

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

11:30 a.m. – 1:00 p.m., Thursday, March 7, 2013

Federal Reserve Bank of New York

33 Liberty St., New York, NY

### **Present:**

William C. Dudley, President, Federal Reserve Bank of New York  
Christine Cumming, First Vice President, Federal Reserve Bank of New York  
Stewart Brunhouse, President, A&A Company, Inc. (by phone)  
Alejandro Ballester, President, Ballester Hermanos, Inc. (by phone)  
William Byrne, Chairman, Byrne Dairy Inc. (by phone)  
David Campbell, President and CEO, Ring's End, Inc. (by phone)  
Gale Epstein, President and Creative Director, Hanky Panky, Ltd. (by phone)  
Kenneth Franasiak, Chairman and CEO, Calamar (by phone)  
Margaret Krumholz, President, Disc Graphics, Inc. (by phone)  
Peter Maglathlin, CEO, MBI, Inc. (by phone)

Federal Reserve Bank of New York staff:

Krishna Guha  
Kausar Hamdani  
Richard Peach  
John Clark  
James Bergin  
Rae Rosen  
Claire Kramer  
David Parkinson

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Mr. Dudley called the meeting to order at approximately 11:30 a.m. Because of inclement weather, the meeting was held via teleconference.

Before proceeding with the agenda, the committee's three new members Mr. Ballester, Mr. Campbell, and Ms. Krumholz, introduced themselves.

### **1. Economic Outlook**

#### **a. The National Economy**

Mr. Peach discussed domestic economic trends in the fourth quarter.

#### **b. The International Outlook**

Mr. Clark discussed developments in the global economy.

### **2. Discussion**

Members were asked to comment on their direct experience and the experience of their customers and suppliers with regards to current economic conditions. Specifically, members

were asked about recent levels of demand for products and services, hiring and investment plans for the coming year, and the availability of credit.

Members described a range of experiences with regards to each of the topics presented.

Members expressed uncertainty about the effects of the Patient Protection Affordable Care Act as well as the resolution of the sequestration and continuing resolution which is set to run out at the end of March. Most members stated, however, that they have not made any immediate changes in response to this uncertainty but will wait to see how events play out.

In general, members reported an increase in credit availability for themselves and for their larger customers. However, members reported that smaller firms and new businesses continue to have difficulty accessing credit. Several members noted credit issues persist in the real estate and housing sector.

Most members reported relatively flat domestic demand, although some report increases internationally and on internet sales.

Few members anticipated adding to their workforces or fiscal plants in the coming year. Generally firms reported good employee retention. Several members did report increasing difficulty in finding qualified applicants for both management and skilled labor positions.

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