

Consumer News & Views

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In This Issue...

- **Consumer Confidence Slips Slightly in December.**
- **Cleveland, Los Angeles and Rhode Island Consumer Councils Recognized for Work on Data Privacy and Identity Theft Prevention.**
- **ACC Focuses on Lowering Prescription Drug Prices in 2020.**
- **Financial Education Video Features “How to Ask Your Boss for a Raise!”**
- **ACC’s “Friend of the Consumer” Award Recognizes Outstanding Businesses.**
- **Apply for the 2019 Green CSM Certification Program.**

Consumer Confidence Slips Slightly in December. The Conference Board’s *Consumer Confidence Index*® declined slightly in December after a modest increase in November. The Index now stands at 126.5 (1985=100), down from 126.8 (an upward revision) in November. The Present Situation Index – based on consumers’ assessment of current business and labor market conditions – increased from 166.6 to 170.0. The Expectations Index – based on consumers’ short-term outlook for income, business and labor market conditions – decreased from 100.3 last month to 97.4 this month.

“Consumer confidence declined marginally in December, following a slight improvement in November,” said Lynn Franco, Director of Economic Indicators at The Conference Board. “While consumers’ assessment of current conditions improved, their expectations declined, driven primarily by a softening in their short-term outlook regarding jobs and financial prospects. While the economy hasn’t shown signs of further weakening, there is little to suggest that growth, and in particular consumer spending, will gain momentum in early 2020.”

Consumers’ appraisal of current-day conditions improved in December. Those claiming business conditions are “good” was virtually unchanged at 38.7 percent, while those claiming business conditions are “bad” decreased from 13.6 percent to 11.1 percent. Consumers’ assessment of the job market was mixed. Those saying jobs are “plentiful” increased from 44.0 percent to 47.0 percent, however, those claiming jobs are “hard to get” also increased, from 12.4 percent to 13.1 percent.

Consumers were moderately less upbeat about the short-term outlook. The percentage of consumers expecting business conditions will improve over the next six months increased slightly from 18.6 percent to 18.9 percent, while those expecting business conditions will worsen declined from 11.4 percent to 9.3 percent.

Consumers’ outlook for the labor market was mixed. The proportion expecting more jobs in the months ahead decreased from 16.5 percent to 15.3 percent, while those anticipating fewer jobs increased from 13.4 percent to 14.9 percent. Regarding their short-term income prospects, the percentage of consumers expecting an improvement declined from 22.9 percent to 21.1 percent, while the proportion expecting a decrease rose from 6.2 percent to 7.7 percent.

Cleveland, Los Angeles and Rhode Island Consumer Councils Recognized for Work on Data Privacy and Identity Theft Prevention.



Three consumer councils of the American Consumer Council were recognized by ACC for their cutting-edge programs and work in stopping Data Piracy and Identity Theft Prevention during 2019.

The American Consumer Council recognized the three chapters for introducing consumer information campaigns to help consumers avoid being victims of both data piracy and identity theft. The Cleveland Consumer Council and the Los Angeles Consumer Council were also recognized for their work with state law enforcement agencies in helping consumers regain control of their identities after being victimized.

Among U.S. consumers, the top three issues confronting them are: (1) Data Privacy including Identity Theft; (2) Supporting Conscious Businesses, and (3) Environmental Stewardship remains a strong focus for consumers, especially those under 35 years of age.



1. Data Privacy. This issue continues to rank first among consumers who fear that the three major reporting bureaus — Equifax, Experian and TransUnion — and social media giants like Facebook won't be able to protect consumer information from hackers and data pirates.

Because consumers rely so heavily on credit card use and having to share their personal data with social media companies, there is a genuine concern that data hackers will gain access to personal bank accounts and other important consumer data that can wreak havoc in the lives of every American.

ACC has cautioned consumers to guard their personal data, especially their Social Security number since it represents the master key to your personal data. ACCC has also encouraged consumers to change and strengthen their passwords by using combinations of letters, numbers and special characters, different for each account. This seems to work best.

Finally, ACC encourages consumers to check their credit reports frequently. You're entitled to an [annual credit report](#) every year from each of the three major credit reporting bureaus. Consider requesting one report every four months, so you can check for suspicious or incorrect information throughout the year. In between those requests, you can monitor your [free credit report](#) from NerdWallet to monitor your credit and also watch your score for changes.

2. Identity Theft. A second issue that continues to be among the top concerns of consumers is Identity Theft. Farmers Alliance reports that many consumers falsely believe that identity theft happens to older people and high-income earners. The truth is that identity thieves focus their efforts wherever the opportunities are, and there are plenty of opportunities across most age groups.

Identity theft complaints are on the rise, with 16 percent of consumers filing reports, up from the previous year, according to the Federal Trade Commission's 2016 Consumer Sentinel Network Databook.

Tax-fraud or wage-related fraud was the most common reported identity-related fraud, which accounted for 45 percent of consumer complaints, followed by credit card fraud, and phone or utilities fraud representing 16 and 10 percent of complaints, respectively.



Most Affected Groups:

For our nation's service members, identity theft remains the number one complaint, unfortunately. And while in past years consumers of all ages reported incidents of the crime at relatively similar rates, the numbers now paint a different picture. Consumers between the ages of 40 and 69 are reporting identity theft at higher rates, suggesting a growing awareness of this crime—and vulnerability.

Here's a look at three groups identity thieves target and why.

Seniors:

More seniors are reporting identity theft. Consumers between the ages of 40-49 and 50-59 accounted for 15 percent and 24 percent of complaints, respectively, both up from the previous year. And the numbers for seniors are likely to be even higher, according to an AARP survey which found that "victims 55 years of age and older were significantly less likely to acknowledge that they were defrauded than victims under 55." All-too-common scams include tax identity theft, medical identity theft and fraud committed by nursing home and long-term care staff

Military Personnel:

Service members are reporting identity theft at a higher rate—30 percent—than the previous year. And they're experiencing more familiar fraud and new-account fraud than most populations, according to the 2015 Identity Fraud Report from Javelin Strategy & Research. The military has used personally identifying information (PII), such as Social Security numbers, as general identifiers for personnel, which increases theft risks. Moreover, deployed military personnel who do not place an active duty alert on their credit files are easy targets for friends or family members.

College Students:

Identity theft complaints among college-age students may have dropped slightly, but this group is four times more likely to have their identity stolen through familiar fraud than other populations, according to the 2015 Identity Fraud Study by Javelin Strategy & Research. Much of the issue is likely due to awareness of behaviors that may put them at risk, as well as limited understanding of the costs and challenges of identity theft. For example, students are often very aware of computer security, but they share personal information widely and may not understand the importance of locking away or shredding important documents and IDs, and regularly checking their credit reports.

ACC Focuses on Lowering Prescription Drug Costs in 2020.

The American Consumer Council announced a national program that will focus on helping consumers find alternative ways to lower their prescription drug costs in 2020. The program will be spearheaded by the national ACC office and two chapters, the Louisville Consumer Council and the Florida Consumer Council, will introduce pilot programs during the first quarter of 2020 with consumer focus groups.

ACC's president, Thomas Hinton, made the announcement during a recent visit with consumers in Louisville and Tampa. Hinton noted that "the rising cost of prescription drugs is bankrupting America's middle class. We need a national solution to this growing national problem." Hinton added that "The issue of how to pay for rising prescription drugs is a very serious concern among our members. We are getting more emails and letters from our members on this issue than any other problem."



The January 2020 issue of Consumer Reports addresses the problem. In a recent article, CR reports that a survey they conducted indicates that “thirty (30%) percent of Americans who currently take prescription medicine say their out-of-pocket cost for a drug they regularly take has increased in the past year, according to CR’s September 2019 nationally representative survey of 1,015 U.S. adults. Of those, 12 percent say their drug costs went up by \$100 or more. And those who saw spikes in their out-of-pocket costs were almost twice as likely to not fill a prescription, forgo other medical treatments or tests, cut back on groceries, or get a second job.”

The Consumer Reports article goes on to say that “one contributing factor: No federal law or regulation effectively keeps drug prices in check. The heads of seven leading drug companies appeared before the U.S. Senate last February, often justifying their high drug prices by pointing to the billions of dollars it takes to develop new medications. When pressed by senators, the industry executives said drug costs could be controlled only if the entire payment system was reformed.

“Indeed, to pin all the blame on Big Pharma is an oversimplification. How much a consumer pays for meds is also driven in part by drug supply system middlemen whose wheeling and dealing with drug-makers contributes to rising drug costs, according to multiple government reports and industry experts. Shrinking insurance coverage is another part of the problem, with greater numbers of Americans paying a larger share or even the full price of their medication.

“And there’s no sign of price increases slowing down, even as politicians from both sides of the aisle call for relief. At least 50 separate pieces of legislation that seek to control prescription drug prices were introduced in the Senate and the U.S. House of Representatives in 2019. Some would help to get generic drugs to market faster. Others would legalize buying drugs from Canada or allow the feds to negotiate with drug companies to get lower prices for Medicare. But not one of these has been signed into law.”

ACC’s campaign will focus on a two-pronged approach: awareness and advocacy. According to ACC’s national staff, the focus groups will be held every two weeks with consumers in Kentucky and Florida, two locations where a higher concentration of seniors who rely on prescription drugs live. The second part of ACC’s campaign will include advocacy that targets pharmaceutical companies and lawmakers to work together to find solutions for controlling rising drug costs.

Financial Education Series:

ACC Video Focuses on “How to Ask Your Boss for A Raise!”

The American Consumer Council has released a new video as part of its financial education series. The latest video, which targets Millennials and Gen Z’ers, is entitled, “[How to Ask Your Boss for a Raise!](https://www.youtube.com/watch?v=kjkREP03-GU)” Members can view it at: <https://www.youtube.com/watch?v=kjkREP03-GU>





ACC also released three other videos as part of its series to help Millennials feel more confident about their financial dealings. Those videos are: "[How to Have a Great Vacation...on the Cheap!](#)", "[Money Topics Every Couple Must Discuss](#)" and "[What Consumers Should Know About Time Shares Before Signing on the Dotted Line.](#)"

ACC's financial education video series is designed to help consumers, especially Millennials, better manage their finances and get access to financial services. The free series is available online at <http://www.americanconsumercouncil.org/videos.asp> and features certified financial planner and author, Kimberly Curtis, who is a popular author, speaker and the CEO of The Wealth Legacy Institute in Denver, Colorado.

The video series has been well received by Millennials (18-30 year old) and has encouraged over 6,000 Millennials to join credit unions since September 1, 2016.

The other video topics include: [Paying for the Cost of College](#); [Paying Off Debt While Building Wealth](#); [Home-Buying Mistakes to Avoid](#); [Goals to Reach by Age 30](#); [Money Mistakes Everyone Makes](#); and, "[How to Prevent Identity Theft.](#)"

Click on any of the links to watch these videos.

The American Consumer Council's president Thomas Hinton, stated "Millennials (ages 18-30) want timely information delivered through short videos to help them better manage their money and debts. This series answers many of their questions and encourages Millennials to seek out the services of credit unions that are skilled at providing a broad range of financial services at very competitive rates."

According to ACC's research, there are over 75 million Millennials in the United States and nearly 42% have not established any financial services relationship with an insured financial institution.

The American Consumer Council is currently promoting a series of financial education videos for Millennials that will be continue into 2020. ACC expects a strong response to the video series given the number of inquiries ACC has received from its 243,000+ members.

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. 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 Spring 2020 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 spring 2020 cycle are now being accepted through April 3, 2020.

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>