

**Minutes of the regular meeting of the  
UPSTATE NEW YORK REGIONAL ADVISORY BOARD**

10:30 a.m. – 2:00 p.m., Tuesday, September 2, 2014

Federal Reserve Bank of New York

33 Liberty St., New York, NY

**Present:**

Scott Bieler, President, West Herr Automotive Group, Inc.

Tim Busch, Chief Operation Officer, Nexstar Broadcasting Group, Inc.

Gary Crosby, President and CEO, First Niagara Financial Group

Bal Dixit, Chairman, Newtexas Industries

Lynn Marie Finn, President and CEO, Superior Workforce Solutions

Kenneth Franasiak, Chairman, Calamar

William Gisel, President and CEO, Rich Products Corporation

James P. Laurito, President, Central Hudson Gas & Electric Corporation

Jordan Levy, NY Partner, Softbank Capital

Martin Mucci, President and CEO, Paychex, Inc.

Carlos Unanue, President, Goya de Puerto Rico, Inc.

Federal Reserve Bank of New York attendees:

Jaison Abel

John Clark

Christine Cumming

William Dudley

Jack Gutt

Kausar Hamdani

James Orr

David Parkinson

Richard Peach

Rae Rosen

Luis Uranga

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

**1. The National Economy**

Mr. Peach gave a macroeconomic overview of the state of the U.S. economy during the first two quarters of 2014.

**2. Regional Update**

Mr. Orr discussed current economic conditions in the Second Federal Reserve District.

**3. International Update**

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

#### **4. Luncheon Discussion**

Mr. Dudley joined the group for the luncheon discussion. Members were asked to comment on changes in demand in recent months, projected hiring and investment in plant and equipment for the remainder of 2014, access to credit, and expectations for growth during the fourth quarter.

Most members reported varying rates of growth in 2014, with at least one firm recording its strongest growth in several years. For some firms, growth has led to increased hiring in areas such as sales, accounting, and information technology. Other firms reported some reduction in work-force due to increased automation and consolidation. Members did note difficulty finding applicants to fill openings in certain fields such as trucking, contracting, and engineering, as well as increasing competition for skilled workers in general. Members also reported the continued use of contingent workers and consultants to fill some vacancies.

A number of members reported new and significant capital investments, particularly in technology in areas such as information security and cloud-based computing. Some members also reported expansion and renovation of physical facilities.

Members noted very favorable access to credit for themselves and, in general, for their customers.

Members reported ongoing confusion the Affordable Care Act (“ACA”), though some firms noting a reduction in healthcare spending in 2014. At least one firm reported lingering effects from the 2013 federal budget sequestration, while a number of members mentioned continued concerns over the growing costs of compliance in response to new federal regulations.

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