Motivational speakers and business coaches will tell you confidence is the seed that gives rise to success. In fact, a famous American historian once said, “Nothing succeeds like the appearance of success.” Building on this theory, your BBB marched through a lofty set of goals in 2005 built around the theme, Xtreme Makeover.

Most notable was the purchase of the BBB’s new corporate office in Austin at 1005 La Posada. This 9,000-plus square foot office space and nearly 6,000 square feet of additional conference room space has long been a dream that finally became reality in 2005. Aside from the sheer beauty of the facility and the economic advantage of owning verses leasing space, the BBB now exudes a professional appearance outside as well as on the inside. Our BBB Conference Center will allow us to host Board meetings and member seminars.

The Xtreme Makeover theme carried over into every aspect of our Bureau work. The communications department developed a new logo and tagline to better communicate the Bureau’s mission and its members. “Business at it Best” now appears on all Bureau communications from advertisements, to letterhead, to news releases. The BBB’s monthly newsletter, the Bulletin, was also redesigned with a new look and more space to offer more information.

In our operations department, we upgraded to a new more user-friendly database allowing our customer service representatives to update company reports in real time as well as offer more comprehensive company information. The BBB also increased the number of ad review cases, investigations and reports on local charities in 2005. The Bureau offices installed new computers as a result of a successful grant from Dell, and another grant resulted in a new telephone system from SBC and still another grant resulted in a new high-tech overhead projector from 3M.

Our ongoing building fund campaign has already resulted in more than $100,000 in cash contributions and over $250,000 in in-kind or equipment contributions. The list of Bureau “friends” that have supported this project is too lengthy to include in this message, but all are recognized monthly in the Bureau’s newsletter.

Our membership continues to climb in all of our fifty-two county service area. The efforts of our staff in Austin, Centroplex, San Antonio and Waco have resulted in record-setting new member numbers. An average of 200 new members a month are accepted into BBB membership.

As you read this report, I hope you will take personal pride in the accomplishments you invested in this year through Better Business Bureau membership. As a result of this support, the Bureau provided more company reports to consumers, increased the number of BBB member rosters to potential customers and assisted more businesses with free dispute resolution services. Each of these functions have a direct result on your business.

It is a pleasure and honor to present to you the 2005 BBB Annual Report. The outstanding achievements illustrated were accomplished by an incredible staff of dedicated Bureau professionals. Thanks to each of you, our supportive BBB members companies, for committing to ethical marketplace practices and supporting the BBB’s mission.

As we look forward to 2006, watch for even more visibility by the Bureau as we focus our efforts on marketing the BBB, our members and the mission. “Image is Everything” has been coined for the next year!

With wishes for a prosperous 2006!

Respectfully submitted,

Carrie A. Hurt
President/CEO
The 2005 Annual Report consists of data that has been compiled from the services provided to our 52 counties in Central and South Central Texas:


Dispute Resolution Services

Consumers who want to present a complaint to a company through the BBB often begin by calling the Bureau. These consumers are provided with instructions for filing their complaint in writing or online. Often, counseling and assistance helps direct the consumer to the person at the business who can best address and/or resolve the complaint, thus preventing the need to file a formal written complaint. This service was provided by phone over 38,854 times during the past year.

The Bureau processed more than 18,460 written complaints during the year. In this regard, it should be of interest and value for both members and consumers to know that historically BBB members have a settlement rate of about 98%. The remaining 2% of unresolved complaints represent those filed against firms whose BBB memberships were subsequently revoked by the Board of Directors. By comparison, non-members have a lower settlement rate of about 50%.

The Bureau has many fine volunteers who have received training and certification to conduct arbitration hearings held by the BBB offices. In 2005, the Bureau conducted 50 arbitrations.

Most Inquired About Industries

1. Roofing Contractors
2. Computers-Dealers
3. Work-At-Home Companies
4. Home Builders
5. Insurance
6. Pool Contractors/Dealers/Design
7. Movers
8. AC Contractors & Systems
10. Auto Repair & Service

Most Complained About Industries

1. Computers-Dealers
2. Consumer Finance & Loan Co
3. Telephone Companies
4. Auto Dealers-New Cars
5. Security Equip., Systems/Monitors
6. Auto Repair & Service
7. Internet Services
8. Furniture-Retail
9. Apartments
10. Auto Dealers-Used Cars

Most calls to your BBB are pre-purchase inquiries from consumers and businesses seeking reliability reports on area companies. These callers are seeking assurance that the company they are considering spending their money with has no unresolved complaints or history of unethical practices in advertising or selling of their products and services on file here at the BBB.

In 2005, your Bureau provided 623,606 reliability reports on local companies to inquirers. Since these callers were relying in part on the Bureau’s report to make their decision to do or not do business with the company they were calling about, we asked them how much money was involved with their planned purchase. The combined answers totaled more than $8.2 billion in planned purchases made with the assistance of BBB reports.

All BBB pre-purchase reports indicate if the company inquired about is a BBB member. Additionally, many of the 38,000 plus callers asked the Bureau for a referral to a member company.
Programs and Services

Consumers need to know not only how to recognize and avoid fraud and deception in the marketplace, but also what their rights and responsibilities are as consumers.

Our BBB information, investigative reports, consumer alerts, and tips on buying wisely are developed to better inform consumers and businesses. The Bureau proactively disseminates information through a variety of avenues.

Membership Directories

These annually produced publications include a directory of BBB member companies and several consumer-oriented articles. An online version of the membership directory, available on the BBB’s website, made it possible for consumers to have access to the directory at the simple click of a mouse. BBB members purchasing advertising in this publication made it possible for us to distribute 130,000 member directories in 2005 - FREE to the public. In addition, the online version of the BBB membership directory was visited 21,000 times in 2005 for a total of over 151,000 print and online directories distributed.

Two territory-specific versions of the directory were produced, one for Austin and surrounding areas and another for Waco, Centralplex and surrounding areas.
BBB Bragging Points

**2005 Xtreme Makeover**

*In 2005 our BBB...*

- developed a new logo and tag line
- collected more than $350,000 in contributions for the BBB Building Fund
- redesigned our public website
- received multiple grants resulting in new Dell computers, a new SBC phone system and overhead projector from 3M
- upgraded our current database
- signed 2,104 new members for a year-end total of 5,832 BBB members
- purchased its own corporate office in Austin, Texas