

# Consumer News & Views

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**Consumer Confidence Index Drops Slightly in February.** The Conference Board Consumer Confidence Index®, which had increased in January, fell moderately in February. The Index now stands at 78.1 (1985 = 100), down from 79.4 in January.

Thomas Hinton, president of the American Consumer Council, which closely monitors the Conference Board's Consumer Confidence Index®, stated, "We view this decline as a bump in the road based on a very harsh winter and the fact that consumers remain frustrated with a lack of cooperation in Washington to fix real-world problems." Hinton added, "A growing number of consumers have given up on any long-term economic solutions coming out of Washington. Instead, consumers are now trying to drive their own economic solutions and success."



**General Motors Loses Consumers' Trust with Recent Recalls and Revelations.** Growing numbers of consumers are frustrated and angry with General Motors and the National Highway Traffic Safety Administration (NHTSA) over their failure to properly handle a faulty ignition switch problem that has been linked to 13 deaths.

Jerry Hirsch of the *Los Angeles Times* reported that the NHTSA has launched an investigation into why General Motors did not react more quickly to recall more than 1.6 million vehicles after it learned that faulty ignition switches were causing fatal crashes. The American Consumer Council and other consumer organizations are calling for answers.

GM on Thursday issued its second apology for not moving faster to fix the problem, which is linked to 13 deaths in the Chevrolet Cobalt and other small cars.

Safety experts praised the start of the investigation, which could result in up to a fine of up to \$35 million, but faulted NHTSA for not taking action earlier, when it found out about the problem.



"This is a total failure of the recall system," said Clarence Ditlow, executive director of the Center for Auto Safety. "Both GM and NHTSA bear responsibility."

After looking at the chronology of events behind the recalls this week, Sen. Edward J. Markey (D-Mass.) said the safety agency should improve the system for automaker reporting of potential safety defects.

"We need to overhaul the Early Warning Reporting system so that NHTSA is not looking at auto defects through a rearview mirror," said Markey, a member of the Commerce, Science and Transportation Committee. "Making more information public can help prevent accidents and deadly crashes, and I look forward to hearing from NHTSA on this important matter."

In a statement, NHTSA said it constantly monitors a variety of data. "When the agency finds a trend that indicates a vehicle may be an outlier, we take action. The data available to NHTSA at the time did not contain sufficient evidence of a possible safety defect trend that would warrant the agency opening a formal investigation."

GM recalled the vehicles in two phases this month, but documents filed with the federal safety agency demonstrate that the automaker first learned of the problem in 2004.

The recall covers the 2005-07 Chevrolet Cobalt, 2007 Pontiac G5, 2003-07 Saturn Ion, 2006-07 Chevrolet HHR, 2006-07 Pontiac Solstice and 2007 Saturn Sky.

The ignition switches in the recalled vehicles can be inadvertently turned from the "run" position to the "accessory" position while the car is being driven. When this happens, the engine shuts off and safety systems — including power steering, anti-lock brakes and air bags — are disabled. This has led to at least 31 crashes and the 13 deaths.

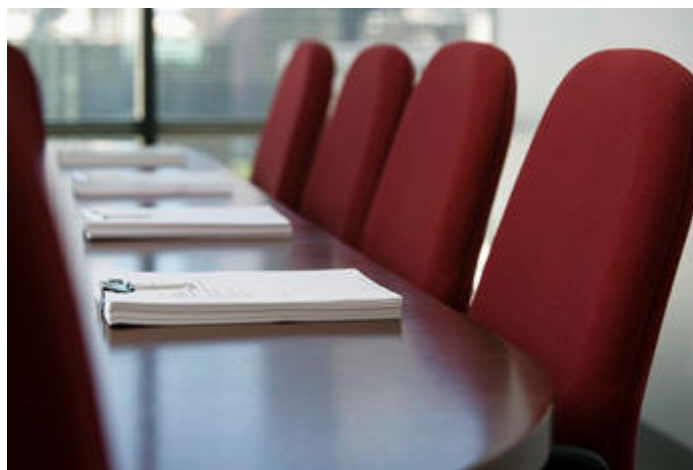
News of the investigation prompted a second apology from GM on Thursday. "We deeply regret the events that led to the recall and this investigation," the automaker said in a statement. "We intend to fully cooperate with NHTSA and we welcome the opportunity to help the agency have a full understanding of the facts. Today's GM is committed to learning from the past while embracing the highest standards now and in the future."

General Motors had acknowledged Tuesday that it reacted too slowly to the safety issue. The automaker said the parts to fix the cars probably won't be available until early April. It plans to notify vehicle owners about when they can make repair appointments at dealers.

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**American Consumer Council Invites Members to Serve on Board and Committees.** The American Consumer Council (ACC) has issued an invitation to members to serve on its Board of Directors and standing

committees. At ACC's next annual membership meeting, two members will be elected to ACC's board of directors to fill expiring terms of two directors.



ACC also is seeking additional member representation for its eight standing committees – Education; Sponsorship; Advocacy & Consumerism; Member Services; Regional & State Councils; Marketing; Regulatory & Government Affairs; and, Awards & Recognition.

Any member who is interested in serving on the ACC Board of Directors must submit a statement describing their interest and qualifications. ACC's Secretary will post a ballot on April 14 for all members to complete no later Friday, May 9th. The two top vote recipients will be seated as new directors at the 2014 annual meeting to be held on Friday, June 13, in San Diego. Service as an ACC board member is a voluntary position and elected directors are not compensated for their service. Officers of credit unions and regulatory officials and their agents are not eligible for service in keeping with ACC's policies relating to conflicts-of-interest.

The email address for all responses is: [info@americanconsumercouncil.org](mailto:info@americanconsumercouncil.org)

Any member who wishes to serve on one of ACC's eight standing committees may do so by sending a statement describing their interest and qualifications. Appointments are announced on a regular basis. Officers of credit unions and regulatory officials and their agents are not eligible for service in keeping with ACC's policies relating to conflicts-of-interest.



Fourth Fleet Financial is a personalized auto finance company that makes buying an end-of-lease vehicle/company car as simple, fast and cost-effective as possible. Fourth Fleet acts as an advocate on behalf of every customer to ensure that they find the best loan rate possible without unnecessary hassles or time-consuming paperwork.

Fourth Fleet requires only one simple application to search amongst its lender partners for the best rates available. – Often, a loan match can be found in less than 24 hours.

Fourth Fleet's exceptionally high standard for customer service means that everyone receives personalized, expert guidance instead of the bureaucracy found at most traditional lenders. By working with Fourth Fleet, customers can avoid long hours spent researching rates by themselves, interviewing with bankers or completing complicated contracts.

Customers rely on Fourth Fleet Financial to act as their personal guide – providing direction, answering questions and making the entire process as simple and painless as possible.

#### **Company History:**

Founded in early 2002, Fourth Fleet Financial traces its roots back to the volatility of the 2000-2001 wholesale vehicle market. Operating squarely in the middle of the remarketing industry and caught in a whirlwind of plummeting vehicle prices and zero percent retail financing offers, Fourth Fleet's founders knew that there had to be a better way – a better

way for lessors to sell end-of-lease vehicles and a better way for consumers to buy those vehicles. Armed with a lifelong passion for delighting customers and a deep belief that they could help an industry in dire need of a direct-to-consumer remarketing solution, a focused team of industry veterans created Fourth Fleet Financial – the only auto lending company dedicated to the end-of-lease financing market.

**Our Promise to the Consumer:**

Our mission is to provide drivers with the most simple and efficient way possible to finance a company or lease end vehicle purchase. We do this by matching each customer with the lowest monthly payment and best payment terms available, regardless of credit. We pledge to provide an unmatched level of trust, security and customer service throughout this entire process.

For information, ACC members can visit: <https://www.fourthfleet.net/ft/apply/full/>

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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)

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ACC Annual Meeting Scheduled for Friday, June 13. The annual meeting of the American Consumer Council will be held in San Diego, California on Friday, June 21, 2013 at 10:00 am PST. The specific meeting location will be announced soon. This year's meeting will include a teleconference call to accommodate more members who wish to participate. All voting members are invited to participate in the annual business meeting. There is no cost to attend the meeting.

To register to participate at this year's annual meeting, please email the ACC office. If you wish to participate via the teleconference, please request the password for access to the conference call at: [info@americanconsumercouncil.org](mailto:info@americanconsumercouncil.org).

The annual meeting will discuss business matters pertinent to the management and operations of the American Consumer Council including the election of two new directors for the board of directors, and review activities and issues during the past 12 months. An agenda will be posted on the ACC website by May 1st.

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## Green C<sup>SM</sup> Certification Accepting Applications for 2014 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 2014 Spring cycle are now being accepted through March 31, 2014.

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>

