Be Transparent

Advertise Honestly

Safeguard Privacy

Be Responsive

Embody Integrity

Tell the Truth

Build Trust

Honor Promises

2018 Annual Report

Better Business Bureau
Serving Middle Tennessee & Southern Kentucky
57 Years Celebrating Trust in the Marketplace
2018 was an exciting year at BBB!

In 2018, we chose RELEVANCE as our theme, guiding our focus, outreach, and daily activities with the businesses and consumers we serve. We stayed relevant by working towards and supporting our mission of “being the leader in advancing marketplace trust.” BBB understands that our primary role in supporting a healthy marketplace in Middle Tennessee and Southern Kentucky is delivering relevant information and value-added services needed to ensure an ethical marketplace where buyers and sellers trust each other.

Ensuring all of BBB’s activities and communications focused on the value and impact our organization has on the community, delivered both positive and measurable results that you will see throughout this Annual Report.

Your BBB recognized more than 5,200 organizations through BBB Accreditation because of their commitment to maintaining BBB’s mission, vision and values. We assisted over 1.8M consumers in making wise buying decisions through business profile inquiries and delivered more than 3.4M instances of service. Your BBB celebrated marketplace role models, denounced substandard performers, and assisted the marketplace in resolving over $7M in disputes.

In addition to all of this great BBB work, we also transitioned into our new office space at the end of 2018. Though the move was unexpected and we incurred many unanticipated expenses, our new office is an open, collaborative space that allows our team to work together and accommodate future growth.

I am honored to serve as your BBB President and CEO and am proud of the work this organization does so much of every day to build trust in the marketplace.

On behalf of our BBB Boards of Directors, The Integrity Foundation Board of Directors and our BBB team, I thank each of you for your support of and commitment to this organization. We enter 2019 with confidence and enthusiasm for the many opportunities your BBB team will build and deploy, continuing to provide value and advantages to your BBB Accreditation.

Yours in Trust,
CONSUMER SERVICES

• Customer Reviews
• File a Business Complaint
• EQuote
• BBB Scam Tracker
• BBB Military Line
• BBB AutoLine
• Alternative Dispute Resolution

ACCREDITED BUSINESS ADVANTAGES

• Business Profile Page
• BBB Accredited Business Seal for the Web
• Advertising your BBB Accreditation
• Networking Events
• Mediation services
LOCAL 2018 STATS

CONSUMER COMPLAINTS CLOSED
8,508

CUSTOMER REVIEWS
457

SCAM TRACKER REPORTS PUBLISHED
3,399,108

TOTAL Instances OF SERVICE
1,860,178

Published Customer Reviews
5,785

BBB Business Profile Inquiries
BBB Scam Tracker (Total Reported $ Lost)
$7,386,298

Complaints Opened
10,008

BBB Auto Line® Cases
18

Investigations conducted
51

Mediations, Arbitrations & Dispute Settlement Hearings
14

Ad Reviews
58

Value of closed complaints
$281,148
CONSUMER ENGAGEMENT AND MEDIA

OUTREACH STATS

256 Facebook Posts (Since April 2018)
46 Television Media Interviews
16 Radio Interviews
32 Accredited Business email communications
25 Press Releases
3,124,857 Website Page Views
## Year Over Year Accredited Business Growth

### Accreditations Jan. 2017 vs. Jan. 2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Accreditations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>5,197</td>
</tr>
<tr>
<td>2017</td>
<td>5,069</td>
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</table>

### New Accredited Businesses

<table>
<thead>
<tr>
<th>Year</th>
<th>New Accredited Businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>958</td>
</tr>
<tr>
<td>2017</td>
<td>923</td>
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</table>

### Total Resignations

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Resignations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>859</td>
</tr>
<tr>
<td>2017</td>
<td>795</td>
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</table>

### Year-End Total Accredited Businesses

<table>
<thead>
<tr>
<th>Year</th>
<th>Year-End Total Accredited Businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>5,296</td>
</tr>
<tr>
<td>2017</td>
<td>5,197</td>
</tr>
</tbody>
</table>
SCAM TRACKER

Better Business Bureau®

serving Middle Tennessee and Southern Kentucky

www.bbb.org/nashville

BBB Alert: BBB Warns Consumers to Beware of the 12 Scams of Christmas

Nashville – The spirit of the holidays usually brings out the joy of giving for most people, but for scammers, the holidays are a time of taking. Better Business Bureau serving Middle Tennessee and Southern Kentucky is warning consumers to beware of the 12 most popular Christmas scams.

Online Shopping scams: because many retailers now have chip card readers, fraud at bricks-and-mortar stores is down, so scammers have shifted their efforts online. Use a credit (not debit) card online and only shop on secure websites. Look for https in the address (the extra "s" is for "secure") and for a lock symbol.

BBB Alert: Twelve Charged in Moving Company Scams

August 1, 2018

CINCINNATI: A federal grand jury has charged 12 individuals with conspiring in a racketeering enterprise to defraud individuals through their moving companies located throughout the United States, including in Florida, Ohio, Maryland, North Carolina, Illinois, Texas, California, Connecticut, Colorado and Missouri. More than 90 customers have been identified as victims of the scheme thus far.

Five defendants were arrested yesterday. The indictment was returned July 25 and unsealed on July 11.

Benjamin C. Glassman, United States Attorney for the Southern District of Ohio, Thomas J. Flann, Regional Special Agent-In-Charge, Office of Inspector General, U.S. Department of Transportation (DOT) and Angela L. Byers, Special Agent in Charge, Federal Bureau of Investigation (FBI), Cincinnati Division, announced the charges.

According to the indictment, the defendants operated and worked through a number of affiliated moving companies, which include:

SCAM TRACKER

Find out where scams are happening. Be alert.

bbb.org/scamtracker

Better Business Bureau®

serving Middle Tennessee and Southern Kentucky

www.bbb.org/nashville

BBB Alert: Lovell Paving’s Customer Complaints Continue to Rise

August 14, 2018

 Cookeville, TN -- Better Business Bureau Serving Middle Tennessee and Southern Kentucky strongly warns consumers of the business practices of Lovell Paving and its owner John Lovell, a career con man who offers low-cost bids on driveway paving or resurfacing and then significantly increases the price to finish the job.

Often times, after receiving some payment he takes consumer’s money and disappears or simply uses inferior products leaving the driveway in deeper, one consumer stated. “Joe Lovell stopped at my house uninvited. Claimed he was working in neighborhood and could see and repair cracks in my asphalt driveway for $800. After work began he claimed that the driveway was so deteriorated that he would need more sealant and charged $300 which I paid by check. The next day he returned for a second check and charged $3,400. He never returned.”
Value of BBB Accreditation

Build trust and credibility with customers as an Accredited Business

BBB surveyed Accredited Businesses across the U.S. and Canada to find out why BBB accreditation is important to them and how it impacts their business. Here is what we learned:

- **73%** Increases **credibility** of my business
- **72%** Builds **trust** with customers
- **43%** Shows that we **care** about our customers
- **28%** Adds **prestige** to my business
- **25%** Supports BBB’s mission of advancing marketplace **trust**

Visit [WHYBBB.org](http://WHYBBB.org) to learn more about BBB accreditation.

Source: CBBB Research, 2016
OUR MISSION
The mission of BBB Integrity Foundation is to provide our community with educational programs supporting better business, personal integrity, and smart consumerism.

OUR VISION
BBB Integrity Foundation will develop and deploy programs that ultimately foster trust in the marketplace for both businesses and consumers.

BOARD OF DIRECTORS
OFFICERS
Interim Chairman: Ron Tepner
Secretary/Treasurer: Steve Blume, Allstate Insurance

BOARD MEMBERS
Jennifer Davie, Asurion Insurance
Alan Ross, American Home Design
Jay Clarke, Magazines.com

INTEGRITY FOUNDATION 2018 STATS

- Presentations Given: 56
- Total Number of Programs: 10+
- Number of regions served: 5
- Total Program Attendance: 21,957
- Total number of business participants: 1,178
- Total number of consumer participants: 20,779
BBB TORCH Awards recognize companies that are committed to exceptional standards for ethical business practices and service to their customers, employees, and communities.

TORCH Award winners must show their ability to manage customer expectations, provide excellent customer service and resolve disputes. They must demonstrate how they inspire employees and communicate their ethics. They must embody truth in advertising and help foster ethics within their industry.

A panel of independent judges evaluated over 150 entries. The 2018 winners are:

**Small Category (1-10 Employees):**
Recipient: French’s Cabinet Gallery, LLC

**Medium Category (11-50 Employees):**
Recipient: Ashbusters Chimney Service, Inc.

**Large Category (51-174 Employees):**
Recipient: Hers & His Plumbing, Heating & Air

**Extra Large Category (175+ Employees):**
Recipient: KraftCPAs PLLC

The BBB Student of Integrity Award Program recognizes high school students in Middle Tennessee and Southern Kentucky who personify the principles of ethical business through trust, fairness, leadership, community service, academic integrity, courage, compassion and respect.

The finalists and award recipients are selected by an independent panel of judges to receive scholarships to an accredited school of their choice.

**2018 Student of Integrity Scholarship Recipient**
Madeline Skau
Northwest High School
Clarksville, Tennessee

**Secure Your Identity Event**
Each year, your BBB holds Spring and Fall free document shredding events throughout Middle Tennessee to help consumers prevent identity theft! Shred Day events are designed to help families and businesses dispose of personal information safely and responsibly, while also learning about the importance of keeping your information confidential.

**Songwriter’s Night**
Songwriter’s Night celebrates the importance of integrity in the music industry by shining a spotlight on the damage caused by illegally downloading music. According to Billboard Magazine, for every dollar Spotify paid out in 2018, approximately 81% went to labels and artists... only 19% to writers and publishers. Songwriter’s Night helps raise awareness about this issue and lets consumers know when they obtain music illegally, it hurts more than just the label.

Sponsored by:
## 2018 Revenues, Expenditures and Net Assets*

### REVENUES
- Dues Income: $2,921,534
- Interest: $4,555
- Directory/SES: $263,158
- CEM Income: $42,100
- Other: $45,785

**Total revenues**: $3,277,132

### EXPENDITURES
- Member Development Expenses: $247,147
- Administrative Expenses: $758,588
- Member Project Expenses: $185,220
- Staff Costs: $2,107,312
- Occupancy Expenses: $167,100

**Total Expenditures**: $3,465,367

### CHANGE IN NET ASSETS
- $1,631,353 - $185,220 = $1,446,133

### NET ASSETS, BEGINNING OF YEAR
- $1,631,353

### NET ASSETS, END OF YEAR
- $1,443,118

**Net Assets**: $1,443,118

*2018 Unaudited Year-end financials*
**OUR MISSION**

To be the leader in advancing marketplace trust.

**OUR VISION**

To create an ethical marketplace where buyers and sellers trust each other.

The BBB Standards for Trust are eight principles that summarize important elements of creating and maintaining trust in business. Our BBB Code of Business Practices is built on these standards.

**Build Trust**
Establish and maintain a positive track record in the marketplace.

**Advertise Honestly**
Adhere to established standards of advertising and selling.

**Tell the Truth**
Honestly represent products and services, including clear and adequate disclosures of all material terms.

**Be Transparent**
Openly identify the nature, location, and ownership of the business, and clearly disclose all policies, guarantees and procedures that bear on a customer’s decision to buy.

**Honor Promises**
Abide by all written agreements and verbal representations.

**Be Responsive**
Address marketplace disputes quickly, professionally, and in good faith.

**Safeguard Privacy**
Protect any data collected against mishandling and fraud, collect personal information only as needed, and respect the preferences of consumers regarding the use of their information.

**Embody Integrity**
Approach all business dealings, marketplace transactions and commitments with integrity.