

Consumer News & Views

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ACC 2015 Annual Report:

Overview:

As we close out 2015, it is gratifying to report that a growing percentage of American consumers experienced financial growth and contributed to their savings at a higher level than at any time during the past 10 years. This is why our theme of "**Financial Responsibility**" is important. Consumers need to save more and take greater responsibility for their own financial security.



According to the U.S. Bureau of Economic Analysis, the household savings rate in the United States decreased to 5.50 percent in November, 2015 from 5.60 percent in October, 2015. Personal Savings in the United States averaged 8.36 percent from 1959 until 2015, reaching an all-time high of 17 percent in May of 1975, and a record low of 1.90 percent in July of 2005.

While the overall American economy remains somewhat sluggish, its 2.5% growth rate outpaced most other countries, and prospects for stronger growth in 2016 – in the 2.7% range – are forecast for the USA. This is good news for consumers.

Most of this year's growth and the projected growth for 2016 can be attributed to stronger consumer spending, which makes up more than two-thirds of our nation's gross domestic product (GDP). ACC anticipates that consumer spending in 2016 will remain strong at a growth level of 3.2% over 2015 through the second quarter of 2016.

Looking back on 2015, the American Consumer Council experienced strong growth in terms of its membership. ACC's continued membership growth in 2015 is due to several initiatives:

1. The expansion of ACC's state consumer council offices and regional offices from 24 locations to 36 physical locations;
2. ACC's emphasis on using social media to communicate with consumer-members and encourage consumers to make their voices heard on subjects ranging from poor product quality to honoring warranties from companies as well as the growing awareness among businesses in the area of corporate social responsibility and their commitment to satisfy consumers instead of alienating them.
3. An improved economic climate with meaningful job growth and more connected and engaged consumers.
4. An improved economic climate with meaningful job growth.
5. Higher levels of consumer engagement and advocacy.
6. The growing awareness among consumers that credit unions are a safe, reliable and friendly alternative to traditional banks.
7. More available lines of credit to middle-class consumers.

Annual Meeting:

In compliance with our Bylaws, ACC held its annual meeting in San Diego on Friday, June 12, 2015 at the Rancho Bernardo Inn located in San Diego, CA. All members of ACC's Board of Directors were present in person or via conference line. The meeting was well attended by a record number of members via our conference lines.

Membership:

The American Consumer Council (ACC) is pleased to report continued membership growth of 6.4% in 2015, and an increase in revenue of 4.6% through December 1, 2015.

As of December 1, 2015, ACC experienced a membership growth rate of 6.4% resulting in the addition of 10,294 new members giving us a total of 169,612 members (accounting for attrition). This means ACC and its 46 state affiliate consumer councils surpassed its annual membership goal of 165,000 members for 2015.

ACC is also proud of its member retention rate of 94.4%. ACC currently has members in all 50 states as well as Europe, Asia, Puerto Rico, Guam, and the U.S. Virgin Islands. Some 66.1% of ACC members continue to come from individuals who consider themselves activists, advocates or mistreated consumers seeking redress through ACC. The balance of new members – approximately 30.2% -- are generated through our 62 credit union affiliations.

Also, ACC can report that 64.3% of ACC members have some credit union affiliation while 35.7% have no credit union affiliation or declined to state any affiliation with a credit union.

Consumer Issues:

During the past year, ACC has been at the forefront of defending consumers against shoddy manufacturing practices and scams ranging from identity theft to stolen credit card data. In 2015, ACC partnered with 15 of its state consumer councils to champion various consumer issues that resulted in financial gains for our consumer-members.

International Role:

In 2015, ACC worked closely with its non-profit global partner, the International Consumer Council, to combat identity theft, healthcare scams, oppose censorship of information on the internet, and challenge shoddy quality practices in the manufacturing arena, especially in Asia. In 2016, ICC expects to increase its presence in China to strengthen consumer rights and champion safer, more reliable consumer products.

Also, ACC continued its partnership with Visa to encourage consumers to use the Visa credit card products and help school districts use Visa's financial education tools.

Credit Union Partnerships:

In 2015, ACC and its state consumer partners added 6 credit union partners: Credit Union of America in Wichita, KS; Neighborhood Credit Union, Dallas, TX; Alden CU in Chicopee, MA; Superior Choice CU in Superior, WI; and, International Harvester Credit Union in Springfield, OH.

Nine credit unions joined the ACC network through their respective state consumer councils: San Antonio FCU; Market USA FCU in Columbia, SC and Laurel, MD; Security Service FCU in Texas and Colorado; America's FCU in Fort Lewis,

WA; Arkansas FCU in Little Rock, AR; Tower FCU in Laurel, MD; Grow Financial FCU in Tampa, FL; Pioneer Valley FCU in Springfield, MA; and, the American Broadcast Employees FCU, Rockefeller Center, NY.

Education:

In 2016, ACC will focus on Financial Education and Literacy to help Millennials better understand how to manage their money, how to save, and how to wisely invest their financial assets. ACC will continue to expand its partnership with the National Endowment for Financial Education (NEFE) to offer more online programs and trainings for all consumers. This will allow ACC to offer four new programs to our consumer members and state consumer councils.

ACC will continue to partner with VISA™ to promote its Practical Money Skills for Life as well as ACC's TeenRich™ financial education program for junior high schools and high schools.

Revenue:

The American Consumer Council experienced stronger financial growth in 2015. ACC revenues grew by 4.4% while its administrative and state consumer council expenses increased by 11.2% as a result of our continued compliance with NCUA rules for associational common bonds. ACC anticipates a return to positive revenue growth of 5.5% in 2016 and the opportunity to replenish its reserves to pre-2014 levels of 4%.

Awards:

The American Consumer Council continued its Friend of the Consumer Awards including recognition of four companies.

Also, ACC continues to promote its **Green CSM Certification** program, which recognizes companies and organizations for their environmental stewardship and Corporate Social Responsibility. This advanced criteria helps applicants assess their environmental standards, adopt stronger environmental practices, and demonstrate their Corporate Social Responsibility practices. This is a major step for ACC and it reflects our growing commitment to ensuring future generations will enjoy the natural resources of our planet.



With Appreciation and Gratitude. ACC is grateful for its member involvement with over 194 members actively serving on various boards, state consumer councils and standing committees.

ACC also is appreciative of our professional staff and elected Board of Directors for their dedication to consumerism and for their support of ACC as we continue to expand our national organization and fulfill our mission of consumer advocacy, financial education, and corporate social responsibility.

As a new generation of consumers emerges -- a generation that is highly connected and engaged as a result of social media -- ACC is confident that consumerism will continue to grow and the need to advocate on behalf of consumers will become even more important. ACC is ready and able to provide this advocacy role in 2016.

ACC Annual Meeting Scheduled for June 10, 2016. The American Consumer Council will hold its annual membership and business meeting on Friday, June 10, 2016 at 10:00 am at The Lodge at Torrey Pines located in La Jolla, CA. The meeting is open to all members of ACC and there is no charge to attend the meeting. The business agenda for the meeting will be published in May 2016. For more information, please contact ACC's meeting department at 1-800-544-0414.



The Lodge at Torrey Pines, La Jolla, CA

ACC's *Friend of the Consumer* Award Recognizes Outstanding Businesses in 2015.

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. Now is the time to apply!

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 20 days of receipt of your award application. For more information, visit: <http://www.americanconsumercouncil.org/awards.asp>

Green CSM Certification Accepting Applications for 2016 Spring Cycle:

If your company or organization would like to increase its credibility with consumers, you should consider applying for the **Green CSM Certification**. Applications for the 2016 Spring cycle are now being accepted through April 1, 2015.

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 CSM Certification** criteria can be viewed at ACC's website located at: <http://americanconsumercouncil.org/greenc.asp>

