Better Business Bureau
Est. 1912

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

OUR MISSION
To be the leader in advancing marketplace trust

WE DO THIS BY:
• Setting standards for marketplace trust
• Encouraging and supporting best practices by engaging with and educating consumers and businesses
• Celebrating marketplace role models
• Calling out and addressing substandard marketplace behavior
• Creating a community of trustworthy businesses and charities
It’s a busy, noisy world. People are exposed to as many as 3,000-4,000 advertising and marketing messages every day. In the midst of all this, people continue to rely on BBB in record numbers. More people turned to BBB last year than ever before, with the Council of Better Business Bureaus (CBBB) and the 112 local BBBs providing nearly 250 million instances of service to consumers and businesses (a 20% increase versus the prior year). The relevance of the century-old BBB brand remains strong.

Many efforts from 2013 and earlier came to fruition in 2014, as we built or expanded upon a number of strategic partnerships that extend the BBB brand. This impact report highlights some of the many ways BBB’s relevance was magnified in 2014, particularly with Millennials who are now in their “spending years,” buying homes and cars, raising children... and looking for trustworthy businesses.

At the national level – and for National Partners specifically – support of BBB is tied directly to support for self-regulatory programs. Many of the most successful ones are run by CBBB as the neutral third-party, and both industry and regulatory leaders proclaim our valuable role.

The first BBB Self-Regulation Conference, “Navigating the Path to Effective Self-Regulation,” drew nearly 160 attendees from corporations, regulatory agencies, academia, associations and consumer groups to Washington, D.C. to explore self-regulatory initiatives. It was one of the most impressive gatherings of thought leaders on this topic, and virtually every speaker commended BBB for its leadership in this area. In her keynote speech, Federal Trade Commissioner Maureen Ohlhausen called BBB programs the “gold standard” of self-regulation.

Another highlight of the year was the 10th anniversary of the Electronic Retailing Self-Regulation Program (ERSP), the program responsible for monitoring direct-response advertising and infomercials. The industry’s leaders are committed to self-regulation and they enthusiastically support ERSP.

These kinds of efforts expand the BBB brand and its relevance at the highest levels of both the private and public sectors. BBB’s renown is growing around the world, with other countries turning to BBB for advice and support in establishing or increasing their own industry self-regulation efforts. In Mexico, we have the example of the launch of BBB Mexico. In 2014, much effort was put into recruiting industry leaders, supporters, staff and allies and now BBB Mexico anticipates becoming fully operational in 2015: accepting complaints, managing dispute resolution, maintaining an ad review program, and initiating investigations.

Another key accomplishment in 2014 was the expansion of BBB Customer Reviews. After years as an experimental, then optional, program, Customer Reviews are now a core service offered by all BBBs. Unlike most online review services, however, BBB requires consumers to use their real name, and we give the business a chance to verify (or challenge) the reviewer’s status as a customer. About a third of the comments received are not published because the customer’s status cannot be verified. This makes BBB Customer Reviews more credible, valuable and relevant to consumers.

Thank you for your support of BBB and its mission of advancing marketplace trust. We look forward to another terrific year!

Best regards,

Sharon Abrams
Chair, Board of Directors
Council of Better Business Bureaus
BBB is active in guiding businesses in developing trustworthy practices for today’s evolving world. For more than 100 years, from small community stores to multinational enterprises BBB has been on the forefront of positive marketplace change by partnering with leading companies committed to the best practices of business ethics, marketplace excellence, and effective industry self-regulation.

The influence of our self-regulatory model is having a tremendous global impact. As a leading voice and expert, BBB is actively called upon to provide leadership, best practices and insight to many of today’s marketplace. It’s an exciting time to be a part of BBB as we continue to shape the future of business.

BBBs Offer Customer Reviews

As a trusted marketplace leader, BBBs have become a primary resource for anyone seeking detailed background information on businesses and charities. Last year more customers accessed BBB Business Reviews and BBB Charity Reports than ever before.

While BBB has been known as the go-to resource for complaints with a business, customers can also offer positive experiences as well. Consumers can now access reviews online, and there were more than 88,000 published Verified Customer Reviews in 2014 alone. All BBBs will be offering customer reviews in 2015 and the number of published reviews is expected to increase dramatically. About one-third of reviews are not published because BBB cannot verify that the reviewer is a customer of the business.

BBBs also processed and closed 873,208 complaints. BBBs now make available more than 2.5 million customer experiences for public review, helping people make informed buying decisions.
**The Strength of the BBB**

**Last year was another record-breaking year for BBB.** In 2014, BBB provided nearly 250 million direct-service interactions to consumers and businesses – an increase of almost 20 percent from 2013.

For more than a century, the core of the BBB system has been the local, independent nonprofits that are licensed to serve as BBBs across the U.S. and Canada. There are 112 BBBs covering every part of the U.S., Puerto Rico and the Caribbean territories, and all of Canada with the exception of French-speaking Quebec.

To operate as a BBB, an organization must meet nine BBB Performance & Accountability Standards, including 67 specific requirements relating to organizational elements such as finance, governance, technology, accreditation and other programs central to the mission. All BBBs undergo annual audits and compliance reviews to ensure they are meeting standards.

Another pillar of the BBB system is the number of BBB Accredited Businesses - from independent contractors to multi-national companies - that support BBB’s mission of trust in the marketplace. In 2014, there were nearly 380,000 BBB Accredited Businesses.

CBBB joined a gathering of federal officials, industry executives and cyber security experts at NASDAQ in Times Square to ring the Closing Bell in celebration of National Cyber Security Awareness Month.

CBBB and nearly 160 attendees convened in June 2014 in Washington, DC for the first BBB Self-Regulation Conference to explore self-regulatory initiatives locally, nationally and internationally.

In 2014, the prestigious BBB International Torch Awards was presented to seven companies for their outstanding ethical practices and contributions to building marketplace trust.

BBB Institute partnered with Target Corporation, the National Cyber Security Alliance and the National Cyber-Forensics and Training Alliance to develop an online consumer data security awareness campaign for National Cyber Security Awareness Month. The campaign targets Millennials using the humorous “$AMMi the Hacker” character.

11,847 Advertising Reviews  
11,469 Investigations Conducted  
16,610 Auto Line Cases Handled  
25,198 Mediations, Arbitrations and Dispute Settlement Hearings  
248,658,875 Total Instances of Service
**NATIONAL PROGRAMS**

Since its national inception in 1981, BBB AUTO LINE has served more than 2 million consumers. Administered by CBBB and the local BBBS, BBB AUTO LINE helps businesses and consumers resolve automotive warranty or lemon law disputes in a timely, cost-effective manner that complies with applicable state laws and regulations.

Mobility Ventures LLC joined BBB AUTO LINE in 2014 as a nationwide participant, offering remedies to consumers who had purchased and later had warranty issues with the MV-1, a vehicle designed for universal accessibility.

In 2014, BBB AUTO LINE received 16,610 consumer filings and the program administered nearly 1,900 arbitrations. The program places an emphasis on the mediation process – integrating transparency, accessibility, fairness and due process into its practices – for the best possible outcome for both parties involved in a dispute.

BBB has more than 700 trained and certified arbitrators, typically attorneys or professionals with extensive dispute resolution experience, who provide final decisions for cases not resolved through mediation. Each year a mandatory refresher training is held to ensure a ready pool of trusted and unbiased arbitrators.

BBB AUTO LINE’s mediation and arbitration process resulted in $45 million being returned to consumers in 2014.

**Specialty Dispute Resolution Programs**

CBBB serves both businesses and consumers by administering court-approved, class-action settlements. It also services national companies that have chosen to include the BBB dispute resolution programs in their customer agreements.
Since 2000, CBBB has been a trusted resource for European consumers doing business with U.S. companies.

Through the Safe Harbor frameworks that the U.S. has crafted with the European Union (EU) and with Switzerland, CBBB educates companies across all industry sectors on how to comply with European privacy requirements, which are stricter than those in the U.S. The BBB EU Safe Harbor program promotes privacy best practices, while enabling participating companies to provide independent, secure, and easy-to-use online dispute resolution free of charge to European consumers.

The Safe Harbor frameworks allow U.S. businesses to self-certify their compliance with European privacy standards, assuring European consumers that their data will be adequately protected. Participating companies must also offer consumers an accessible, independent dispute resolution option for privacy complaints.

BBB EU Safe Harbor maintained robust growth in 2014, attracting a record 150 new participants and processing more than 100 consumer complaints. In December, BBB EU Safe Harbor partnered with the Council of American Survey Research Organizations to provide trusted and independent handling of complaints.

CBBB Helps Ring the NASDAQ Closing Bell

In October, CBBB was invited to join a gathering of federal officials, industry executives and cybersecurity experts at NASDAQ in Times Square to ring the Closing Bell in celebration of National Cyber Security Awareness Month. Convened by the National Cyber Security Alliance, the delegation included Department of Homeland Security Undersecretary Suzanne Spaulding and White House Senior Director for Cybersecurity Ari Schwartz.
CFBAI continues to be a trusted voice in the national conversation about childhood obesity. The initiative, created by BBB in 2006, is transforming the children’s food advertising landscape by requiring that foods advertised to children under age 12 be healthier or better-for-you foods.

CFBAI is designed to be a way for responsible advertisers to be a part of the solution to childhood obesity, which affects about one-third of young people in the U.S. CFBAI’s participants are 17 leading food and beverage companies and quick-serve restaurants.

In January 2014, the participants implemented category-specific nutrition criteria that CFBAI developed that reflect the nutritional differences among different food types. Now the same types of food – regardless of manufacturer – will have to meet the same criteria. The new criteria are much stronger, more transparent and easier-to-understand than the previous standards.

CFBAI also filed comments with the Dietary Guidelines Advisory Committee (DGAC) and the U.S. Department of Agriculture (USDA). CFBAI’s comment to the DGAC responded to its request for comment about the food marketing environment. CFBAI’s comment to USDA was about its proposed rule on Local School Wellness Policy Implementation under the Healthy, Hunger-Free Kids Act of 2010. Both comments described how CFBAI’s standards are resulting in significant improvement in the children’s food marketing environment, and the USDA comment also described CFBAI’s ban on advertising foods in elementary schools.

CBBB upholds marketplace trust with consumers through the development of self-regulation programs that set the standard for truthful and responsible advertising. The work conducted by BBB staff provides the advertising industry – and other countries – with leadership and best practices. BBB’s national programs are grouped under the umbrella of the Advertising Self Regulatory Council (ASRC), a service of the advertising industry and CBBB.

Online Interest-Based Advertising Accountability Program

This cutting-edge program is designed to build consumer trust when operating in the digital space. The Accountability Program helps respond to privacy concerns raised by companies’ collection of online data. This self-regulatory program was created by CBBB to provide independent third-party enforcement and provide uniform standards across industry on how data is collected and used in online advertising.

Through this initiative, the program responded to more than 2,000 complaints in 2014, a 30 percent increase from the year before. The program also directed a number of enforcement and education initiatives – spanning 11 conferences and six webinars – that kept BBB at the forefront as a thought leader on data privacy and advertising innovation. This included working closely with Canadian officials to implement Canada’s Interest-Based Advertising Program.

In March, staff from the Accountability Program and ASRC, joined a small group of companies and trade associations at the White House for a meeting led by John Podesta, then a top adviser to President Barack Obama. The topics discussed contributed to the White House Report, “Big Data: Seizing Opportunities, Preserving Values.”

In 2014, Facebook consulted with the Accountability Program to provide clear and accessible information regarding its advertising practices to its 890 million users.
National Advertising Division (NAD)

**NAD, established in 1971, is the flagship program of advertising industry self-regulation.** The program’s mission is to focus on assuring that advertising does not deceive or mislead consumers. NAD’s decisions represent the single largest body of self-regulatory decisions related to truth and accuracy in the U.S.

In 2014, 88 competitive challenge cases – one advertiser challenging the validity of another’s ad – were filed at NAD, representing a new record for the program. NAD also accepts complaints from BBBs and individual consumers.

The National Advertising Review Board (NARB)

**NARB is the appellate entity of the self-regulatory system.** The board is a peer-body composed of 70 volunteers selected for their expertise and who represent leading advertisers, advertising agencies and academia. The structure of NARB helps ensure broad industry support for self-regulation.

In 2014, the NARB heard 12 appeals.

The Children’s Advertising Review Unit (CARU)

**CARU’s mission is to protect children under 12 and encourage responsible advertising.** In January 2001, CARU’s self-regulatory program became the first Federal Trade Commission-approved Safe Harbor under the Children’s Online Privacy Protection Act of 1998 (COPPA). Participants who adhere to CARU’s guidelines are deemed in compliance with COPPA and essentially insulated from FTC enforcement action as long as they comply with program requirements.

Electronic Retailing Self-Regulation Program (ERSP)

**ERSP celebrated its 10-year anniversary in 2014** – a huge milestone for the program responsible for examining direct-response advertising for truth and accuracy. Over the years, ERSP has earned the respect of the industry through its fairness when reviewing advertising claims made by electronic retailers.

ERSP 10th anniversary event.
In 2014, BBB expanded its global impact addressing key issues, such as, industry self-regulation; privacy and security; consumer protection; and a greater role in building a more trusted marketplace.

Asia Pacific: C. Lee Peeler, head of the Advertising Self-Regulatory Council (ASRC), participated in a meeting in Beijing on advertising self-regulation hosted by the Asia-Pacific Economic Cooperation (APEC) organization. At the meeting, Peeler successfully made the case for the value of advertising in driving economic growth in APEC economies and the need to develop self-regulatory models.

Belgium: CBBB staff traveled to Brussels to attend the IAPP Europe Data Protection Congress. Staff engaged in informal discussions with US and European privacy regulators on the future of the US-EU Safe Harbor Framework and the role of dispute resolution mechanisms, such as the BBB EU Safe Harbor Program.

Mexico: Staff attorneys for the CBBB’s national advertising programs presented at CONAR’s sixth annual self-regulatory conference in Mexico City. CONAR is Mexico’s self-regulatory body for the advertising industry, comprised of advertisers, advertising agencies, public relations agencies and mass media. Staff spoke about self-regulation to an audience of advertisers, lawyers and self-regulators from across Latin America, including Brazil, Peru, Columbia, Argentina and Chile. CBBB staff spoke at a Privacy Conference in Mexico City. The event discussed aspects of the new Mexico Privacy Law and how organizations certify and monitor compliance with key privacy standards. Staff showcased BBB’s role in helping businesses understand and adhere to common sense privacy practices. Joining BBB staff were members of the BBB Mexico team.

Netherlands: An NAD senior staff attorney was a member of the faculty at the Global Cosmetic Compliance Summit in Amsterdam. The summit brought together an international audience eager to learn about regulations from around the world.

Sweden and Ireland: CBBB CEO Mary Power hosted directors from the European Consumer Centers. Discussions focused on how the two organizations could work together to protect consumers experiencing complaints as tourists.

Turkey: CBBB staff hosted a delegation from Turkey that included the deputy minister of the Turkish Ministry of Customs and Trade. The delegation was interested in BBB’s complaint handling system, advertising self-regulation – especially as it applies to comparative advertising and to children’s advertising – and children’s food advertising.
Navigating the Path to Effective Self-Regulation

In 2014, CBBB and nearly 600 attendees convened in June at the Ronald Reagan Building and International Trade Center in Washington, D.C. for the first BBB Self-Regulation Conference. The conference brought together BBB leaders, consumer advocates, CBBB National Partner representatives, association executives, government officials, thought leaders, academics and self-regulation practitioners to explore self-regulatory initiatives locally, nationally and internationally.

The conference featured a keynote address by Maureen Ohlhausen, Commissioner of the Federal Trade Commission, who spoke about the advantages and limitations of self-regulation. She pointed to the success of several BBB advertising self-regulation programs, notably the Children’s Food and Beverage Advertising Initiative and the Accountability Program, as well as BBB’s coordination with law enforcement both locally and nationally.

The Commissioner referred to BBB programs as the “gold standard” of self-regulation and commended the Advertising Self-Regulatory Council (ASRC) for “working to improve self-regulatory frameworks so that they can better serve consumers and generate more participation and compliance from businesses.”
The BBB International Torch Awards have honored over 100 businesses that exemplify BBB’s mission to advance marketplace trust. Each year the Torch Awards attract nearly a thousand entries at national and local levels. In 2014, seven companies received BBB International Torch Awards, presented by the CBBB to recognize businesses exhibiting outstanding ethical practices and contributions to building marketplace trust.

Three companies were honored with the International Torch Award for Marketplace Excellence, given to businesses that demonstrate superior commitment to exceptional standards that benefit its customers, employees, suppliers, shareholders and surrounding communities. The recipients were Anderson Plumbing, Heating & Air, El Cajon, CA; HD Supply Facilities Maintenance, San Diego, CA; and J.C. Restoration, Inc., Rolling Meadows, IL.

CBBB also honored four companies with the inaugural 2014 BBB International Torch Awards for Ethics. This award is presented to businesses in recognition of best practices in leadership character and organizational ethics. To be nominated, candidates must be winners of their local Torch Award for Ethics, a category currently offered by 14 BBB Centers for Character Ethics across North America. The recipients of the award were CenterPoint Energy, Minneapolis, MN; Convertabath, Inc., Chandler, AZ; Goodman’s Interior Structures, Phoenix, AZ; and Guido’s Auto Service Centers, Inc. of Phoenix, AZ.

The honorees were celebrated at a special luncheon in June 2014, during the BBB Self-Regulation Conference in Washington, D.C.
BBB reached more than 600 million consumers in 2014 through the news and social media. The vast majority of BBB’s media coverage was generated by consumer tips and scam alerts, with more than 151,000 media mentions citing BBB statistics, advice and other information.

Local BBBS issue their own news releases and manage media relations in their respective markets, coordinating with CBBB on national stories. In addition, CBBB generates national media coverage for local investigations into scams, fraud and substandard marketplace behavior.

BBB is also very active on social media, both at the national and local levels.

2014 Media Coverage

BBB had significant media coverage this year. A few highlights include:

- A wide array of magazines, such as Time, US News & World Report and Runner’s World all had stories referencing BBB’s tips and advice to consumers
- Business publications like The Wall Street Journal, Business Insider, Marketwatch, TechCrunch and others frequently cited BBB on issues of importance to businesses
- Segments appeared on all major networks (ABC, CBS, NBC, CNN, CNBC, Fox, MSNBC, MSN Money) focusing on seasonal tips and scam alerts
- More than a dozen BBB mentions each in AARP The Magazine, Consumer Reports, Forbes, Huffington Post and USA Today on consumer issues, fraud, scam alerts, etc.
- Coverage on national ad review cases in Advertising Age and Adweek
- Consumer tips and advice from BBB in top-rated blogs like Bankrate, BuzzFeed, Gawker, How Stuff Works, Kiplinger and Yahoo News
- Mentions by a number of IT blogs advocating BBB accreditation as a means to enhance search engine optimization for small businesses
- Recognition from the Federal Trade Commission, FEMA and the FBI in several press releases, thanking BBB for assistance with investigations
CBBB National Partners are a network of nearly 200 corporations, associations and law firms that have pledged to align with our core values and to actively work to increase the spirit of trust between businesses and consumers.

National Partners support and further CBBB’s work to be the leading voice for industry self-regulation, funding essential programs in advertising self-regulation, privacy, and dispute resolution.

The National Partners Leadership Circle is a top-level advisory committee to the CBBB board representing National Partners and their industries. In 2014, the Leadership Circle held two meetings to provide feedback and support for key self-regulatory initiatives, such as the BBB Self-Regulation Conference.
COUNCIL OF BETTER BUSINESS BUREAUS, INC.
Statements of Financial Position

Year Ended December 31,

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cash and cash equivalents</td>
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<td>$3,114,783</td>
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<tr>
<td>Investments</td>
<td>278,664</td>
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<td>-</td>
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<td>Accounts receivable</td>
<td>1,223,972</td>
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<td>Contribution receivable</td>
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<td>154,400</td>
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<td>Prepaid expenses</td>
<td>365,433</td>
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<td>219,707</td>
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<tr>
<td>Furniture, equip., software and leasehold improvements, net</td>
<td>3,522,915</td>
<td>3,088,871</td>
<td>2,280,806</td>
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<td>Funds held for service awards for Bureau officers</td>
<td>332,483</td>
<td>308,860</td>
<td>276,686</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>10,348,336</td>
<td>8,249,659</td>
<td>6,707,873</td>
</tr>
</tbody>
</table>

| **LIABILITIES AND NET ASSETS** |        |        |        |
| Accounts payable and accrued expenses | 637,203 | 959,231 | 914,893 |
| Deferred revenue                  | 1,332,353 | 1,091,940 | 1,021,319 |
| Deferred rent and lease incentive | 1,424,265 | 1,533,976 | 1,649,225 |
| Funds held for service awards for Bureau officers | 332,483 | 308,860 | 276,686 |
| **Total liabilities**            | 3,726,304 | 3,894,007 | 3,862,123 |

| **Net assets**                  |        |        |        |
| Unrestricted                    | 5,518,778 | 3,314,307 | 1,957,029 |
| Temporarily restricted           | 1,103,254 | 1,041,345 | 888,721 |
| **Total net assets**            | 6,622,032 | 4,355,652 | 2,845,750 |

| **Total liabilities and net assets** | $10,348,336 | $8,249,659 | $6,707,873 |
COUNCIL OF BETTER BUSINESS BUREAUS, INC.
Statements of Activities

Consolidated operations Year Ended December 31,

<table>
<thead>
<tr>
<th>CHANGE IN NET ASSETS</th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
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<tr>
<td>Seals and self-regulation</td>
<td>$ 6,269,909</td>
<td>$ 5,254,777</td>
<td>$ 5,011,720</td>
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<td>BBB dues</td>
<td>$ 6,478,298</td>
<td>$ 5,225,003</td>
<td>$ 4,961,068</td>
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<tr>
<td>Dispute resolution - BBB AUTO LINE</td>
<td>$ 4,303,057</td>
<td>$ 4,133,610</td>
<td>$ 4,338,974</td>
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<tr>
<td>National partner dues</td>
<td>$ 2,642,267</td>
<td>$ 2,541,400</td>
<td>$ 2,622,090</td>
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<tr>
<td>Contributions and sponsorships</td>
<td>$ 2,083,342</td>
<td>$ 2,432,766</td>
<td>$ 2,523,321</td>
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<tr>
<td>Dispute resolution - other</td>
<td>$ 1,042,150</td>
<td>$ 871,625</td>
<td>$ 741,310</td>
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<tr>
<td>BBB programs</td>
<td>$ 413,490</td>
<td>$ 668,854</td>
<td>$ 423,854</td>
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<tr>
<td>FINRA Grant</td>
<td>$ 290,500</td>
<td>$ 400,000</td>
<td>$ 400,000</td>
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<tr>
<td>Interest and other</td>
<td>$ 348,048</td>
<td>$ 237,707</td>
<td>$ 231,094</td>
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<tr>
<td><strong>Total revenues</strong></td>
<td>$ 23,871,061</td>
<td>$ 21,765,742</td>
<td>$ 21,243,431</td>
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<tr>
<td><strong>EXPENSES</strong></td>
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<tr>
<td>BBB programs</td>
<td>$ 6,597,070</td>
<td>$ 6,317,394</td>
<td>$ 5,282,677</td>
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<tr>
<td>Seals and self-regulation</td>
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<td>$ 5,603,090</td>
<td>$ 5,549,349</td>
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<td>General and administration</td>
<td>$ 3,752,611</td>
<td>$ 3,040,275</td>
<td>$ 3,885,773</td>
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<td>Dispute resolution - BBB AUTO LINE</td>
<td>$ 3,199,173</td>
<td>$ 3,037,688</td>
<td>$ 2,966,603</td>
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<tr>
<td>Children’s Advertising Review Unit</td>
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<td>$ 991,753</td>
<td>$ 992,775</td>
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<td>Safe Harbor</td>
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<td>$ 513,123</td>
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<td>Military Line</td>
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<td>FINRA Grant</td>
<td>$ 290,465</td>
<td>$ 293,520</td>
<td>$ 238,907</td>
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<tr>
<td>Other BBB Institute Grants</td>
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<td>$ 118,693</td>
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<td>Fundraising</td>
<td>$ 62,777</td>
<td>$ 65,643</td>
<td>$ 75,376</td>
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<td><strong>Total expenses</strong></td>
<td>$ 21,604,681</td>
<td>$ 20,255,840</td>
<td>$ 20,029,906</td>
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<td><strong>Changes in net assets before other items</strong></td>
<td>$ 2,266,380</td>
<td>$ 1,509,902</td>
<td>$ 1,213,525</td>
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<tr>
<td>Depreciation expense - contributed software</td>
<td>-</td>
<td>-</td>
<td>(309,882)</td>
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<tr>
<td><strong>Increase in net assets</strong></td>
<td>$ 2,266,380</td>
<td>$ 1,509,902</td>
<td>$ 903,643</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>NET ASSETS</strong></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
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</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>$ 4,355,652</td>
<td>$ 2,845,750</td>
<td>$ 1,942,107</td>
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<tr>
<td>End of year</td>
<td>$ 6,622,032</td>
<td>$ 4,355,652</td>
<td>$ 2,845,750</td>
</tr>
</tbody>
</table>
CBBB 2014 Board of Directors and Officers

CHAIR
Sharon E. Abrams
Vice President & Chief Ethics and Compliance Officer
The Proctor & Gamble Company

VICE CHAIR
George K. H. Schell
Chief Marketing Counsel
The Coca-Cola Company

SECRETARY
Jane Driggs
President/CEO
BBB of Utah

TREASURER
Edward J. Johnson, III
President/CEO
BBB of Metro Washington, DC and Eastern Pennsylvania

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Vice President and Deputy General Counsel
Verizon

Jennifer Murillo
Vice President of Brand Communications
Discover Financial Services

Russ Schrader
Chief Privacy Officer, Global Enterprise Risk Counsel
Visa, Inc.

MEMBER BUREAU DIRECTORS
Fred Chown
Owner
Chown, Inc.

Kent Friel
Community Fellow
KnowledgeWorks Foundation

Mr. Ken Hanby
President
Phoenix Telecommunications, Inc.

Joseph Schmelzle
Senior Director - Agency Development and Customer Service
UniGroup, Inc.

BBB CEO DIRECTORS
Dana Badgerow
President/CEO
BBB of Minnesota and North Dakota

Fred Elsberry
President/CEO
BBB of Metro Atlanta, Athens and NE Georgia

Matthew Fehling
President/CEO
BBB of Central, Northern and Western Arizona

Michele Mason
President/CEO
BBB of North Alabama

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Scott Broetzmann
President and CEO
Customer Care Measurement and Consulting, LLC

Kamal Nigam
Engineering Director
Google

Paul Rand
President and CEO
Zocalo Group

PUBLIC MEMBER
Seth Kahan
Executive Strategy Advisor
Visionary Leadership

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TRUST.

BBB sees trust as a function of two primary factors - integrity and performance. Integrity includes respect, ethics and intent. Performance speaks to a business’s track record of delivering results in accordance with BBB standards and/or addressing customer concerns in a timely, satisfactory manner.

BBB ensures that high standards for trust are set and maintained. We exist so consumers and businesses alike have an unbiased source to guide them on matters of trust. We provide educational information and expert advice that is free of charge and easily accessible.

BBB Accreditation is an honor - and not every business is eligible. Businesses that meet our high standards are invited to seek BBB accreditation. Businesses deemed to meet Accreditation Standards are presented to the BBB’s Board (or designees) for review and acceptance as a BBB Accredited Business.

All BBB Accredited Businesses have agreed to live up to our Standards for Trust, a comprehensive set of best practices for how business should treat the public in a fair and honest manner.