

August 16th, 2012

My name is Domenic Urbani. I am president and owner of Urban Neon Sign Lighting & Graphics, Co. Incorporated in Pennsylvania in 1993, our facility is located in Holmes, Delaware County. We have been manufacturing, installing and servicing signs for regional and national retailers, property managers, banks and other commercial and non-commercial institutions for nearly 20 years.

Although we operate a small business in southeast Pennsylvania, a great deal of our product is shipped and installed nationwide and occasionally overseas. We have struggled at times to remain competitive with sign manufacturers in other states. One of our biggest challenges is finding a skilled labor pool. Sheet metal mechanics, crane operators and people with electronics and carpentry skills are rare. Local high schools with a vocational curriculum in manufacturing seem to be a thing of the past. Statewide educational programs need to focus on getting students interested in careers involving engineering, graphic design, automated machine skills and the like. I would be willing to hire and train young people with a desire to learn a valuable trade in sign manufacturing and installation if these types of programs were shared and coordinated with small manufacturers like Urban Neon.

The economic conditions of recent years have affected my business in many ways. Tighter state and federal regulations on the financial institutions in our country would help prevent the near collapse that occurred in our banking system.

Small business loans remain difficult to acquire even with a good credit rating. If government backed loans were available, this might benefit a business like ours.

As is with most small business, rising health care and workers' compensation premiums are a constant strain on our bottom line. The total impact of the Affordable Health Care Act may not be realized for several years since implementation is spread out over the next few years. Workers' compensation rates in Pennsylvania are much higher than in many southern states making it more difficult to compete with manufacturers in Florida and Texas in particular. Due to these high insurance premiums we are sometimes reluctant to hire additional staff.

Urban Neon currently has 16 full time and 2 part time employees. Nearly all of our employees support families and earn a competitive living wage. Although annual sales are up 25% this year it is barely possible to provide annual cost of living wage increases due to higher insurance premiums and dwindling profit margins. Tax breaks for small businesses, capped or reduced insurance premiums and lending incentives to financial institutions would certainly help us to continue to provide the good jobs we currently offer. I am hopeful we will provide additional jobs as our business continues to rebound and grow over the next several years.

Thank you for giving me the opportunity to offer my thoughts on improving the small business climate in the great state of Pennsylvania.

Respectfully,

Domenic G. Urbani
President
Urban Neon, Inc.

