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With the state's fiscal crisis knocking down the front door, business community leadership on the economic development front has never been more critical than it is today. To answer the call, the Chamber will be sending this electronic bulletin every few days, or so, to key business leaders. The idea is to keep you up to date on important issues being discussed and ways the Chamber is working to improve the business climate.

Attorney General Patrick Lynch's recent briefing...

to the Board of Directors of the Chamber focused on the role of his Office in **evaluating the proposed merger of Lifespan and Care New England**. He said his review would consider whether the consolidation is "appropriate" and "good for" Rhode Island and asked members of the board to offer their input.

In response, several directors emphasized the importance, from an economic development perspective, to have **a healthcare system that is able to compete with Boston hospitals for patients, leading-edge physicians and research dollars**. Many also highlighted the **benefit of combining information technology systems and creating a world class academic medical center** through Brown University's new Warren Alpert School of Medicine.

The Attorney General directed business leaders to **Section 23-17.14-10 of the Rhode Island General Laws** for specifics on criteria that will be used by his Office in judging the application. Further, he urged Chamber members to contact him at plynch@riag.ri.gov to offer guidance. The Chamber will be formulating an official position on the merger in the coming weeks.



This week, the Chamber is unveiling a new effort called "Entrepreneur Launch Pad"...

a year-long program to teach hands-on, real-world specifics to young companies that are in a fast growth mode. With angel and venture capital funding at historic levels, today's entrepreneurs should be totally focused on building out their management team,

finalizing their financial plans, and scaling their sales processes.

Entrepreneur Launch Pad is the next logical step to our knowledge-based economy study. As a Chamber and as a community, we are rabid about accelerating technology transfer, new company formation and tax revenue. After all popular consumer goods like Scotch Tape, the Swiffer and the iPod all started "simply as ideas."

Entrepreneur Launch Pad will be directed on behalf of the Chamber by Jack Derby and George Simmons of Derby Management in Boston. Derby Management specializes in the markets of private equity and venture capital, providing a variety of senior management coaching services to emerging companies.

Some of the topics we will be delving into include:

- > *How to successfully raise venture capital?*
- > *What goes into a winning business plan?*
- > *How do you quickly ramp up sales?*
- > *Will investors fund your current business plan?*
- > *What are all of your financing options?*
- > *How to insure sales forecasting success?*
- > *What does it take to hire an "A" level team?*
- > *What are the critical legal facts you need?*
- > *What does an early stage Sales Plan look like?*
- > *What do you need to know about forming a Board?*
- > *What are the critical success metrics?*

If you're involved with an emerging company of any size or scope, please look into **Entrepreneur Launch Pad**. Go www.providencechamber.com for details.

The Chamber is working hard...to demonstrate to public policy leaders that the state's current budget crisis is a direct outgrowth of Rhode Island's weakening business climate. Here's what some of our business leaders are saying about the implications of raising taxes.

.....■ *"I know it is difficult to hold the line on taxes when we have pressing social needs. But if we don't, given the mobility of businesses and their owners, and the jobs they create, we run the risk of being truly impoverished within the next five years. We live in a rapidly changing and highly competitive environment. We have no choice but to deal with it effectively, balancing our short-term needs and longer-term interests. We must not further impair our tax competitiveness." -- Merrill Sherman, Bank RI*

.....■ *"In all business ventures, state and local governments are partners and help provide the needed competitive environment for business to grow and increase its employee base. A key measurement of the fairness of that partnership is the competitiveness of the corporate tax burden for all types of taxes – income, property, and sales. The social needs in our state have never been greater. Business and government leaders must work together to provide these services in the most efficient way and assess taxes in a manner that does not diminish the competitiveness of Rhode Island companies. In a global economy, capital moves at the speed of light to where it is most efficiently employed and tax burdens are competitive." -- Robert DiMuccio, Amica Mutual Insurance Company*

What's your view? Send us your thoughts. Write to us at lwhite@provchamber.com.

Useful talking points on taxes: contact your legislators!

.....■ Take a moment to write or call your legislators. *It is essential that the members of the General Assembly hear this particular point of view.*

.....■ Rhode Island's fiscal crisis is a direct result of our weakened business climate. *We need more taxpayers ... not more taxes.*

.....■ We are confident that a *super-charged, business climate with a competitive tax structure* will indeed drive *new investment, new tax revenue and new jobs* in our state.

.....■ *We can not backslide on the progress we have made over the past few years on the tax front: flat tax, capital gains, historic tax credit.*

.....■ This is not about "pitting one segment of society against another." It's about a *vision for our future*.

.....■ We need to leave a *strong foundation for the next generation* to build on --- one that creates *new jobs, creates new investment and creates new levels of prosperity* for all.

.....■ *Rhode Island's small businesses pay taxes!* Most small businesses in Rhode Island are organized as S Corporations or Limited Liability Companies, thus the corporation is simply a pass-through entity. The income flows to the individual and is fully taxed on the personal income tax return. Businesses are organized as S Corporations to provide for single level of taxation, not double taxation.

Stay tuned...for more news, including breaking news.