

TRANSPARENCY

TRUST VISIBLE

TRANSPARENCY

INTEGRITY GROWTH TRUST VISIBLE

RELIABLE ETHICAL INTEGRITY

TRANSPARENCY RELIABLE

TRUST VISIBLE

INTEGRITY



**BBB**<sup>®</sup>  
Start With Trust

ANNUAL IMPACT REPORT | 2018-2019

**BE** MORE.

Better Business Bureau of Minnesota & North Dakota

## BUSINESS INTEGRITY

### BBB ACCREDITED BUSINESSES

6,977

In MN/ND



409,685

In North America

### BRAND ENGAGEMENT

5,541,922

Website Page Views



### CONSUMER CONFIDENCE

3,606,245

Instances of Service



Source: Better Business Bureau of Minnesota and North Dakota (July 1, 2018- June 30, 2019)

**OUR VISION**  
An ethical marketplace  
where buyers and sellers  
trust each other

**OUR MISSION**  
To be the  
leader in  
advancing  
marketplace  
trust

## ABOUT US

Better Business Bureau of Minnesota and North Dakota is a non-profit organization founded by local business and civic leaders to create an **ETHICAL** marketplace where buyers and sellers can **TRUST** each other. Nearly 7,000 local Accredited Businesses that support BBB are tasked with operating at a high level of **INTEGRITY** to display our logo. There are more than 100 Better Business Bureaus throughout North America who carry out our mission.

## BOARD OFFICERS

### CHAIR

#### David Aafedt

Shareholder & Board Member  
Withrop & Weinstine, P.A.

### VICE CHAIR

#### Jessica Monson, J.D.

### CHAIR-FINANCE

#### Louis Berezovsky

Chief Financial Officer  
Eagle Infrastructure Services, Inc.

### CHAIR-BBB FOUNDATION

#### Steve Dale

Retired, US Bank

### CHAIR-MEMBERSHIP

#### Lori Moen

President  
Catalyst Group ECR

### SECRETARY

#### Jason Schroeck

Chief Financial Officer  
Green Clean Restoration & Carpet Care

### CHAIR-GOVERNANCE

#### Chris Sipprell

Vice President, Customer Experience  
Optum at United Health Group

### CHAIR-MARKETING

#### Steve Yaeger

Chief Marketing Officer  
Star Tribune Media Company

## BOARD MEMBERS

#### Kris Dudziak

Senior Manager Business Operations  
Home Care & Hospice at HealthPartners

#### Brent Hanson

ND & N. MN District Manager  
CHS Transportation

#### Tammy Hartman

Community Outreach Manager  
Verizon Wireless

#### Marcus Hill

Senior Manager, Customer Insights Unit  
Best Buy

#### Tammylynn Jonas

Chief Information Officer  
Self Esteem Brands

#### Lucas Kanavati

Partner  
Tradition Mortgage

#### Barry Kirchoff

Director  
MN Central Region Small Business  
Development Center

#### Andy Kocemba

President & Chief Executive Officer  
Calhoun Companies

#### Bernie Laur

Director of Digital Sales  
Hubbard Interactive Twin Cities

#### Kirk Muhlenbruck

Vice President of Business Banking  
Think Mutual Bank

#### David Muller

Director of HSP Sales  
CenterPoint Energy

#### Jane Murphy

Compensation Director  
CHS, Inc.

#### John Owens

President & Chief Executive Officer  
Owens Companies

#### Tamera K. Robinson

Senior Vice President & Chief Financial Officer  
Delta Dental of Minnesota

#### Sheree Savage

Co-Owner  
Hero Plumbing, Heating and Cooling

#### J.J. Slygh

Marketing Professional

#### Terrell Stamman

President  
Twin Cities Siding Professionals

## LEGAL COUNSEL

#### Michael P. Sullivan, Jr.

Managing Officer, Principal,  
Corporate & Business Co-Chair  
Gray Plant Mooty

# BE MORE *Credible* |



Over the past year, BBB has helped businesses and consumers resolve thousands of complaints, conducted a number of scam investigations, issued consumer tips on a regular basis, and provided educational tools to different at-risk age groups across Minnesota and North Dakota. A healthy marketplace makes for healthy communities, and that's what makes this a great place to work. On behalf of our Board of Directors and staff, I want to personally thank you for your continued support and commitment to BBB.



*Susan Adams Loyd*

**Susan Adams Loyd**

President & CEO, BBB of Minnesota and North Dakota



BBB's brand is more relevant than ever and continues to be the go-to place for consumers looking for trustworthy and ethical businesses with which to work. We created this Annual Report to highlight the success and the impact our BBB has had throughout Minnesota and North Dakota communities over the past 12 months. We support our mission by setting standards for marketplace trust, consumer and business engagement, and to celebrate businesses leading the way.



*David Aafedt*

**David Aafedt**

BBB Board of Directors Chairman

SOCIAL STATS



E-Newsletter Capable Consumer Subscribers

**21,000**



Facebook Likes

**5,637**



LinkedIn Followers

**472**



Twitter Followers

**3,942**



Instagram Followers

**1,177**



**PROTECTING CUSTOMERS**

Nearly **15.4 million** customer inquiries to BBB.org, helping people make informed decisions before engaging with businesses.

**3.4 million** views of BBB Wise Giving Alliance<sup>SM</sup> charity reports, helping donors make informed giving decisions



**KEEPING BUSINESS HONEST**

**37,000+** investigations, mediations, arbitrations, and advertising reviews of businesses of all sizes



**INFORMING CUSTOMERS OF REAL VS. FAKE BUSINESSES**

More than **5.5 million**<sup>^</sup> BBB Business Profiles and **127,000+**<sup>^</sup> reports to BBB Scam Tracker are available for the public for free



**GIVING HONEST BUSINESSES A FAIR CHANCE**

**396,000+** BBB Accredited Businesses committed to upholding BBB Standards for Trust



**ADVANCING MARKETPLACE TRUST THROUGH PARTNERSHIPS & ALLIANCES**

Over **100** National Partners support BBB to further its mission of advancing marketplace trust for all



**GOOD FOR THE COMMUNITY**

**820,000+** complaints handled by BBBs across North America in 2017

**81%** of handled complaints resolved

**523,000+** Customer Reviews submitted by verified customers

**17,000+** BBB AUTO LINE<sup>®</sup> cases addressed

Source: 2017 Better Business Bureau in North America  
<sup>^</sup>Cumulative data



BE MORE *Reliable* |

## What It Takes To Be A **TRUSTED** Brand

- ✓ Establish and maintain a positive reputation
- ✓ Honor all verbal and written promises
- ✓ Respond quickly to consumer concerns
- ✓ Always tell the truth, even if it costs you business
- ✓ Be transparent with information you give consumers
- ✓ Protect consumer information

### LARGE BUSINESS SUPPORTERS



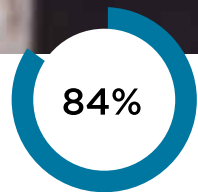
# | BE MORE *Recognized*



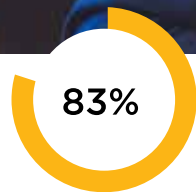
Source: Better Business Bureau of Minnesota and North Dakota (July 1, 2018 - June 30, 2019)

## The **VALUE** of Accreditation

BBB surveyed more than 7,000 Accredited Businesses in the U.S. and Canada to find out why BBB Accreditation is important to them and how it impacts their businesses.



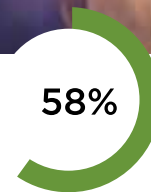
BUILDS **TRUST**  
WITH CUSTOMERS



INCREASES THE  
**CREDIBILITY** OF  
MY BUSINESS



SHOWS THAT WE  
**CARE** ABOUT  
OUR CUSTOMERS



ADDS **PRESTIGE**  
TO MY BUSINESS



SUPPORTING BBB'S  
**MISSION** OF  
ADVANCING TRUST  
IN THE MARKETPLACE  
IS IMPORTANT

Source: Council of Better Business Bureaus, 2018



“

What the accreditation does for us, it allows people to **TRUST** us better, so those initial conversations we have with customers, they already have a certain amount of trust for us because we've been vetted by the BBB. It is so **WORTH THE INVESTMENT** for us.

- RC Colvin, *Business Development at Highmark Builders*

# | BE MORE *Trusted*

## The **TRUTH** about BBB Ratings

FREE

BBB Business Profiles are available for free, along with other helpful information.



BBB Accredited Businesses must adhere to the BBB Standards for Trust.



Businesses with high ratings can apply to become a BBB Accredited Business.



Consumers should check with BBB to find businesses they can trust



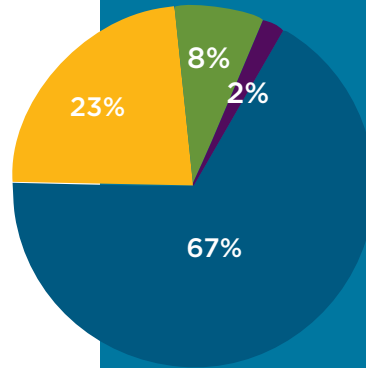
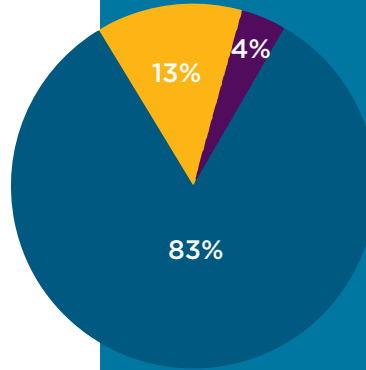
BBB ratings represent our opinion about a business' trustworthiness and responsiveness.



BBB ratings are dynamic and change based on a number of marketplace factors.



Visit **BBB.org** to see the most current BBB Business Profiles and Ratings.



## FINANCIALS

BBB & BBB FOUNDATION

FY2019 TOTAL REVENUE **\$5,118,500**

Dues Revenue	\$4,232,000
Non Dues Revenue	\$669,000
Donations/Grants/Sponsorships	\$217,500

FY2019 TOTAL EXPENSES **\$4,897,000**

Personnel	\$3,264,500
Office & Other Expenses	\$1,133,000
Member Programs/Projects	\$378,500
Depreciation Expense	\$121,000

REVENUE OVER (UNDER) EXPENSE **\$221,500**

**92%** of publicly raised funds were spent on foundation programs.

Preliminary FY2019 financial information at time of printing.  
For audited financials, call 800.646.6222.





## BBB Top 5 Types of Business

(July 1, 2018 - June 30, 2019)



**3,548,374**

Inquiries



**16,555**

Customer Reviews



**15,327**

Complaints

### By **INQUIRY:**

- 1 General Contractor
- 2 Construction Services
- 3 Online Shopping
- 4 Collections Agencies
- 5 Roofing Contractors

### By **REVIEWS:**

- 1 Automotive Tires
- 2 Plumber
- 3 Property Management
- 4 Construction Services
- 5 Roofing Contractors

### By **COMPLAINTS:**

- 1 Electronic Equipment Dealers
- 2 Online Shopping
- 3 Department Stores
- 4 Banks
- 5 Health Insurance



“

I talk to customers all the time and they'll tell me, 'I was able to look you up on the BBB and read your reviews and it sounds like you're a great company.' You just feel good inside that they can see **WHO WE ARE THROUGH THE BBB.**

- Bridget Pauna, *Director of Consumer Relations, Preferred Credit, Inc.*



## OUR VALUES

We commit to the following values to **GUIDE OUR DECISIONS** and **BEHAVIOR** with each other and those we serve:



EXCELLENCE

+



INTEGRITY

+



TEAMWORK

+



TRUST

+



RESPECT

TRANSPARENCY

TRUST VISIBLE

TRANSPARENCY

INTEGRITY GROWTH TRUST VISIBLE

RELIABLE ETHICAL INTEGRITY

TRANSPARENCY RELIABLE ETHICAL

TRUST VISIBLE INTEGRITY

INTEGRITY GROWTH TRUST



**BBB**<sup>®</sup>

Start With Trust

**#BeMoreBBB**



facebook.com  
/thefirstbbb



twitter.com  
/thefirstbbb



instagram.com  
/thefirstbbb

800.646.6222 | [bbb.org/minnesota](http://bbb.org/minnesota)

Better Business Bureau **Foundation**

# BE MORE.

We **BELIEVE** a healthy marketplace requires informed consumers and ethical business leaders.

We **ADVANCE** Marketplace Trust By:

- ✓ Providing resources and trainings on ethics
- ✓ Celebrating marketplace role models
- ✓ Increasing skills for consumers of all ages
- ✓ Serving as a community leader in scam prevention education

## FOUNDATION BOARD MEMBERS

**Steve Dale**

Foundation Board Chair  
Retired, US Bank

**Karl Battle**

Software Engineer  
3M

**Barry Kirchoff**

Director, Central Region  
Small Business Development Center

**Susan Adams Loyd**

Chief Executive Officer  
BBB of Minnesota and North Dakota

**Tara Broker Lashley**

Individual Giving Manager  
Junior Achievement

## CELEBRATING MARKETPLACE ROLE MODELS



“ It’s so fun to say we won this award from the BBB – we think we’re doing great and so do they. Everyone looks up to the BBB as just that – you’re making sure companies are doing the **RIGHT THING**.  
-Laurie Tomaszewski, CEO, Handi Medical Supply, 2018 Torch Award Winner

# BE MORE *Aware*

We **EMPOWER** Our Community by Serving Over **25,000 INDIVIDUALS**

- ✔ **171 TRAININGS** in ethics and scam prevention reaching **3,742 ATTENDEES**
- ✔ **43 EXPOS** and **EVENTS** directly reaching **21,739**
- ✔ **BBB AWARDED \$10,500** to Students of Integrity

THANK YOU!



Allianz Life  
**\$60,000** GRANT



**60** VOLUNTEERS



Making a **DIFFERENCE** with Strategic Partners



Teaming-up with the BBB of MN & ND on our “Scam Jam” events has been a very **SUCCESSFUL PARTNERSHIP** over the years. The purpose of these events is to **EDUCATE THE PUBLIC** about scams and identity theft. Based on the numbers, it’s a guarantee we’re saving people from becoming crime victims at every Scam Jam.

- Jay Haapala, Associate State Director - Community Engagement, AARP MN