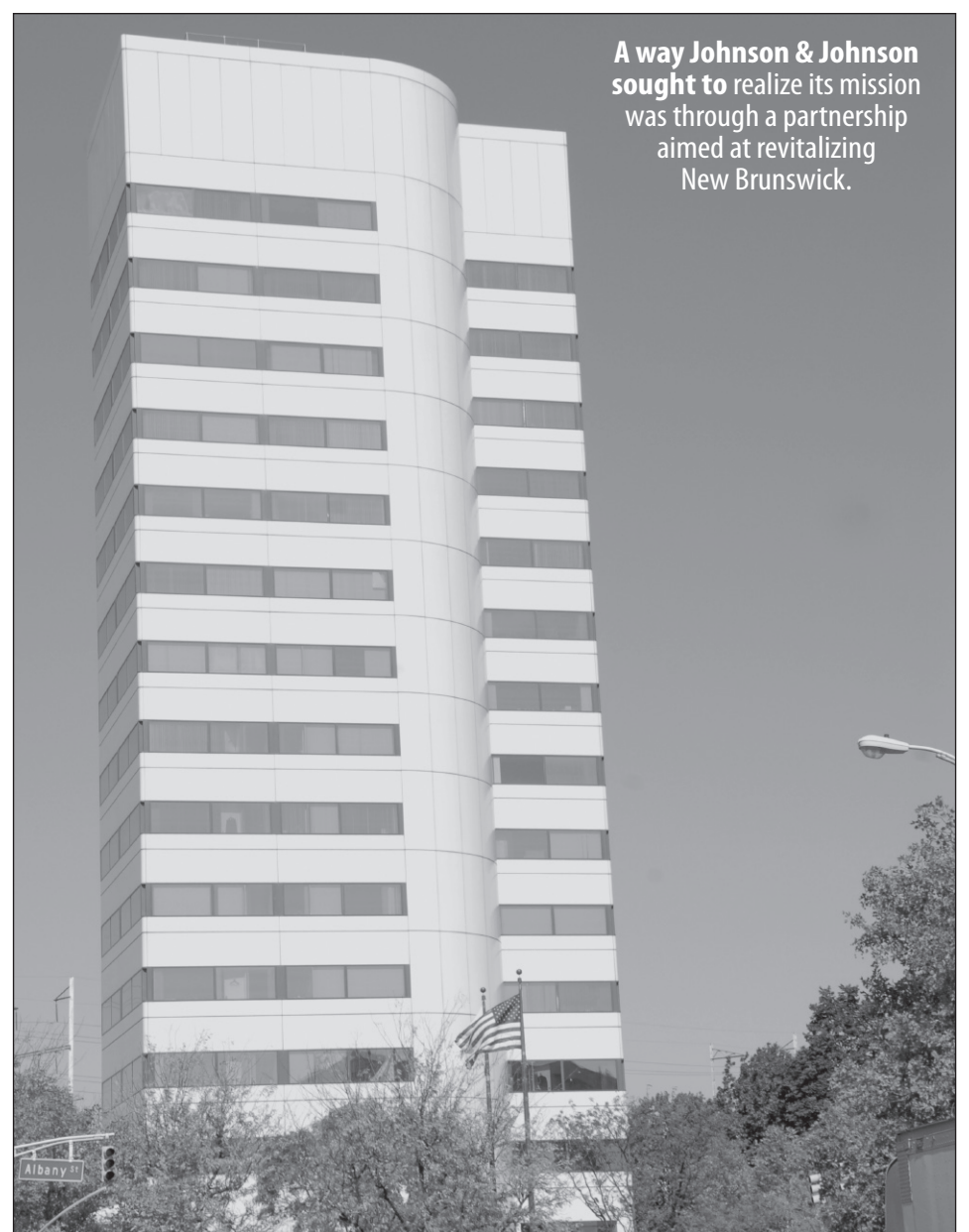
Devco's legacy also includes building new schools, a public safety building, the new Middlesex County courthouse and administrative offices, and residential towers, among other projects. The Gateway transit village is nearing completion, and Devco has begun work on the New Brunswick Wellness Plaza, which will bring a grocery store and a fitness center to the downtown.

Two former J&J executives, and one current executive — **Michael Dombrowski**, vice president of real estate and planning — currently serve on Devco's board, though its president, **Chris Paladino** said the company is not as directly involved in the city's redevelopment efforts as it once was.

"It doesn't need to be," Paladino said. "They set a template. They set us on the right course. They gave us critical mass."

Heldrich sees strong parallels between the issues the city was facing four decades ago and the economic issues facing the country today, "and the answer to it — both short and long-term — is the private sector."

Heldrich said there wasn't any one moment that signified the city's rise, but rather



A way Johnson & Johnson sought to realize its mission was through a partnership aimed at revitalizing New Brunswick.

steady, incremental steps. But key to it all, he said, was that the city and the company involved community members and other stakeholders each step of the way.

"You needed a unified front," he said. "Some of our cities are still struggling with fragmentation, rather than unification toward a common objective."

The relationship between J&J and the city was not one-sided. In exchange for J&J staying in the city, Paladino said, the state agreed to a major reconstruction of Route

18, and gave the company a tax abatement.

Still, Foster, who wrote a biography of Robert Wood Johnson called "The Gentleman Rebel," said it's difficult to imagine the city without Johnson & Johnson's imprint.

"If you were to take me into that city today, and I didn't know anything about the revitalization," he said, "I would have said to you, well, this is not New Brunswick. You brought me to the wrong place."

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