

# Consumer News & Views

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**Are Consumers Really Feeling More Confident About the Economy?** It seems like Tuesdays and Fridays are good days of the week to predict how consumers are feeling about their economic prospects. But, the other five days of the week things don't look so good. In other words, it's hard to predict exactly how consumers are feeling about their economic fortunes and the next six months.

This was the conclusion the American Consumer Council reached earlier this month after surveying over 1100 members about their economic prospects and concerns.



Ironically, according to the *New York Times*, the American economy appears to be bucking the headwinds from Washington, buoyed by healthy business activity and resilient consumers who are beginning to spend more even though their earnings have not improved significantly over the past 18 months.

The latest evidence came on Friday with a better-than-expected report on industrial production, led by a jump in the automobile sector. It follows bullish indicators earlier in the week, including a drop in new unemployment claims and strong retail sales.

The data has surprised economists like Ethan Harris of Bank of America Merrill Lynch, who on Friday revised upward the company's prediction for growth in the first quarter to 3 percent from an earlier estimate of 2 percent. Thomas Hinton, president of the American Consumer Council, a non-profit consumer education organization, also hinted that despite conflicting signals from Washington, America's economy might surpass the 3% growth mark in 2013. "It's a mixed bag," Hinton suggests. "We are under-performing in terms of job growth and tax growth, but businesses are seeing a strong surge in terms of orders and consumer spending."

While many experts had been looking for more of a drag from the restoration of full Social Security taxes in January, and the automatic, across-the-board cuts in federal spending that began March 1 -- a process known as sequestration -- many consumers seem un-phased by Congress's inability to act.

"It feels like the economy has some momentum and is in a little bit better shape to handle the sequester," Mr. Harris said. While higher taxes and lower federal spending are a speed bump," he said, "the economy has better shock absorbers."

ACC's Hinton noted, "Consumers have had five years of a rough economy so they are more resilient and more willing to spend money on necessities. We are even beginning to see vacations and discretionary spending increase in several states. But, until employment prospects improve, consumers will wait for a long-term fix to our economy. It remains fragile."

Big-ticket items like homes and cars continue to sell well, but otherwise-strong retail sales data out earlier this week showed that spending at restaurants declined for the second month in a row.

"People who can't afford it aren't going out as much to eat," Mr. Blitz said.

Consumer confidence is also shaky. The preliminary Thomson Reuters/University of Michigan reading for March showed an unexpected drop Friday, dropping to 71.8, from 77.6 in February, its lowest level since December 2011. But so far consumers have not markedly changed their spending habits; retail sales data on Wednesday was better than had been expected.

Like Mr. Harris and several other economic forecasters, he also foresees a temporary slowdown in the second quarter when the worst fallout from the sequester and the higher taxes is expected to show up in the economy's Geiger counters.

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## **Tobyhanna Federal Credit Union Serves Consumers in Northeastern Pennsylvania!**



Tobyhanna Federal Credit Union (TobyFCU) originated in 1954 for the Tobyhanna Army Depot. They have since expanded their footprint to service the Tobyhanna Army Depot and over 500 businesses located throughout Lackawanna, Luzerne, Monroe, Pike, Wayne, and Wyoming counties. The administrative offices are located in downtown Scranton along with one of their branch office locations. TobyFCU also has branch offices in East Stroudsburg, Wilkes-Barre and at the Tobyhanna Army Depot, which is exclusive to those that work on the base.

Credit Unions have many benefits. They are member-owned, not-for-profit, cooperative financial institutions. Excess earnings are returned to its members (not stockholders) in the form of: competitive dividend rates paid on savings and investment accounts, competitive interest rates on loans, and a full line of products and services.

Services unique to TobyFCU include: Community and Member Seminars, Credit Union Student Choice (a line of credit service used to fill in student lending gaps), Mortgage financing, Investment Services, Business Services, An affiliation with over 50,000 FREE ATMs (Allpoint and CU\$ networks), Free 24 hour services and more.

The staff at TobyFCU takes pride in the time and service provided to each and every member. You are not just a number at our Credit Union; you are part of our community.

TobyFCU is an Equal Opportunity Lender. Savings federally insured by the National Credit Union Administration, a U.S. Government Agency.

For more information on Tobyhanna Federal Credit Union visit a local branch, call to speak with a Member Service Representative at 1-866-TOBYFCU (862-9328), or visit online at [www.tobyhannafcu.org](http://www.tobyhannafcu.org). You can also find TobyFCU on Facebook at [www.facebook.com/TobyFCU](http://www.facebook.com/TobyFCU) and twitter.



Transamerica Financial Solutions Group serves the financial institution market with loan protection products, reinsurance solutions and related services. Our mission is to market the industry's most innovative insurance programs and deliver effective marketing, professional training and support to help our partners maximize profitability while reducing costs and improving service.

Transamerica is an AEGON company, a multinational insurance organization headquartered in The Hague, the Netherlands. AEGON is one of the world's leading life insurance and financial services organizations.

Transamerica markets the quality products of AEGON's affiliated insurance carriers and utilizes the resources and expertise gained from diverse products and distribution channels. With a portfolio that includes credit and mortgage insurance, debt cancellation, reinsurance solutions and related products, Transamerica can tailor products that strengthen your financial institution while protecting customers' loan obligations.

Transamerica utilizes the following AEGON company carriers that are rated by A.M. Best Company, Standard & Poor's, Fitch Ratings and Moody's Investor Service based on financial strength and operating performance.

Transamerica has an outstanding track record of supporting credit unions and other financial institutions. Transamerica is also a corporate sponsor of the American Consumer Council.

For more information, please contact Transamerica Vice President Tom Kazar at: [http://www.transamericafinancialsolutions.com/contact\\_us.html](http://www.transamericafinancialsolutions.com/contact_us.html)

## **ACC's Friend of the Consumer Award Recognizes Outstanding Businesses.**

Is your business consumer-friendly? Does your business deserve greater recognition for its service to consumers? If so, you should apply for the American Consumer Council's Friend of the Consumer Award.

Throughout the year, ACC presents its "Friend of the Consumer" Awards. This prestigious award recognizes manufacturers, retailers, and other businesses that produce or sell products in the United States that meet or exceed federally-mandated standards and are touted by consumers as "consumer friendly."



Each year, ACC awards numerous "Friend of the Consumer" Awards to deserving companies and organizations because they have "demonstrated a commitment to American consumers by providing a specific product or service that fosters consumer confidence and market acceptance."

To apply for the "Friend of the Consumer" award, complete the online application and return it to ACC with the application fee. Applicants will be notified within 5 days of receipt of their application. Thereafter, a panel of independent judges will review your application and make a formal recommendation within 45 days of receipt of your award application.

For more information, visit: <http://www.americanconsumercouncil.org/awards.asp>

**ACC Annual Meeting Scheduled for June 21st in San Diego.** The annual meeting of the American Consumer Council will be held on Friday, June 21, 2013 at the Rancho Bernardo Inn in San Diego, CA. the meeting will begin at 10:00 am PST. Members are invited to attend the meeting. There is no registration fee to attend the annual meeting which typically lasts one hour.

Guest rooms are available at a special rate at the Rancho Bernardo Inn. For information and rates, please call: 877.517.9340 or visit the Rancho Bernardo Inn website at: <http://www.ranchobernardoinn.com/accommodations/>

At the annual meeting, the election of new members of the Board of Directors will be announced and those new Board members will be seated. Also, the annual meeting will discuss business matters pertinent to the management and operations of the American Consumer Council.

Currently, the following members have qualified for nomination to the ACC Board of Directors for a three-year term. Malcolm Franks, Solana Beach, CA; David Romanski, Esq., Moraga, CA; Mary Schepkin, Tallahassee, FL; and, Margaret Loftus, Havertown, PA.

Retiring Board members include: Claudio Stemberger; James Bastis and Gary Plantz. Current Board members include: Thomas Hinton; Jean M. Greer, and Megan M. Hinton.

For information, please contact ACC at: [info@americanconsumercouncil.org](mailto:info@americanconsumercouncil.org)

## **Green C<sup>SM</sup> Certification Accepting Applications for 2013 Spring Cycle:**

If your company or organization would like to increase its credibility with consumers, you should consider applying for the **Green C<sup>SM</sup> Certification**. Applications for the 2013 Spring cycle are now being accepted through May 31, 2013.

It's a proven fact that consumers want to do business with companies that are eco-friendly and practice Corporate Social Responsibility (CSR). The process is straight-forward and all applicants are recognized by ACC and the Green USA Institute.

All applicants complete the criteria and submit their responses to ACC's Green Consumer Council for review, assessment and feedback. Program details and the **Green C<sup>SM</sup> Certification** criteria can be viewed at ACC's website located at: <http://americanconsumercouncil.org/greenc.asp>

