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PHOTOS BY GAIL M. ANKER

CAUTIOUS OPTIMISM—BNY Mellon Chairman and CEO Robert Kelly says the bank will continue expanding, and that business prospects for Pittsburgh are good even though he expects a more modest than usual economic recovery.

BNY Mellon Chair Kelly says or look for economy positive

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A welcoming her nearly 500 guests to the African American Chamber of Commerce's annual business luncheon at the Omni Hotel in Pittsburgh, President and CEO Doris Carson Williams thanked them for their tenacity in helping each other through a tough economic climate.

"We've heard the economy is improving, but it is still a challenge," she said at the Dec. 2 luncheon. "That's why we as a chamber have gone back to the basics, the ABCs—Arts, Business development and Civic engagement."

chamber's art events with the Pittsburgh Symphony, the August Wilson Center and the Mattress Factory, business engagement with the Rivers Casino, Fifth Third Bank, PNC, Merrill Lynch, a series on LEED certification and Green Building, as well as planning for the Pittsburgh summit.

As for civic engagement, the chamber hosted a forum for municipal, county and judicial candidates before the primary election and hosted a presentation by state Reps. Joe Preston Jr. and Jake Wheatley on accessing federal stimulus funding. And the power breakfast series featured presentations on regional business opportunities by Washington County Commissioner Bracken Burns and Allegheny Conference on Community Development President and CEO Dennis Yablonski.

In a year where the chamber saw an overall 2 percent drop in membership, Williams said the need for proper planning was driven home. To that end, the luncheon's keynote speaker was BNY Mellon Chairman and CEO Robert Kelly, who gave an overview of the current business climate and where he thinks it is headed.

Kelly told the audience BNY Mellon remains committed to supplier diversity and noted that since Mellon was acquired by the Bank of New York in July 2007, rather than losing jobs, the company has grown its Pittsburgh staff from 6,000 employees to 6,800. And that number will increase.

"This is a great city for business. It has the infrastructure, schools and health care industry that are second to none," he said. "We need available talented young people, and they are here in Pittsburgh."

Kelly said this recession, driven by the collapse of the mortgage financing business, is different than others, but he expects the housing deflation to bottom out next year and a slower than usual economic recovery of between 2 percent and 3 percent.

SEE ECONOMY C2



WIDE FINALE—As Board Chairman Sam Stephenson looks on, President CEO Doris Carson Williams presents a crystal vase to BNY Mellon Chairman and CEO Robert Kelly after his address to the African American Chamber of Commerce's 11th annual business luncheon.

PHOTOGRAPH BY MICHAEL O'NEILL

Economy outlook positive

CONTINUED FROM C1

He also said consumers are taking advantage of opportunities to pay down their debt and are beginning to save at higher rates, which while it has lowered retail sales receipts about 8 percent from last year, is still a good thing.

However, Kelly said, in two areas where the federal government could assist with the recovery there is no indication yet that it will do so.

"My focus is on regulatory reform. My concern is regulation is slowing the recovery," he said. "This is the worst recession in 80 years—so let's get this right."

"Interest rates are low, businesses are doing the right things, consumers are doing the right things, but we are amassing an incredible deficit and there is no plan to rein it in. Some really bad things could happen if we don't start balancing the books, the dollar could tank and inflation could increase greatly."

Even so, Kelly said he is cautiously optimistic about the recovery.

"It's better than it was a month ago, better than it was three months ago," he said. "And it is way better than it was a year ago."

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