



Annual Report 2009-2010

**The Better Business Bureau
Serving Metropolitan New York,
Long Island and the Mid-Hudson
Region**

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Updated as of July, 2011

Letter from the President

Despite the challenges we all faced in 2010, your BBB is ending the year in good condition from a number of vantage points. Most importantly, we worked hard at proactively positioning BBB Accredited Businesses and communicating the value of upholding the BBB Code of Business Practices as an important point of differentiation between you and your competitors.

Acting on your behalf the BBB ramped up ways in which we promote the value of BBB Accreditation. We coordinated with the Council of Better Business Bureaus to push the Rebranding Effort that started three years ago to a new level.



BBB was in the news locally more than during 2009. The Consumer Affairs and Business reports on TV, Web, Cable, Print and Radio helped consumers and businesses protect themselves from the most common scams, provided the Top 10 Complaint categories from which to learn, and provided much needed information about how to donate to charities with an eye to their legitimacy and meeting BBB Accredited Charity standards.

Self regulation is another important role carried out by the BBB in 2010 and will be a focus in 2011. Through the CBBB, we have been working with the advertising industry for a number of years now on important Self Regulatory Guidelines as they pertain to privacy on the web. On October, 11th, 2010 a program was launched that gives consumers enhanced control over collection and use of web viewing data used for behavioral advertising. The FTC will be watching this program as part of its overall consideration regarding this issue. This BBB has worked to promote a strong self-regulatory program in this area rather than have legislation and more regulation introduced. It is important to research to what degree this issue impacts you and your business. Go to: Aboutads.info (www.aboutads.info) to find out more about the program.

The strength of this organization resides with you, our Accredited Businesses, and I am pleased to note that as of the end of December, the number of *new* Accredited Businesses in the Metro NY Area increased. The number of Accredited Businesses, up for renewal who chose to uphold their status also met our targeted goals. You can help with this effort in 2011. If you are aware of a company that you believe meets the BBB Standards of Trust, point them to our website where they can always apply.

We will continue to focus on the five Strategies noted below from our BBB Strategic Plan – A Call to Excellence; The programs and services you see will all tie back to these Strategies:

- Build NY BBB's Strength in the Marketplace
- Build NY BBB Organizational Strength
- Increase Value to Business Stakeholders
- Increase Market-share
- Be Everywhere

Top 10 Business Reliability Report Updates by Type of Business (TOB):

TOB	RR Inquiries
HOME IMPROVEMENTS	92852
MOVERS	79097
CONTRACTORS-GENERAL	46754
STORAGE-HOUSEHOLD & COMMERCIAL	45854
ROOFING CONTRACTORS	42639
AUTO DEALERS-NEW CARS	40954
PHOTOGRAPHIC EQUIPMENT & SUPPLIES-RETAIL	39848
INTERNET SHOPPING SERVICES	34963
FINANCIAL SERVICES	34734
ELECTRONIC EQUIPMENT & SUPPLIES-DEALERS	32314

A marketplace built on a strong foundation of trust is our goal at the BBB, now more than ever, and we will continue to work toward it in the coming months and years.

Sincerely,



Claire Rosenzweig, CAE
President and CEO
Better Business Bureau Serving Metropolitan New York

The BBB Serving Metropolitan New York: Who We Are

The Better Business Bureau Serving Metropolitan New York was founded in 1922 by the New York Stock Exchange. It is the first resource identified by consumers when asked to name organizations that provide information about the reliability and reputation of businesses to help them make wise buying decisions. However, that is not all the BBB does. Our mission lies as much with supporting good business as it does with protecting consumers. We believe that the two go hand-in-hand: ethical business practices serve to strengthen the marketplace while increasing consumer trust, which in turn is profitable for business. In support of our mission to advance marketplace trust and foster good business in Metro New York, we:

- Issue free, objective Business Reviews on area businesses;
- Offer services and resources to assist and educate New York businesses;
- Organize or participate in numerous events in the service of good business in the New York Metro area;
- Work to resolve consumer complaints through our mediation and arbitration programs;
- Investigate business practices and review advertising;
- Make ourselves available to the media as an expert source of information; and
- Support a community of BBB Accredited businesses through a voluntary program for businesses which meet the BBB Standards for Trust.

We invite you to read further to learn about these and other exciting programs and services we delivered in 2009 and 2010.

Business Development and Relationships Department

The Business Development and Relationships department's main role is to recruit, retain and recover Accredited Businesses for Metropolitan New York, extending from Long Island through New York City to the Mid-Hudson region of New York State. The department works to promote marketplace trust by increasing visibility of the BBB brand through integrated marketing communications and programs and services. It develops, maintains, and provides support to a community of local and regional BBB Accredited Businesses from a broad assortment of industries, ranging in size from one- or two-person ventures to Fortune 500 companies.

The BBB Accredited Business community is currently composed of thousands of Metro area companies which support the mission and values that the BBB represents. BBB Accredited Businesses must pledge to uphold the eight BBB Standards for Trust:

- 1. Build trust**
- 2. Advertise honestly**
- 3. Tell the truth**
- 4. Be transparent**
- 5. Honor promises**
- 6. Be responsive**
- 7. Safeguard privacy**
- 8. Embody integrity**

The BBB of Metropolitan New York offers Accreditation to companies that meet its high standards for business and customer service. If a business does not meet or exceed the standards laid out by the BBB Code, it will not receive Accreditation. Businesses that apply for Accreditation undergo an intensive review. Only those businesses that meet our standards and score and maintain a grade of 'B' or higher on the BBB letter-grade rating system are eligible for BBB Accreditation, after which, upon approval of their application, they are assessed an annual BBB Accreditation fee. At year-end 2010, BBB of Metro New York had a registry of approximately **6,560 BBB Accredited Businesses, 1,680 of which were newly accredited in 2010**. Of the overall total, there are large businesses and major corporations among the Accredited Businesses.

BBB Accreditation works to inspire confidence among the public, government agencies, the press, and within the business community by proving a business' commitment to the standards upon which the BBB is founded. Alignment with the BBB allows businesses to strengthen their reputation.



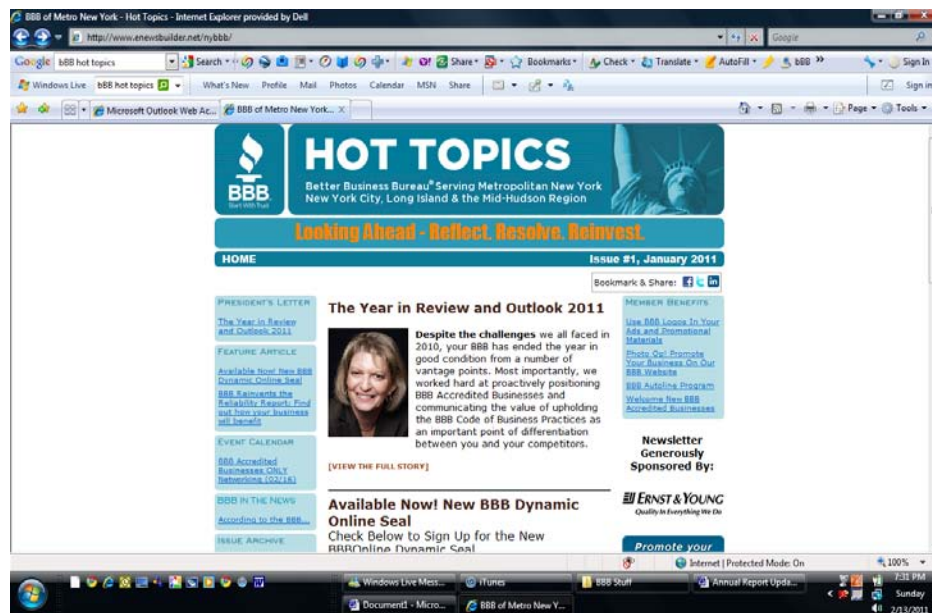
Accredited Businesses Leaders attending a Networking Meeting in the BBB Offices

Companies which are accredited by the BBB may display the BBB Reliability Seal according to BBB policy, i.e., at their place of business and on print advertising, promotional materials, and business websites, thereby proving their commitment to the **BBB Standards for Trust** for marketplace ethics and fostering consumer confidence. Given the faith the public has in the BBB as a premier source of legitimate information about the reliability and reputation of businesses, the Seal symbolizes integrity to potential customers:



Accredited businesses are also eligible for special BBB programs, information, and complaint services, including:

- **The BBB Accredited Business Hotline**, a private phone number that Accredited Businesses may call to get expedited help with checking out other firms or charities, filing complaints, challenging a competitor's advertising, or getting advice on business practices.
- **Advisories** to help Accredited Businesses make buying and selling decisions
- Tips and guidance on smart business practices
- Access to **free, topical business publications**, including:
 - *Get More Money Now: How to Have Better Credit and More Money for Things That Matter*
- Sponsorship opportunities
- Heightened visibility on the New York BBB website, in the Accredited Business roster and through special Advertising campaigns
- Free or discounted attendance at **BBB networking and educational events**, in addition to invitations to frequent **Accredited Business Only networking meetings**
- **Employee seminars** on consumer issues and business leadership which are tailored to each firm's specific needs and presented at the company's business location
- **Monthly eNewsletter "Hot Topics,"** which keeps Accredited Businesses informed of the BBB's activities and offers them insight into how the BBB can assist them and their employees



Metro NY BBB eNewsletter, "Hot Topics"

BBBOnLine

Accredited Businesses are eligible to participate in our **BBBOnLine** program, which authorizes the use the BBB logo on their website as a symbol of trust. **At year-end 2010, the Metro NY BBB had approximately 1,500 BBBOnLine participants**, a significant increase over the 1,300 at the end of the previous year.

2010 Accredited Business Ad Campaign



The **BBB Annual Ad Campaign** serves Accredited Businesses by providing them with increased visibility in connection with the BBB brand. Businesses are encouraged to participate as a way to show their customers their commitment to good business practices. Ads run in many major print news media sources, including the *New York Times*; *New York Law Journal*; *New York Daily News*; *El Diario* (in Spanish); and *Newsday* in Long Island. Participants are offered two co-op ads, "General Sponsor," a directory-style ad, and "Prominent Sponsor," with the firm name only. Ads run twice a year, in June and October. In 2010 we introduced an Internet element, the "**NY BBB Buyer's Guide**", which offered participants the opportunity to advertise in a special online directory for twelve months. **200 Accredited Businesses participated in the New York City print ads and 238 participated in Long Island while collectively, 170 participated in the Buyer's Guide promotion**, making this one of our most popular and successful campaigns to date.

Accredited Business Only Networking Meetings



Leaders from Accredited Businesses attending a Networking Meeting in the BBB Offices

The Business Development and Relationships department regularly conducts special networking breakfast meetings, which cater to small groups in each region. In 2010, the New York City office held four such meetings; the Long Island and Mid-Hudson offices each held such a meeting. These meetings provide the opportunity for Accredited Business leaders to meet, network, and learn about how best to leverage their BBB Accreditation.

Sponsorship

Accredited Businesses are eligible for a variety of BBB sponsorship opportunities. Sponsorship packages accommodate a wide range of budgets and include support of the BBB's Education and Research Foundation programs, media packages, Co-Op advertising, contributions to the BBB Internship program, recognition event support, seminar and Accredited Business event support, web video sponsorship, website banners and newsletter funding. Online sponsorships have been on the rise in the past several years. **In 2010, the Business Development and Relationships department ran 58 web banners from sponsors on the BBB website and one in the BBB eNewsletter.**

Other Activities

Throughout the year, the Business Development and Relationships department organizes a variety of other events and activities that align with the BBB mission to promote marketplace ethics. To this end, the department participates in a variety of business activities that increase brand and Accredited Business visibility and promote good practices.

For 2010, these included meetings with leading New York businesses to foster stronger corporate partnerships, the **2010 New York Times Small Business Summit**, and the annual **New York Xpo for Business**, one of the largest business trade show in the northeast, in which the BBB participated as an “Event Sponsor” for the third consecutive year.

The BBB presented seminars at the 2010 Xpo on, customer service, credit and cash flow issues, and tips for business. Over 25 BBB Accredited Businesses attended as Exhibitors.



BBB of Metro New York's Peter Espinoza, NYPAS Program Manager, Shawn Fafara, Director, Business Development & Relationships; Mary C. Montgomery, Executive Associate; and former Mid-Hudson BBB Kim Hunter, Manager, Business Relations, at BBB's Event Sponsor booth at the 2010 NY Xpo for Business.



BBB Accredited Business, Fidelity Payment Services employees and CEO, Shlomo Weissman with BBB's Susan McMillan (left), SVP Business Development & Relationships



BBB SVP, Programs & Services, Luana Lewis addresses attendees at the 2010 Xpo BBB seminar on credit, cash flow, and business management.

The directory of Accredited Businesses is easily accessible to businesses and consumers online at the BBB website, www.newyork.bbb.org. Contact the Business Development and Relationships department for more information or to inquire about participating in the program.

Services for Consumers and Businesses

In 2010, the Better Business Bureau of Metropolitan New York logged over 1.5 million requests - by mail, e-mail, and by telephone -for information about business reliability. The New York BBB website was visited over 2.1 million times by more than a million unique users. Nationally, the five million BBB reliability reports on businesses across North America were accessed more than 68.5 million times in 2010, an 8% increase over the previous year. These numbers suggest that in today's difficult economic climate, consumers are cautious about where and how they spend their money, and are looking for trustworthy information that can help them make good business decisions.

The Metro NY BBB helps consumers and businesses make informed buying and selling decisions using its database of **BBB Business Reliability Reports** on over 116,000 metropolitan area companies. The BBB also continually updates its Reliability Reports, logging feedback, complaints, and data it gets from customers for future reference.

The Better Business Bureau's standards, process and algorithm ensure that the reviews issued in our Business Reviews are unbiased and as current and comprehensive as possible. The BBB's business rating algorithm takes into account 16 objective elements that are used, despite a companies accredited status. BBB assigns ratings in the following categories:

1. Type of Business
2. Time in Business
3. Competency Licensing
4. Complaints Volume
5. Unanswered Complaints
6. Unresolved Complaints
7. Serious Complaints
8. Complaint Analysis
9. Complaint Resolution Delayed
- 10.Failure to Address Complaint Pattern
- 11.Government Action
- 12.Advertising Review
- 13.Background Information
- 14.Clear understanding of business
- 15.Mediation/arbitration
- 16.Revocation

The value of the BBB's Business Review is recognized by consumers, businesses, government agencies and the media:

During 2010 a major redesign of the BBB Reliability Report took place on a national level. The BBB Business Reliability Report is now called the BBB Business Review and will be implemented in Metro New York in 2011.

Telephone Assistance

BBB's Consumer Help Line is available 24/7. During business hours, this service is staffed by BBB Consumer Advisors. These representatives provide callers with information on BBB's reliability reports, instruct individuals on how to file a complaint, offer advice on specific marketplace issues and problems, and provide referrals to government agencies, associations and out-of-area BBBs that can give additional service to inquirers. BBB receives an average of 58,700 consumer phone calls annually.

Online Consumer Assistance

Visitors to the BBB's websites at www.bbb.org or www.newyork.bbb.org can file a complaint online, find and read business reliability reports, and browse a resource library of financial and business guidance, advice, and news.

Resolving Disputes

The BBB successfully resolves consumer disputes ranging from those dealing with inexpensive mail order products to costly home improvement projects. BBB's Dispute Resolution programs aim at bringing businesses and their customers together to reach fair and amicable solutions.

I cannot say enough about how positive my experience was with the BBB. You were responsive to my complaint, followed up with me and contacted me in an extremely timely manner. Thank you for caring about me as a consumer. I appreciate your efficiency.

- Consumer Response

"Thanks for the diligent and consistent effort that you have displayed in this matter."

-Consumer, Jamaica, NY

In 2010, over 66,000 customers contacted the BBB to file complaints about area businesses. **BBB Dispute Resolution** helps buyers resolve their issues, allows businesses to maintain the goodwill and continued patronage of their customers, and makes sure that both sides have an option to mediate and solve problems first, in order to avoid the costly and burdensome alternative of legal action.

Complaint Mediation

The majority of the complaints filed with the BBB each year are resolved through mediation, in which the BBB works with the customer and the business to settle the problem.

Every year, the Dispute Resolution department of the BBB of Metro New York helps thousands of people to get restitution from companies and businesses varying from reshipment of their ordered products and credit adjustments to full refunds of their purchases. In cases in which the BBB was able to communicate with the business, approximately 69% of reportable complaints were closed as resolved in 2010. The number of complaints the BBB closed in 2010 increased by 17% over 2009.



Odile Kory
Volunteer Mediator

Odile volunteers with the BBB as an impartial mediator for customers and businesses, so that consumer disputes can be negotiated without legal action. She started volunteering in 2003.



Anthony Ali
Staff – Mediation Department

Anthony is a BBB Staff Mediator. He started as an Intern through the BBB Foundation in 2007.

“The Company was not going to pay me if you, BBB, did not help”

- Consumer from Flushing, NY

Another important function of the BBB Dispute Resolution department is to analyze complaints for patterns or unusual problems that need to be brought to a company's or industry's attention. By providing companies with valuable feedback about their customer complaints, BBB helps them identify the underlying causes of the problems and provides them with an opportunity to strengthen their customer service program. Closed complaint information is covered in the company's BBB Business Reliability Report to alert prospective customers. Failure to resolve the underlying pattern or problem can also result in a poor letter grade and even action by a law enforcement agency, when warranted. The research and information compiled by the BBB is also used by the press and government agencies to help with investigations and uncover scams.

Just received the current issue of my magazine with the correct address. Thank you! I am sure nothing would have been done if you hadn't stepped in. (I had already requested a chance in two different letters to them – no reply.) Thanks again for your assistance.

- Consumer, Conway, South Carolina.

Arbitration

When disputes cannot be resolved through mediation, BBB may offer arbitration, a process in which, with the parties' agreement, an independent, trained BBB Arbitrator hears each party's position and renders a decision resolving the dispute. Through arbitration, the BBB provides a fast and fair way to resolve disputes without the high cost of going to court. A network of trained volunteer arbitrators resolves dozens of cases at BBB each year.

The automotive industry in particular has made a major commitment to resolving customer disputes through BBB arbitration. In 2010, twenty-eight car manufacturers participated in a national BBB program called **AUTO LINE**. Founded in 1978, BBB AUTO LINE is the nation's oldest and most respected auto warranty dispute resolution program. The AUTO LINE program enables customers to have their vehicle problems resolved by a BBB arbitrator at no cost to the consumer. The BBB of Metro NY mediated or arbitrated 63 AUTO LINE cases in 2010.

Top Ten Complaint Categories (2010)



Top Ten Complaint Categories, 2010

The Better Business Bureau continuously strives to educate consumers on how to operate safely in the marketplace. During the annual National Consumer Protection Week, BBB joins forces with other groups and agencies in this mission. The week includes a press conference, held jointly by BBB and the Federal Trade Commission, during which BBB presents the Top Ten categories of complaints for the year, broken down by type of business.

1. Financial Services	11224
2. Publishing & Communications	6712
3. Automotive	4127
4. Retail	3645
5. Mail Order	3230
6. Health & Beauty	3215
7. Home Improvement	3110
8. Consumer Electronics	2921
9. Home & Office Furnishings	2465
10. Professional Services	2085

In 2010, **Financial Services** received over 11,000 complaints and was the most complained about category. Complaints against financial services covered a wide range of issues including debt collectors, loan modifications, banks, advance-fee loans, and credit cards. Rounding out the top three are **Publishing and Communications** and **Automotives**. Publishing and Communications complaints focused on television, radio, and cable providers. Automotives includes new and used automobiles, regarding billing issues, service complaints, faulty merchandise and selling practices. The number of complaints in the Automotives category jumped by a surprising 70% from 2009 to 2010.



The 2010 FTC press conference, during which BBB announced the Top 10 Complaint Categories in the previous year. From Left to right: Glen McKechnie, Postal Inspector, United States Postal Inspection Service, New York Division; Gary S. Brown, Director of Communications and Policy Research, New York State Consumer Protection Board; Jonathan Mintz, Commissioner, New York City Department of Consumer Affairs; Leonard L. Gordon, Regional Director, Federal Trade Commission Northeast Region; Claire Rosenzweig, CAE, President and CEO of BBB of Metropolitan New York; Susan Jouard, Public Affairs and Communications, NeighborWorks America; Jeffrey K. Powell, Deputy Bureau Chief, Consumer Frauds & Protection Bureau, New York State Attorney General's Office; Eunice Hyon Min Rho, Associate Counsel, Lawyers' Committee for Civil Rights under Law; Eddie Agosto, Volunteer, AARP New York.

Investigations

In the past several years, the Investigations Program of the BBB of Metropolitan New York, in its role as a marketplace watchdog, has helped to uncover numerous cases of deceptive or fraudulent business activities. In 2010 alone, the BBB served as a source of information for multiple government investigations by compliance with 80 subpoenas from agencies such as the Department of Consumer Affairs, the New York State Attorney General and other Attorneys General, the Federal Trade Commission, and the US Postal Inspectors. BBB also leads its own investigations, of which it informs the public through press releases. Some highlights from 2010 include:

By investigating deceptive practices and challenging false advertising, the BBB's Investigations and Advertising Review Department exposes companies with unfair or deceptive business practices which attempt to profit at the expense of responsible businesses and the public, and warns consumers to stay clear of them. When abuses are found, the BBB first alerts management at the company in question and tries to work with them to help meet BBB Standards. In this way, responsible firms may resolve their problems and maintain the confidence of their customers. When companies fail to address problematic practices or advertising, occurrences are summarized in BBB Reliability Reports, and, when appropriate, referred to government agencies and the media. The BBB also releases advisories on scams and deceptive practices throughout the year on its website and via the media.

Grandchildren scam:

In February of 2010 the Better Business Bureau warned senior citizens about scammers taking advantage of good intentions by posing as their distressed grandchildren. These con artists had preyed on grandparents in over a dozen states and Canadian provinces. The scammers usually claimed to be grandchildren in trouble in due to either a car accident or drug possession and ask to be wired money so that their parents would not find out. One unfortunate couple in Wisconsin lost \$19,000. In its continuing efforts to educate consumers, BBB provided tips to foil the attempts of the cold-hearted conmen.

"BBB" Sweepstakes:

BBB is used to hearing about a lot of scams, but it's not often that scammers are so brazen as to call *themselves* the Better Business Bureau! The scam involved a fake sweepstakes, purportedly sponsored by BBB. Consumers nationwide received checks with the BBB name, which they were instructed to cash in order to claim their prize. They were further instructed to wire money to a specified individual to cover "service fees." Of course, the supposedly BBB-sponsored check bounced, leaving consumers out of whatever "service fees" they wired and held accountable for the bounced check fees.

Advertising Review

The Better Business Bureau conducts an Advertising Review program in order to foster business self-regulation. The BBB Code of Advertising guides the identification of misleading, deceptive, or false advertising, which allows the BBB to help protect consumers and assist businesses in promoting their products in a clear, transparent way. The BBB's professional staff regularly monitors websites and local newspapers for disingenuous advertisements. When the BBB believes that an advertisement may confuse or deceive consumers, it forwards the ad to the business in question and requests voluntary modification or substantiation of the ad's claims. Questionable advertising practices which the BBB investigates include inaccurate prices, false claims of lowest pricing, products advertised as being free, false claims of superiority over competitors, and misleading descriptions of return policies. More than half of BBB ad review challenges result in adequate substantiation or revised ads. In 2010, the Ad Review Program conducted 53 reviews.

As with other BBB programs, Advertising Review:

- Provides a fast, flexible alternative to government regulation.
- Maintains a level playing field for settling disputes among competitors
- Increases public Trust
- Helps cut down on unfair or unethical business practices

BBB and the Press

The BBB of Metropolitan New York cultivates relationships with the media journalists as part of our ongoing effort to educate consumers. BBB helps reporters by offering assistance in investigations; acting as liaison with consumers or fraud victims who may want to share their stories with the press; provides access to knowledgeable BBB executive staff for interviews; and provides general business and consumer related information to the media. By working together with the media, the BBB seeks to share useful information with consumers in order to assist them in making educated purchasing decisions while promoting good business practices and trust in the marketplace.

In 2010, BBB of Metropolitan New York assisted television, print, online and radio media for a variety of stories, on an average of once a week. These stories reached consumers locally, regionally and nationally. The topics ranged from specific scams targeting the unemployed, to how to choose the right charity to support.

BBB appeared and assisted in approximately fifty news stories and assisted with many others. A sample of coverage:

- *Television*
 - Univision: *Modeling scams and consumer tax tips* (local news broadcast)
 - NY1: *Donating Wisely*
 - CBS: *Cable Companies*
- *Online*
 - FOXnews.com: *How to Select a Charity* (live)
- *Print*
 - Good Housekeeping: *Home Warranties*
 - AM New York: *Fraudulent 9/11 Memorial Coin*
 - Newsday: *Senior Scams*
- *Radio*
 - KBS: *BBB*
 - WCBS Radio: *Cyber Monday*



Left: Local TV Cable station NY1 interviews Claire Rosenzweig, Metro New York BBB President & CEO, for her expertise on ATM scams.

The BBB serves the press and media as an expert resource for consumer and business matters, in this case warning NY1 viewers of ATM scams, in which scammers utilize devices to “skim” consumer information at ATM terminals. They may use this information to drain bank accounts or steal identities. Unfortunately, scammers are getting more sophisticated and the devices are getting harder and harder to detect. During the interview, Rosenzweig recommended that consumers wiggle the swiping mechanism and key pad to be sure it is real and check bank statements on a regular basis to make sure there are no strange charges. If a consumer feels he or she has been the victim of identity theft, Rosenzweig continued, he or she should contact the bank immediately and report them to the Attorney General’s Office or the Department of Consumer Affairs.

BBB Volunteers

The BBB of Metropolitan New York welcomes New York community members who support our mission and wish to volunteer their time. They support the work we do in one of our departments or for special programs. Volunteers serve the Metro New York community by participating in our arbitration and mediation departments, where they help consumers and businesses to amicably resolve disputes, and in a customer service capacity, assisting consumer who wish to check out a business via out free phone service.

Volunteers in BBB Dispute Resolution undergo a training process which helps them to become knowledgeable mediators.

BBB volunteers include university students, professionals, and retirees. Many commit substantial time to the BBB each week and volunteer for many years, while others stay for shorter periods of time, sometimes simply offering one-time assistance and expertise for special events and programs.

To learn more about volunteering at the BBB of Metropolitan New York, please do not hesitate to get in touch with us!

Volunteer Spotlight: Thank you Ted Annenberg, Volunteer Mediator, for nearly a decade of service!

Ted at his desk in the Metro NY BBB Offices



After graduating from the United States Naval Academy and Columbia Law School, Ted [at left] began working for the Woolworth Corporation. He worked there as General Counsel until 1993. Ted heard about the BBB at a talk given by BBB General Counsel Brian Rauer at the New York City Bar Association. Brian described the work the BBB did to improve the quality of interaction between businesses and consumers and to promote trust in the marketplace, and how they needed volunteers.

In 2002, Ted started working at the BBB as a trained volunteer mediator, working with consumers and businesses to resolve disputes. Ted has been volunteering ever since, and in 2002 he brought along his wife Jan, who also began volunteering at the BBB.

The Education and Research Foundation

The Better Business Bureau of Metropolitan New York shares office space and works closely with the separately incorporated and governed BBB Education and Research Foundation, a 501(c)(3) not-for-profit which is supported, in part, by voluntary donations from BBB Accredited Businesses. A complete annual report for the BBB Foundation is available on request or can be viewed online at www.newyork.bbb.org.

The Foundation's central program is the New York Philanthropic Advisory Service, or NYPAS. NYPAS reviews local charities, works to promote ethical, accountable practices in the nonprofit sector, and runs the BBB Accredited Charity Seal program for qualifying charities. To qualify for the seal program, a charity must first pass the BBB 20 Standards of Charity Accountability. At that point they may choose to license the seal for use in their communications and fundraising materials and programs. NYPAS's Donor's Guide to BBB Charity Seal Holders is a convenient tool for people who want information on seal-holding local charities that meet the BBB's 20 rigorous accountability standards. The BBB Foundation's NYPAS program is one of the largest local BBB charity review services in the country.

The Foundation and its NYPAS program work independently or with the BBB to create, fund, and implement special educational programs and investigative projects on consumer, business, and philanthropic issues. In 2010, events and projects included:

- 2010 Charity Effectiveness Symposium: yearly educational and networking event presented for hundreds of nonprofit and philanthropic leaders on Accountability and Effectiveness issues in the nonprofit sector;
- 2010 "Good Business" BBB Forum on Corporate Responsibility, for business leaders to network and learn about business responsibility issues and strategies;
- 2010 BBBLive "Take Control of Your Debt / Toma Control De Tus Deudas" program in Spanish, day-long, televised, volunteer-staffed phone banks for Spanish speakers struggling with debt collection, to help them find legitimate sources of counseling; and
- Additional educational workshops for charity and business leaders.

BBB LIVE TOMA CONTROL DE TUS DEUDAS November, 2010



Left to Right: Dawn Carillo, Vice President, NY Metro Marketing Manager, Banco Popular North America and Claire Roseznweig, CAE, President & CEO of BBB Metro New York

BBB Charity Effectiveness Symposium February, 2010



Panel Left to Right: Richard R. Buery, Jr., President & CEO, The Children's Aid Society, Scott E. Millstein, Executive Director, Coro New York Leadership Center, Janice M. Nittoli, Associate Vice President, Managing Director, Rockefeller Foundation

BBB Corporate Responsibility Forum May, 2010

*Keynote Speaker
James. S. Turley
Chairman & CEO
Ernst & Young*



*Audience at BBB Corporate
Responsibility Forum
May, 2010*

*Claire Rosenzweig
introduces Robin Reibel,
Group Vice President, and
Lauren Anania, Director of
Cause Marketing from
Macy's at BBB Corporate
Responsibility Forum, May,
2010*



The Internship Skill-building Program

The BBB's Education and Research Foundation is proud to maintain an ongoing, intensive **Internship Skill-building Program**. Interns are college students who spend a semester or more with the BBB, working and learning with guidance from BBB executives and staff. Interns who participate in the Foundation's program acquire valuable career skills by assisting with BBB dispute resolution, membership, investigations, marketing, accounting, public education, and customer service activities. Interns interested in non-profit management also help to review charities against the BBB 20 Standards of Charity Accountability. Interns commit to a single department and gain extensive experience through their work with the BBB.

2010 Interns

For the year 2010, (57 interns contributed a combined total of 8,964 hours of service, with tasks ranging across the Foundation's and BBB's many departments. Interns in the dispute resolution department alone participated significantly in resolving consumer complaint cases, where 57 interns helped to resolve a total of 22,044 cases in 2010.



Summer 2010 Interns

Back row, L to R:

*Harpreet Singh,
Dale Valentine, Zeina Attar,
Jennifer Small,
Phillip Grudzina, Hyochon Lee,
Mohamed Zakaria,
Chris Brown*

Front row, L to R

*Alisa Lu, Joyce Lam,
Elyssa Alpert, Mili Patel,
Margaret Ting, Aileen Almonte*

Interns came from a wide range of schools, including: Baruch College, Benjamin N. Cardozo School of Law, Berkeley College, Brooklyn College, College of the Holy Cross, Columbia University, Dickinson College, EF School of Language, Fordham University, Hunter College, LaGuardia Community College, New York University, Pace University, Queens College, University of Rochester, Sarah Lawrence; St. John's University, Vassar and Wesleyan University.

To learn more about the BBB's Education and Research Foundation programs, you may request a copy of the Foundation Annual Report by contacting the Better Business Bureau Education and Research Foundation at the New York City offices.

Long Island and Mid-Hudson Better Business Bureau Branch Offices

The BBB of Metro New York also operates two branch offices, serving the Mid-Hudson region of New York State and Long Island. These offices continue to be active in their local communities in 2009 and 2010. To serve the mission of the organization, they present BBB educational programs, rate local businesses according to the BBB system, review businesses for BBB Accreditation, run local complaint and mediation services, and work with local media, government, bar associations, educational facilities, and business and nonprofit communities to promote high standards for marketplace trust and educate businesses and the public on good practices in their respective regions. They also work with interns through the BBB Foundation's intern program. Mid Hudson worked with 4 interns in 2010, who contributed 859.5 hours of service to the office.

BBB of Mid-Hudson and Long Island: Events and Regional Outreach

In 2010, the Mid-Hudson and Long Island BBBs participated in, presented, and/or sponsored numerous educational or business-related events and programs, in collaboration with the central New York City office of the Metro NY BBB. The offices were involved in:

- Represented the NYBBB on a public forum panel at the New York County Lawyers' Association: "Click on the Dotted Line: Internet Website Privacy Policies, Terms of Use and Service, and Disclaimers." (2010)
- Mediation Settlement Day kickoff event at NY County Lawyers' Association (2010): continued to represent the NYBBB at this well recognized annual event featuring dispute resolution organizations in New York.

The Mid-Hudson and Long Island offices also organize and host educational and networking events for local and regional Accredited Businesses. In 2010, topics covered at the networking breakfast series included local business issues of concern such as the economy and its impact on the business community at the Long Island BBB in July 2010 and Advertising Ethics at the Mid Hudson BBB Office in April 2010.

Media

To promote their services, support the business community, and educate the public, the Long Island and Mid-Hudson offices work with local and regional media by providing them with resources, interviews, and information. Long Island and Mid-Hudson staff members are frequently called upon by the media to offer opinions, advice, and guidance regarding business and consumer issues. Some news sources which contacted the Long Island and Mid-Hudson offices in 2010 included *Newsday* which covered stories on "Financial services top complaint list" and "Do your homework or it may cost you" and the *Journal News* presented a story "Auto Industries Tops In Client Complaints". These satellite offices also collaborate with the New York City office of the Metro NY BBB to present weekly radio spots; these are called "Business IQ Minute," and are comprised of useful tips and information on savvy consumer and business practices. Some of the topics covered are: Dealing with a Data Breach, Become an Educated Donor, College is Expensive Enough: Avoid The Expense of Identity Theft and Avoiding the Foreclosure Rescue Scam.

MID HUDSON BBB OFFICE Statistics, 2010		LONG ISLAND BBB OFFICE Statistics, 2010	
Total Arbitrations	20	Total Arbitrations	27
AUTOLine	15	AUTOLine	27
AUTOLine Reconvening	2		
		Total Mediation Cases	13,583
Total Mediation Cases	4,503	Resolution Rate*	69.4%
Resolution Rate*	69.4%	New Accredited Business	653
New Accredited Businesses	479		
Volunteer Hours	1,727	Volunteer Hours	288
Intern Hours	83		

*for cases where mediator was able to reach business

METROPOLITAN NEW YORK BBB STATISTICS, 2010

Total Arbitrations	
AUTOLINE	63
TOTAL Mediation Cases	22,044
Resolution Rate	69.4
New Accredited Businesses	515
Volunteer Hours	3,175
Intern Hours	8,964

THE BETTER BUSINESS BUREAU OF METROPOLITAN NEW YORK, INC.
Statements of Activities

	Year Ended December 31,	
	2010	2009
Revenues and public support:		
Membership dues:		
Renewals	\$ 1,524,144	\$ 1,433,105
New members	681,193	577,152
Arbitration programs	15,015	14,125
Interest income	1,092	3,096
Accredited Business ID	506,580	447,388
Advertising campaign and other income, net of direct expenses	276,490	252,201
Program administration income	137,973	80,951
Income from related party	25,008	50,000
Donated services and donated furniture	129,274	195,678
	<u>3,296,769</u>	<u>3,053,696</u>
Expenses:		
Program services:		
Dispute resolution	772,325	806,858
Investigation and dissemination of information	902,565	950,408
	<u>1,674,890</u>	<u>1,757,266</u>
Support Services:		
Management and general	357,122	440,524
Membership development	911,178	866,411
	<u>1,268,300</u>	<u>1,306,935</u>
	<u>2,943,190</u>	<u>3,064,201</u>
Change in net assets	353,579	(10,505)
Net assets -January 1	<u>797,843</u>	<u>808,348</u>
Net assets - December 31	\$ <u>1,151,422</u>	\$ <u>797,843</u>



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We welcome your questions and feedback. Please don't hesitate to contact us using the information below.

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*Our consumer advisors are available 10 a.m. to 4 p.m.,
Monday through Friday, except holidays.*

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