

**Minutes of the regular meeting of the  
SMALL BUSINESS AND AGRICULTURAL ADVISORY COUNCIL**

10:30 a.m. – 2:00 p.m., Friday, July 18, 2014

Federal Reserve Bank of New York

33 Liberty St., New York, NY

**Present:**

Michael Arnoff, President, Arnoff Moving & Storage  
Alejandro Ballester, President, Ballester Hermanos, Inc.  
Stewart Brunhouse, President, A&A Company, Inc.  
William Byrne, Chairman of the Board, Byrne Dairy, Inc  
Eric Caslow, President, Acme Smoked Fish  
Deborah Leo, President, Retail Solutions, Inc.  
Patrick Marotta, President and CEO, Marotta Controls  
Edward Tregurtha, President, Moran Towing Corporation

Federal Reserve Bank of New York attendees:

James Bergin  
John Clark  
Christine Cummings  
William Dudley  
Jack Gutt  
Kausar Hamdani  
Claire Kramer  
James Andrew Orr  
David Parkinson  
Richard Peach  
Rae Rosen  
Joseph Tracy

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Ms. Cummings called the meeting to order at approximately 10:30 a.m.

**1. The National Economy**

Mr. Peach gave a high-level overview of the current state of the U.S. economy.

**2. Regional Update**

Mr. Orr discussed economic trends in the Second Federal Reserve District.

**3. International Update**

Mr. Clark spoke about international economic developments in the euro area, Japan, and the emerging market economies, including China.

**4. Luncheon Discussion**

Mr. Dudley joined the group for the luncheon discussion. Members were asked to comment

on changes in sales volume, projected hiring and investment in plant and equipment for the second half of the year, pricing expectations, and access to credit.

A majority of members reported sales growth during the first half of 2014, with some firms reporting no loss of sales during the first quarter, in spite of harsh winter weather. Most members expected similar levels of growth to continue during the second half of the year.

Some members reported plans for modest increases in employment, while others plan to keep employment levels stable. Across sectors, members have experienced varying degrees of labor marketing tightening with some firms reporting increased competition for top talent. Several firms cited the information technology field as a specific area of competition.

Several members reported making new investments in plant and equipment, while other member firms have recently concluded upgrades. Research and development was cited as an area of continued investment. Some firms also noted new pricing pressures due to factors such as increasing regulation and rising fuel and raw material costs.

In general, members noted that credit conditions remain largely unchanged with relatively easy access to credit.

The meeting adjourned at approximately 2:00 p.m.