

York County KIZ Moving Forward

On October 18, the Ben Franklin Technology Development Authority approved YCEDC's application for a Keystone Innovation Zone (KIZ) in York County. The York KIZ will benefit from \$250,000 in operational funding through the YCEDC and is comprised of the three separate sites: surplus property at Johnson Controls, Coupling Corporation, and York City Business & Industry Park. York College, Penn State York and HACC are educational partners with the YCEDC.

There are three general goals of the KIZ: create new partnerships to strengthen York County's growth industries; foster collaboration between York College, Penn State York, HACC and the business community to enhance business retention activities, support new entrepreneurial opportunities; retain and attract a technically trained workforce; and utilize KIZ incentives to build upon existing revitalization efforts in and around the zone area.

Certain criteria must be met in order to qualify as a KIZ company:

- Company must be under eight years of age
- Company must be in one of the designated industry clusters
- Company must be operating in a designated Keystone Innovation Zone

"The designation of the KIZ is a key element in York County's Comprehensive Economic Development Strategy (CEDs)," stated Darrell Auterson, YCEDC President. "The intent of the KIZ ties directly to the CEDs goal of enhancing the competitive positioning of business as the KIZ will promote creation of new technologies and new entrepreneurs by connecting the resources of colleges and universities with the business community. The KIZ will encourage economic growth in York County while keeping a younger workforce here working in attractive, meaningful jobs." For more information, please contact Aeman Bashir at abashir@ycedc.org or 717.846.8879. 

MEMBERS IN THE NEWS

DBSi "A Decade of Risk Magnification"

The past decade has been one of accelerated growth and unprecedented changes in how we use technology, and who uses technology. In the 2002-2003 timeframe we reached an apex where the management of disparate but interconnected systems became the major "Risk" component of growth. Systems management takes on many forms; it includes but is not limited to:

- Overall management of inter, intra and extra-communications of the systems
 - Telecommunications networks
 - SAN and NAS connectivity
 - Loosely and tightly coupled processing of various applications connected by layers of middleware
- Security
 - Physical
 - Logical
 - ~ Access
 - ~ Encryption
- Business Continuity and risk management
- Data management and integrity
- Asset management
- System and application availability
- Hardware maintainability and upgradeability
- Transaction surge protection

While these challenges have been present in various forms for the past thirty years, they have been

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amplified by the strongest decentralization cycle in the history of the industry during the late 90's and early 21st century. The result of this decentralization cycle was the onset of user departments who lack Information Technology (IT) disciplines and methodologies taking ownership of processes and applications upon which their firms relied. The net result was a dramatic increase in the use of technology to improve productivity and/or competitive advantage as well as significant reductions in "wait-time" for new business applications; but this did not occur without cost and may not have achieved the desired result in all cases.

The cost of user controlled technology was a world of redundant data, lack luster testing, reduced security, uncontrolled asset acquisition, business continuity exposures and at times customer service issues. In other words "Islands of Technology" were back from the late 80's and early 90's. While in many cases these islands served their department, business unit or division well, they did not always serve the corporation. While there were isolated situations where the islands explicitly did not desire to participate with the rest of the company; in most cases it was just too difficult, time consuming and required levels of expertise that most of the islands did not possess. The impact of the decentralization cycle and the need to achieve the desired improvements in competitiveness through effective use of "information" generated a cycle of centralization and consolidation.

Intelligent use of Technology

We seemed to be cursed as an industry to forever be moving from centralization to decentralization and back to centralization. Yet, this most recent cycle appears to have created a variant on the centralization theme that could move the industry away from the endless circle it has been in for the past thirty years.

The current centralization movement revolves around giving users their own worlds (operating platforms) that are centrally managed by the IT organization. This has been enabled by improved hardware resource management (Blades and varied storage technologies) combined with server, application, and storage virtualization. Yet as IT organizations strive to gain control over resources, they may not even know exist, a critical component of the equation is being overlooked in many cases; business continuity.

Business continuity covers a lot of territory; it is large in scope because at its foundation it is about ensuring there is as little impact as possible on customer satisfaction, revenue, and profitability during a natural and/or manmade disruption. While these foundational areas are of great importance, it is equally important to ensure data is not lost or becomes corrupted as well as protecting the business from competitors who may seize upon your misfortune.

The IT component of business continuity has become the hub of most plans since few companies can function without their IT systems and related information.

There are many approaches to IT business continuity that can be taken with no one approach being perfect for all; these approaches can vary in risk avoidance and cost. Best practices for today's IT organization include but are not limited to:

- Full redundancy with complete data replication
- Full or partial data replication with hot or warm systems
- Active/Active or Active/Passive recovery scenarios
- Dynamic repurposing of remote IT assets (Good middle ground)
- Co-Location and role your own
- Coldsite
- Incident recovery (Sub-component recovery plan)

Any of these can be implemented by companies ranging from SMB to Fortune 500 companies; the key is to understand

the business impact of events that could cause a disruption and overlay the financial (short and long term) impact over the cost of the various recovery methodologies. In many cases a hybrid approach makes the most sense due to different applications having drastically different business impacts. Lastly it is important to find a business continuity partner who is flexible and willing to act as a true advisor versus someone selling recovery services.

For additional insight into how to get started with a business impact analysis or to better understand the mechanics and pros/cons behind the practices noted above please feel free to contact Bryan Munchel from DBSi at 717 919 8910 or e-mail bmunchel@dbsintl.com.

Barley Snyder Welcomes Magda Bonutti Szabo, Tax and Benefits Attorney, to the Firm

Barley Snyder LLC, a full-service regional law firm in central Pennsylvania, is pleased to welcome Magda Bonutti Szabo to the firm. Szabo has joined the firm as counsel in the Tax, Employee Benefits and Trusts and Estates areas.

Szabo advises clients on tax matters, estate and succession planning, executive compensation and benefits and asset protection. She provides counsel on state and local, federal and international taxation matters for publicly-held international corporations, closely-held private corporations, partnerships, trusts, tax-exempt organizations and start-up ventures. Szabo is involved in planning, formation and reporting issues for both domestic and foreign entities and her representative experience includes choice of entity, acquisitions, divestitures, mergers, qualified and nonqualified executive compensation and state tax minimization. She also is experienced in matters relating to customs and trading, such as international joint venture agreements, NAFTA rates and exemptions, labeling, export and other issues.

Szabo provides guidance in individual tax matters involving estate and succession planning and charitable giving. She provides counsel for tax-exempt organizations and associated reporting matters, and also advises on asset protection matters, including offshore asset protection.

Szabo's experience includes the area of tax controversies with the IRS and multiple state authorities, where she has handled issues including 304 dividends, accounting methods, consolidated return issues, transfer pricing, cross border financing, outbound transfers, foreign tax credit and thin capitalization. Her state and local audit representation includes income, franchise, sales and use, property and transaction taxes for matters such as nexus, non-business allocation of income, valuations and statutory exemptions.

Szabo received her B.A. and Master of Accountancy and Financial Information Systems (M.A.F.I.S.) from Cleveland State University, her J.D. from the Cleveland-Marshall College of Law and her LL.M in Taxation from Case Western Reserve University School of Law. She is admitted to practice in Pennsylvania and Ohio and before the U.S. Tax Court. A frequent lecturer on many tax-related matters, Szabo also is a published author and has contributed to a number of national tax-focused publications including Practical Tax Strategies, Tax Notes Today and the Journal of Tax-Exempts.

Prior to joining Barley Snyder, Szabo was employed as a senior attorney at Calfee, Halter & Griswold LLP. Her previous experience includes work as a partner in Koblentz and Szabo and as a senior tax manager for KPMG LLP.

Barley Snyder LLC is a full-service regional law firm with

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