

**Minutes of the regular meeting of the  
Upstate New York Regional Advisory Board**

10:30 a.m. – 1:40 p.m., Tuesday, September 26, 2017  
Monroe Community College- Downtown Campus  
321 State Street, Rochester, NY

**Present:**

Aminy Audi, CEO, L. & J.G. Stickley  
Scott Bieler, President & CEO, West Herr Automotive Group  
Tim Busch, President & CEO, West Herr Automotive Group, Inc.  
Lynne Marie Finn, CEO, Broadleaf Results, Inc.  
Kenneth M. Fransiak, Chairman, Calamar  
Larry Kessler, Founder & Co-Owner, Kessler Group, Inc.  
Bridget-Ann Hart, President & CEO, KPH Healthcare Services, Inc.  
Dr. Anne Kress, President, Monroe Community College  
Jordan Levy, NY Partner, Softbank Capital  
Linda MacFarlane, President & CEO, Community Loan Fund of the Capital Region

**Federal Reserve Bank of New York attendees:**

William Dudley, President  
Michael Nelson, Senior Vice President, Legal  
Richard Peach, Senior Vice President, Research & Statistics  
Matthew Higgins, VP, International Research, Research & Statistics  
Anand Marri, Vice President, Outreach & Education  
Julia Gouny, Officer and Deputy Chief of Staff, Executive Office  
Jason Abel, Officer, Research & Statistics  
Tony Davis, Officer and Director, Community Engagement  
Chelsea Cruz, Associate, Community Engagement  
Betsy Bourassa, Associate, Media Relations

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Mr. Marri called the meeting to order at approximately 10:40am. The third and final 2017 meeting of the UNYRAB was held in Rochester as part of President Dudley's tour of the region.

**1. The National Economy**

Mr. Peach provided an overview of economic conditions in the United States. The U.S. economy appears to be regaining its footing after suffering a significant shock beginning in mid- to late 2014. The U.S. labor market is showing signs of being at or near full employment.

**2. International Update**

Mr. Higgins spoke about recent international economic developments with a focus on the global economic and industrial cycle, the ongoing struggle to meet inflation objectives in advanced economies, economic performance in Canada, and Chinese financial sector reform.

**3. Regional Update**

Mr. Abel discussed recent economic trends in the Second Federal Reserve District, noting the slowing pace of job growth in upstate New York, declines in manufacturing output, business

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services, and retail sales for Western New York, and wage inequality in the New York and Northern New Jersey regions.

### **4. Luncheon Discussion**

Mr. Dudley, Mr. Davis, Ms. Gouny, and Ms. Bourassa joined the meeting at lunch. Ms. Finn announced that her company Superior Workforce Solutions had rebranded and the company's name is now Broadleaf Results, Inc. This change has been recorded and will be reflected on the UNYRAB's public webpage.

Members were asked to describe their companies' outlook for the second half of 2017 and comment on changes in business activity, workforce, and their ability to access capital. Several members shared positive developments heading into the last quarter of 2017. One member announced that a recent acquisition had expanded their company's market share by 40%. Another member stated that sales were up and that their company would be looking to onboard new hires moving into 2018. Yet another member reported that their company expects to create 1,500 new jobs over the next five years. Two members reported that recent natural disasters have negatively impacted their business but expected to see a rebound as the rebuilding effort gets underway. Some members also stated that the cost of services and materials is rising. One member stated that increasingly high healthcare deductibles are a concern and prevent people from being able to receive care. Another member noted that they had increased their prices by 2.5%.

The majority of members reported no change in their ability to access capital. Although, one member noted that there is a significant amount of capital available that is not entering the market. Many members did continue to report difficulties finding talent and noted the rising cost of labor. One member reported that the cost of labor had increased by 10% and stated that there was a significant labor shortage in the construction sector. Another member commented that by 2020, 20% of the workforce would retire and their company expects to be impacted to some degree by labor shortages. Several members noted that there continues to be increasing rates of turnover in the technology sector.

Members discussed the changes underway in Buffalo and the remarkable amount of positive momentum that has been sparked by the revitalization of the downtown area. One member observed that many people who grew up in Buffalo and left are now looking to return, and houses are being sold in a matter of days. The member announced that their company's offices would be moving to Buffalo, where they had just leased a 55,000-square-foot space. Another member said that there was a dramatic increase in the number of students from Monroe Community College who were transferring to SUNY Buffalo State and attributed this to a greater desire to stay in Upstate New York. Another member stated that the University of Rochester has significantly increased enrollment and its newest class of freshmen was one of the brightest in the university's history.

The meeting adjourned at approximately 1:40pm.