

Minutes of the regular meeting of the Advisory Council on Small Business and Agriculture

10:00 a.m. – 1:00 p.m., Monday, October 21, 2013

Federal Reserve Bank of New York

33 Liberty St., New York, NY

Present:

Stewart Brunhouse, President, A&A Company LLC
William Byrne, Chairman, Byrne Dairy Inc.
Gale Epstein, President and Create Director, Hanky Panky
Kenneth Franasiak, Chairman and CEO, Calamar
Margaret Krumholz, President, Disc Graphics, Inc.
Ted Tregurtha, President, Moran Towing Corporation

Federal Reserve Bank of New York staff:

William Dudley
Jack Gutt
Kausar Hamdani
Claire Kramer
Matthew D. Higgins
Jamie McAndrews
David Parkinson
Richard Peach
Rae Rosen
Luis Uranga

Mr. McAndrews called the meeting to order at approximately 10:00 a.m.

1. Economic Outlook

a. The International Outlook

Mr. Higgins discussed recent economic developments in emerging markets.

b. The National Economy

Mr. Peach discussed domestic economic trends for the first part of 2013.

2. Discussion

Mr. Dudley joined the group for the luncheon discussion. Members were asked to comment on changes in demand, projected hiring and investment in plant and equipment for 2013 and 2014, and impacts due to healthcare legislation, sequestration, payroll taxes, or other official sector spending or taxation.

Members described a range of experiences with regard to each of the topics presented. On the subject of changes in demand, most members reported that demand has been relatively flat though some business lines are seeing more growth than others.

Most members did not report plans to significantly increase employment in the near-term. Generally, members noted low turnover but reported difficulty in filling upper level and skilled positions.

Several members reported making significant capital investments in plant and equipment in 2013, though the majority of members did not have such plans for the remainder of the calendar year or for 2014.

Turning to the impacts of congressional action, in general, members continued to express uncertainty over the Patient Protection and Affordable Care Act. Some members reported making changes to their existing plans while most hope to keep offering similar coverage for 2014. Most firms also reported little direct impact from the sequester and members were generally not overly concerned by the government shutdown.

The meeting adjourned at approximately 1:00 p.m.