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Better Business Bureau®
Start With Trust®
In Hawaii

2010 Annual Report

Aloha,

The front cover headline of the March 2010 issue of Fortune magazine got our attention: The World's Most Admired Companies. The article included a list of 50 successful companies, but instead of the usual business data comparisons, value and importance were placed on integrity and trust.

Trust makes a difference in the marketplace. When consumers trust a business, they are more likely to spend more, return for additional products or services, and recommend it to others. When customers do not trust a business, they are more likely to cut back on purchases, report product or service problems, switch to the competition, demoralize employees, and share their negative opinion with others. Trust is about integrity and performance. The challenge for businesses is finding a way to communicate and demonstrate to consumers that they can be trusted. BBB accreditation is a proven way to do that. In a 2007 Princeton study, seven in 10 consumers said they would be more likely to buy from a BBB Accredited Business.

Similarly, it can be a challenge for consumers to determine whether a business can be trusted. They, too, can rely on BBB to do that by checking a business's BBB Reliability Report. Additionally, consumers can be confident in knowing that BBB Accredited Businesses have committed to BBB Standards for Trust and are contractually obligated to respond to and make a good faith effort to all consumer complaints.

BBB's vision of an ethical marketplace where buyers and sellers can trust each other seems much closer to attainment. We are not just a seal of approval; we exist to help businesses and consumers. If you are a consumer searching for a business you can trust, check with the BBB. If you own a trustworthy business, call us about BBB accreditation.

Dwight Kealoha
Chief Executive Officer
Hawaii's BBB

Hoyt Zia
Chair
BBB Board of Directors

Our Mission

To be the leader in advancing marketplace trust.

Our Vision

An ethical marketplace where buyers and sellers can trust each other.

Hawaii's BBB

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Start With Trust®

BBB Reliability Reports™

BBB Reliability Reports are based on factual information gathered by BBB, such as if a business is licensed or not, the number of consumer complaints filed, and whether a government agency has taken action against a business. The reports also include a business's BBB rating and accreditation status.

BBB rates businesses with grades from A to F, with pluses and minuses. The grade represents BBB's degree of confidence that the business is operating in a trustworthy manner and will make a good faith effort to resolve any customer concerns.

With reports on 13,506 local businesses, consumers turned to Hawaii's BBB to research local businesses more than 900 times a day in FY10. We provided 244,469 reports on local businesses—a 79 percent increase from the year before.

Most Asked About Businesses (FY09 rank)

Rank	Type of Business	Number of Inquiries
1. (4)	General Contractors	7,586
2. (1)	Wedding Consultants	6,871
3. (5)	Plumbing Contractors	6,236
4. (2)	Travel Agencies & Bureaus	6,050
5. (3)	Roofing Contractors	5,990
6. (6)	Pest Control Services	5,913
7. (15)	Auto Body Repair & Painting	4,679
8. (11)	Electrical Contractors	4,108
9. (9)	Construction & Remodeling Services	3,808
10. (21)	Travel Clubs	3,668

E-mails, faxes, mail, online requests, phone calls and personal visits from consumers resulted in Hawaii's BBB providing 825,031 instances of service in FY10.

Hawaii's BBB on the World Wide Web™

During FY10, Hawaii's BBB website received an average of 1,086 visits per day—a 119 percent increase in traffic in just one year and greater than four-fold increase since 2008. The number of local website visitors also dramatically increased in FY10. Last year, people in Hawaii used our website 175,193 times—more than twice as often as they did the year before.

The increase in traffic to hawaii.bbb.org is due in part to our website's search engine optimization. Now, local BBB Reliability Reports and BBB Accredited Business Directory listings appear among Google's top search results.

The BBB Accredited Business Locator is another way for Internet users to find trustworthy businesses and check them out on our website. This free, easy to use browser plug-in automatically displays the BBB seal next to all BBB Accredited Businesses in Bing, Google and Yahoo search results, with links to the respective BBB Reliability Reports.

Hawaii's BBB also began using social media as a means of delivering a frequent and consistent flow of information. Its Twitter page debuted in October 2009, with increasing numbers of followers from across Hawaii and around the world.

Dispute Resolution

Hawaii's BBB staff works with consumers and businesses to resolve local marketplace disputes. In FY10, 1,983 complaints were filed with Hawaii's BBB, with 75 percent closed as resolved. Another 1,031 negative reports about local businesses were submitted without formal complaints.

Larger industries will naturally have a larger number of complaints, so it's important to examine how a business responds to consumer complaints and not just how many were filed.

Top Complaints (previous year's rank in parentheses)

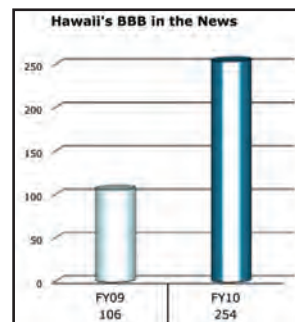
Rank	Type of Business	Complaints	Resolved
1. (2)	Auto Dealers - New Cars	120	97%
2. (1)	Airlines	85	90%
2. (24)	Telephone Companies	85	100%
3. (8)	Travel Clubs	75	46%
4. (15)	Auto Renting & Leasing	62	89%
5. (4)	Restaurants	54	67%
6. (17)	Timeshare Companies	49	50%
6. (8)	Banks	49	100%
7. (17)	Vacation Rentals	47	71%
7. (7)	Property Management Companies	47	93%
7. (23)	Major Appliances - Service & Repair	47	51%
8. (12)	Hotels	45	80%
8. (10)	Sweepstakes	45	0%
8. (3)	Toys - Retail	45	100%
9. (11)	Jewelers - Retail	44	75%
10. (17)	Department Stores	40	100%

Top Complaint Issues

1.	Customer Service	422
2.	Billing or Collection	413
3.	Service Quality	374
4.	Sales Practice	355
5.	Refund or Exchange	325
6.	Contract	248
7.	Repair	167
8.	Delivery	155
9.	Product	137
10.	Advertising Claims	115

Hawaii's BBB In The News

Through the local media, Hawaii's BBB alerts the community about marketplace scams, provides timely and seasonal tips, and promotes BBB events. In FY10, Hawaii's BBB issued 33 news releases, and was included in 254 news items in local broadcast and print media, and syndicated online.



Hawaii's BBB is often invited to appear on local consumer, business and public affairs TV and radio programs, newspaper and magazine columns, and blogs.

Fiscal Year	Monthly Average
FY09	10
FY10	21

Hawaii's 2010 BBB Torch Awards Celebrating Standards

The BBB Torch Awards program promotes trust in the marketplace and recognizes local businesses and public charities for their outstanding commitment to fair, honest and ethical marketplace practices. BBB Torch Awards are open to all Hawaii businesses and 501(c)(3) public charities.



Hawaii's 2010 BBB Torch Awards presenters and recipients gather at the awards luncheon. Rear, left to right: Dwight Kealoha, Hawaii's BBB; Scott Williams, Lex Brodie's Tire Company; Dawn Webster, Loomis-ISC; Jeff Bell, Servco Pacific; Mike Stollar, HMSA. Front, left to right: Marian Tsuji, Lanakila Pacific; Robbie Dingeman; June Watanabe; Mark Recktenwald, Hawaii Supreme Court Justice

BBB accreditation is not required, however those nominated must be in good standing with Hawaii's BBB.

On April 28, 2010, Hawaii's BBB Torch Awards Luncheon celebrated businesses applying BBB Standards For Trust in their operations and public charities with policies included in BBB Wise Giving Alliance Standards for Charity Accountability.

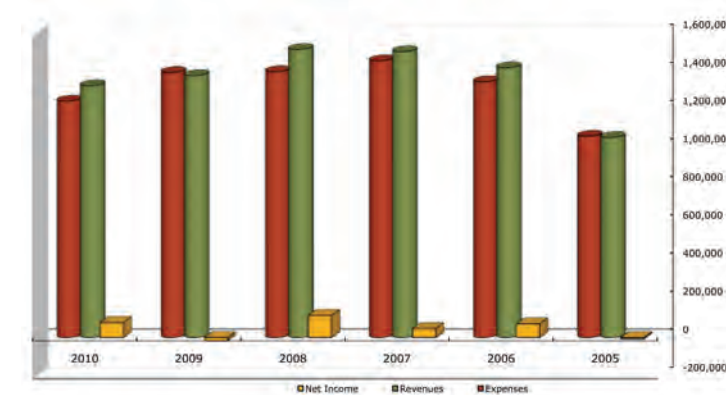
Hawaii's 2010 BBB Torch Award winners:

- Public Charity: Lanakila Pacific
- Small Business: Loomis-ISC
- Medium Business: Lex Brodie's Tire Company
- Large Business: Servco Pacific

Hawaii's BBB Torch Awards Luncheon also honors an individual who has significantly advanced marketplace trust through demonstrated commitment to consumer advocacy, protection or education.

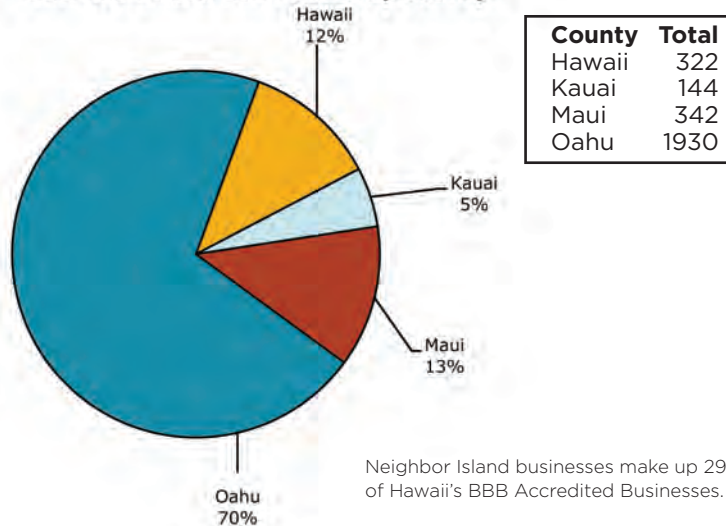
In 2010, the BBB Ka Mea O Kāko'o Award was presented to Honolulu Advertiser business writer, Robbie Dingeman and June Watanabe, consumer columnist for the Honolulu Star-Bulletin. Each was recognized for providing information, resources and answers that helped their readers become smarter consumers.

Hawaii's BBB Financial Overview



	Revenues	Expenses	Net Income
2005	1053592.03	1059970.39	-6378.36
2006	1420384.06	1346711.45	73672.61
2007	1504953.14	1457169.59	47783.55
2008	1516691.60	1399507.20	117184.38
2009	1379074.85	1395290.27	-16215.42
2010	1324898.90	1244600.00	80298.90

BBB Accredited Businesses by County



BBB Accredited Businesses

In FY10, Hawaii's BBB welcomed 383 new BBB Accredited Businesses and retained 85 percent of established BBB Accredited Businesses, a nine percent increase from the year previous.

BBBOnline extends consumer trust and confidence from traditional to online business activities. In FY10, the number of local BBBOnline participants increased by 48 percent.

70% of BBB Accredited Businesses in Hawaii have 10 or fewer employees.