

Consumer News & Views

Published twice monthly

October 1, 2014



In this Issue...

- **Consumer Confidence Index Falls Sharply.**
- **Banks Raise Fees Once Again.**
- **Retailer Express Concern as Holiday Shopping Season Approaches.**
- **Five Not-So-Smart Ways to Expose Your Personal Information.**
- **ACC Launches 2014-2015 Financial Wellness Series in October**
- **Fleet Financial Can Help Consumers Save on Auto Loans.**
- **Apply for the 2013 Green CSM Certification Program.**

Consumer Confidence Index Falls Sharply in September. Consumer confidence fell sharply in September after hitting a seven-year high the previous month. The Conference Board, which monitors the index, reported that the index fell from a year high of 93.4 to 86. The consumers' views of the economy, especially as it relates to jobs and stagnant wage growth, has caused consumers to be less optimistic now than they were during the summer.

Thomas Hinton, president of the American Consumer Council, a non-profit consumer education organization, said, "Despite the fact that factories are expanding production and corporate earnings are improving, consumers are not realizing any significant gains from the recovery. This is why consumers are more cautious, less optimistic and holding back on their spending."

Banks Raise Fees Once Again. Major Banks are planning once again to raise their fees for ATM transactions and overdrawn accounts. Claiming it's part of an income recovery strategy, banks have been jockeying for ways to raise their fees for the past two years when Bank of America retreated from a planned \$5 increase on ATM transactions after consumers pressured the bank with a flood of social media protests.

"This is bad timing," said Thomas Hinton, president of the American Consumer Council, a large non-profit consumer membership organization. "If banks want to win back consumers and re-establish trust bonds, they should be lowering fees, not raising them!"



But, according to the *Wall Street Journal*, banks have introduced new fees for wire transfers, certified checks and banking through tellers. Others have raised monthly maintenance charges on checking accounts. Next month, TD Ameritrade Holding's TD Bank unit will start charging non-customers a \$5 fee to cash checks at any of its branches.

Hinton says consumers can flex their economic muscle and stop these increases by protesting through social media channels and letters to their banks. Hinton also said, "There is another option that consumers should discover - credit unions. They are member-driven and very consumer-focused. And, they don't hit consumers with these exorbitant fees!"

According the American Consumer Council, these bank fee increases represent the tip of the iceberg. In an effort to create more revenue, ACC believes banks will start charging customers for paying bills over the phone as opposed to online, and adopt many of the same practices fee surcharges now being used by domestic airlines.

Retailer Express Concern as Holiday Shopping Season Approaches. As the holiday shopping season approaches, retailers are feeling a bit nervous. According to the American Consumer Council, those retail jitters are justified. Last quarter, retailer sales were disappointing. Although it's been five years since the Great Recession of 2008 ended, consumers continue to be conservative on their spending.

The American Consumer Council reports that only 62% of its members plan to spend more on holiday gifts this year than last year. While spending was up in 2013 over 2012, this could be another disappointing season for retailers.



"The problem is stagnant income growth," said Thomas Hinton, president of the American Consumer Council, a large consumer membership organization. "We continue to hear from our members across the country that good jobs are scarce and wages remain flat. Consumers are reluctant to spend money they don't have and incur more debt."

The American Consumer Council recently reported that more than 35% of its members feel they have "less discretionary income than in 2013." Hinton said, "Many consumers are being bled by the daily living expenses -- cable charges, cell phone bills, gasoline, auto payments, and rent or mortgages. There's not much left over for the holidays." Hinton also noted that many consumers are now facing student loan payments and that is causing further payday stress on consumers.

Five Not-So-Smart Ways to Expose Personal Information. Most people know about the threat of Identity Theft and the steps to take to prevent it from happening. Yet more than 16 million people fall victim to identity theft every year. Although no one would intentionally leave themselves vulnerable, there are several not-so-smart ways people expose their personal information.

PASSWORD = 123456

1. **Using the same password for everything.** If you're using the same password for everything, you're setting yourself up for disaster. Use a unique password for every website you log into. If you use the same password for every site, once hackers get one of your passwords, they've got them all.
2. **Giving out personal information over the phone.** A lot of people have this belief that if someone from the IRS, credit union, or any other company calls them on the phone and sounds trustworthy they believe it's real. The truth is, the IRS, your credit union or any other official organization is never going to call you and ask for your Social Security number. If you get a call like this, hang up the phone and find the official number of the organization. Then you make the call to them.
3. **Not using a password on your smartphone.** Your smartphone isn't just a phone it's a personal computer, and if it's not password protected people can gain access to your email, your bank account, and everything you keep on there.
4. **Logging into financial accounts from an Internet cafe or unsecured connection.** Internet cafes are great for browsing the Web and may be fine for doing less sensitive things such as printing tickets or boarding passes, but they're not secure enough for managing your stock portfolio or savings account. You can check email, Facebook or fantasy football scores, but you don't want to leave yourself open to someone picking off your banking passwords.
5. **Not having a private profile on social media.** When you have your birthdate, your phone number or your address on your profile, it's an invitation for hackers to come in and use it in a malicious way. It's an entry into your life and who you are; it would be easy to figure things out after following a few posts from you on a non-private profile.

ACC's Financial Wellness Series Ready for October 20th Launch. The American Consumer Council will launch its Financial Wellness series with several programs starting on October 20th. As part of ACC's commitment to help its members better manage their finances and make better financial decisions, ACC has developed a series of eight programs that will be offered free to members.



The programs series include the following topics:

- Exploring your Retirement Decisions.
- How to Save and Pay for College.
- Smart Budgeting for Twenty-Somethings.

- A Crash Course on Cash and Credit Cards: How not to Over-spend.
- To Buy or Rent: That is the Question!
- Where to Bank and Where to Invest: How to Get the Best ROI on Your Money.
- How to Get Health Insurance and stay Insured
- Managing Your Credit and Pay-off Your Debt

A complete schedule of programs and podcasts will be published next month. ACC is partnering with the National Endowment for Financial Education (NEFE) to provide these programs. NEFE is a leading private nonprofit 501(C)(3) foundation dedicated to inspiring empowered financial decision-making for individuals and families through every stage of life.



Fleet Financial is a National Finance and Insurance Marketing firm that focuses on Auto Refinancing.

We offer auto finance solutions with the customer's well-being in mind. There are a lot of companies out there that can provide a loan or refinance your vehicle. Fleet Financial focuses on setting our customers up for success by saving them money and educating them about what is best for their particular financial situation.

Whether you are looking to save money by refinancing your vehicle, want to avoid excess fees and penalties when you're buying out your lease, or you want to build resale value by buying out your company car- Fleet will guide you through the process and make sure you understand what's going on every step of the way.

Fleet Financial also works with companies of all sizes to help employees purchase their own company car or any car from the company fleet. By using this process, employees can buy cars at below market rates. It also helps employers avoid the expensive and pain-staking process of selling their cars to a dealership.

If your company doesn't have a fleet, we can still help you purchase a vehicle for a very reasonable price through our inventory of fleet cars that are available to the public.

Our expert loan consultants will take the time to educate you about auto finance, ensuring that your past mistakes don't continue to affect your credit and your life. Let us help get you out of a difficult financial situation.

**CALL FLEET FINANCIAL TODAY FOR MORE INFORMATION
(866) 683-5505**



Green CSM Certification Accepting Applications for 2014 Fall 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 2014 Fall cycle are now being accepted through December 15, 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 CSM Certification** criteria can be viewed at ACC's website located at: <http://americanconsumercouncil.org/greenc.asp>

