

Supporting Small and Medium-Sized Businesses

An Interview with Ken Biberaj,
Chairman-Board of Directors, Manhattan Chamber of Commerce

EDITORS' NOTE Ken Biberaj was appointed to his current post in January 2015. He is an executive for his family's real estate company that owns and operates The Russian Tea Room. Additionally, Biberaj was a candidate for City Council on the Upper West Side of Manhattan in 2013.



Ken Biberaj

ORGANIZATION BRIEF The Manhattan Chamber of Commerce (manhattancc.org; MCC) is a 501c6 membership organization supported by its partners, corporate members, and general membership. Their mission is to advocate for, connect with, and educate the business community in Manhattan. The MCC also has two nonprofit arms: The MCC Community Benefit Fund and MCC Foundation.

What is the history of the Manhattan Chamber of Commerce and how do you envision its purpose today?

The Chamber was started over 90 years ago with a focus on the small and medium-sized businesses in Manhattan. Over the years, there has been a large growth of advocacy for businesses with local business improvement districts, the Downtown Alliance, the Grand Central Partnership, the Association for a Better New York, and the Partnership for New York City.

What sets the Manhattan Chamber apart is the laser focus borough-wide on the small and medium-sized businesses, making it a better environment for them to start businesses and to grow.

Is it well understood that small and medium-sized businesses are the real drivers of economic success?

As a Chamber, we work daily to make it better known that by helping create a better environment for small and medium-sized businesses, true job creation will take place from the ground up. The Center for an Urban Future noted in 2014 that companies with fewer than 50 employees accounted for 97.7 percent of the growth in businesses citywide between 2000 and 2013.

How do you define a small or medium-sized business?

Our Chamber is made up of small “mom and pops” and also multinational corporations. The focus of our advocacy, however, is really on the small and medium-sized businesses that

make Manhattan so unique, those with roughly 100 employees or less. A large sector of growth within the Chamber has been from the tech sector and with start-ups looking to reach partners and new customers.

Would you touch on the value that Chamber membership offers?

Membership in the Chamber offers three things: Advocacy, Connections, and Education. We are out there on a regular basis advocating on behalf of our members to elected officials, regularly hosting unique

events so members can network, and organizing special programs to ensure our members stay on the cutting edge. Membership fees are relatively modest, starting at \$125 for individuals and \$1,250 for corporations, so there is a real ROI for members.

How critical has it been for the city to broaden into new sectors?

In 2009, when the economy crashed, New York should have done much worse, but the booming tech sector and hospitality industry helped to stabilize our entire economy. While the financial sector remains the backbone of our economy, this continued diversification is invaluable. That is why our Chamber has focused this year on expanding our membership base with restaurants, tech companies, and real estate professionals. A more diverse membership base is also a real value that we provide members, because they now have access to even more potential partners.

Are you able to track the impact of the Chamber's work?

We track our impact by our ability to grow our membership, engage influential leaders, and shape the conversation about issues. Every day we are recruiting new members to the Chamber, including Uber, Google, Allied Barton Security, BR Guest Restaurants, and others. Additionally, this year already, we have hosted events with NYPD Commissioner William Bratton, the U.S. Small Business Administrator, and His Eminence Timothy Cardinal Dolan.

With regard to our ability to raise issues, we have been leading the charge to eliminate the Commercial Rent Tax, a regressive and outdated tax that only Manhattan businesses face. We are working with the City Council to introduce a bill that would immediately raise the threshold of who pays the CRT from \$250,000

to \$500,000. That alone would provide immediate relief for over 2,500 small businesses. Not only are we getting traction in the Council but the media has taken note and there are now regular stories about why the CRT needs to be reformed – getting the conversation started is a big win for us as a Chamber.

Have you seen movement? Has change been slow in coming?

It has been a challenge on some of these issues. Right now, there is a very large focus in this administration on the outer boroughs, so we are working extra hard to remind them that the Manhattan business community needs relief as well, especially the small businesses.

To have a real conversation about growing the outer boroughs and having the financial resources we need to invest in our communities, we have to make investing in Manhattan part of that conversation. We must ensure that Manhattan remains a place that people want to live in, work in, and visit on a regular basis; otherwise, our entire city will suffer.

Are we going to lose the diversity from the city as things become increasingly less affordable?

Diversity is what makes New York special. I applaud the Mayor for focusing on affordable housing because we need to make sure everyone has a place to live in New York City, but we also need to ensure that we have diverse businesses and that our city does not just become a place for national chains.

It is not a level playing field for small and medium businesses, and that's what we as a Chamber are trying to address.

Do you worry about overdevelopment? Can this market maintain it?

We're blessed in New York to have such a strong tourist industry. There is a demand for more hotel rooms. If we keep New York dynamic, we should be able to keep growing those numbers. Mayor Bloomberg was so passionate about this every year. Now that we're investing more in the outer boroughs, we should welcome more people. There is more we can be showcasing. We also need to be investing more in our public transportation, and our airports – it's embarrassing to fly into LaGuardia, as Vice President Biden pointed out.

As we continue to grow as a city, we need to plan and think strategically about that growth, to ensure that we remain a welcoming city for those looking to visit or conduct business. ●