

Strategic Plan FY21-23



Table of Contents

LETTER FROM PRESIDENT MARTA L. TELLADO	
From a World in Crisis to an Era of Opportunity	2
EXECUTIVE SUMMARY	
A Vision for Solving This Era's Defining Marketplace Challenges	4
TRANSFORMATION STRATEGIES	
Democratize, Differentiate, and Disrupt	5
BOLD BETS	
Reimagining How We Reach and Engage Consumers	8
MARKETPLACE CHANGE	
Focusing on the Issues That Impact People's Lives	10
A SUSTAINABLE SOCIAL ENTERPRISE	
Investing for the Future	19
ABOUT CR	
<hr/>	
MISSION	
Creating a Fair and Just Marketplace for All	20
LEVERS OF CHANGE	
Building Consumer Power	23
OUR HISTORY	
A Force for Honesty and Integrity in the Marketplace	25

LETTER FROM PRESIDENT MARTA L. TELLADO

From a World in Crisis to an Era of Opportunity



There is little doubt that we are living through an inflection point in history right now—a period of incalculable grief and extraordinary resolve, of profound shifts and revelations the true results of which we cannot yet know. Any illusions we may have harbored about the

sustainability of our economy, our society, or our day-to-day routines have been painfully shattered, first by the COVID-19 pandemic and its long trail of disruption, and more recently by the nationwide moral reckoning set in motion by the horrific killing of George Floyd.

At a time when almost every aspect of our lives has been scrambled by these momentous changes, it's fair to wonder whether the very concept of a three-year strategic plan is a fool's errand. After all, the world today looks entirely unfamiliar when compared with the world as it was just a few months ago. Social distancing has fundamentally rewired the way we live, work, and connect. Demands for justice and systemic reform, long overdue, have reached a fever pitch. The public health crisis has shaken our faith in government safeguards. Our economy has been jolted off its axis, unleashing sudden hardship, leaving major sectors at risk of extinction—and, perhaps, opening us up to the possibility of bold new solutions if we have the courage to pursue them.

With all this bearing down on us in a matter of weeks, how can we possibly expect to know what the world will look like months and years down the line?

The truth is, we can't know what lies ahead—the next few years are likely to be defined in large part by uncertainties. But we also know that a strategic plan doesn't have to be a perfect road map, let

alone a crystal ball, to be valuable. It can be a blueprint—a core structure of values, priorities, insights, and actions that can help us lay the foundation for a new, consumer-centered marketplace in the aftermath of this period of chaos and confusion.

There are other things we know, too. We know that expertise and trusted information are going to be even more important in the years to come. We know that, even prior to the pandemic, we were entering a new era of unprecedented consumer threats—one made possible by waxing corporate power, waning government oversight, and the startling complexity of modern products and services. We know that there will be tremendous anxiety around areas of life we've taken for granted, from shopping for groceries to taking public transportation. We know that a fair and just marketplace requires greater justice in our society, with a greater vigilance and eradication of biases that become embedded in our constantly evolving marketplace.

Already, though, we are seeing the world of the consumer significantly change. Isolation has led us to seek out new forms of connection. The safety of goods we bring into our homes has become a paramount concern. Every day brings a new, hard lesson on the trustworthiness of the information that gets shared with us. In short: People may well be on a path to becoming more intentional about their consumption—of food, news, digital services, and so much else—than ever before.

We believe this new spirit of intentionality could become an extraordinary opportunity for consumers to claim control of the marketplace that emerges from this moment—to reshape it with the force of their informed, intentional choices. In doing so, consumers could help transform this period of tremendous hurt into one of tremendous hope. The truth is, as we begin to confront the fissures and failures that brought us to our current place, we have what may well be a once-in-a-lifetime chance to create lasting change. These months of despair could very well be a prelude to a period of greater fairness,

equity, dignity, and accountability in our society.

For CR, this moment in history compels us to think ahead to what the world could and should look like once we have a real opportunity to rebuild. To that end, we have created this new strategic plan for our organization—a plan that challenges us to bring our time-honored mission to bear on unprecedented times.

This strategic plan charts an exciting journey for us as we look to make progress in shifting from being an information provider to a marketplace shaper. CR is uniquely positioned to help foster a more level playing field and ensure the accountability consumers deserve. We believe consumer power and consumer voices can and must play an essential role in meeting the current moment and delivering

issues that have the greatest impact on people's lives—Financial Fairness, Digital Rights, Safety, and Sustainability—and where CR, in partnership with consumers, coalitions, and other market actors, can uniquely contribute to shaping fair and just practices. We will also examine our own organization with the same rigor we bring to examining the marketplace, and work consciously and constantly to ensure that we are living up to our own values.

Advancing consumer rights on these issues will require us to add new methods to the signature testing, researching, informing, and advocating that have defined our work with and for consumers over the past 80-plus years. Our new methods must be as innovative as the market itself, and as rigorous and trusted as those we've used in the past. We must develop new expertise, products,

This moment in history compels us to think ahead to what the world could and should look like . . . and to bring our time-honored mission to bear on unprecedented times.

a marketplace that is fair and just for all; for us, that starts by growing our CR community to better reflect the full diversity of our nation—but it doesn't stop there.

We aim to democratize by engaging a dramatically larger and more diverse audience in the critical work of shaping the markets we interact with every day. We aim to differentiate by offering consumers new ways to exercise their power in a rapidly changing world. We aim to disrupt the endless flow of influence in our economy toward the largest and best-connected corporations, and redirect it to a citizenry armed with trustworthy knowledge and the tools to assert their rights in the physical and digital spheres.

There is no question that our society will need bold, imaginative ideas to see us through this moment. For CR, that means that we'll need to think boldly, too—while still leaning on the values and qualities that make us indispensable. We will focus on the

and ways to engage and leverage allies in our work. We must galvanize consumers, corporations, and government to work together to solve this era's defining challenges.

This effort will not be easy. But central to our mission has always been an obligation to evolve with the times—to be there, equipping consumers with what they need to exert their voices and values as the world changes and as they change. It has perhaps never been as important as it will be in the days to come that changes in our society are driven by the needs and aspirations of all people. And for CR, it is our responsibility to reach them, to hear them, and to help grow their power to shape the marketplace. As we pursue the goals of our new strategic plan, we at CR will be working harder, more creatively, and more responsively than ever to ensure that the lessons of these challenging times are not lost—and that the economy we rebuild is one that finally answers to and uplifts the people it serves.

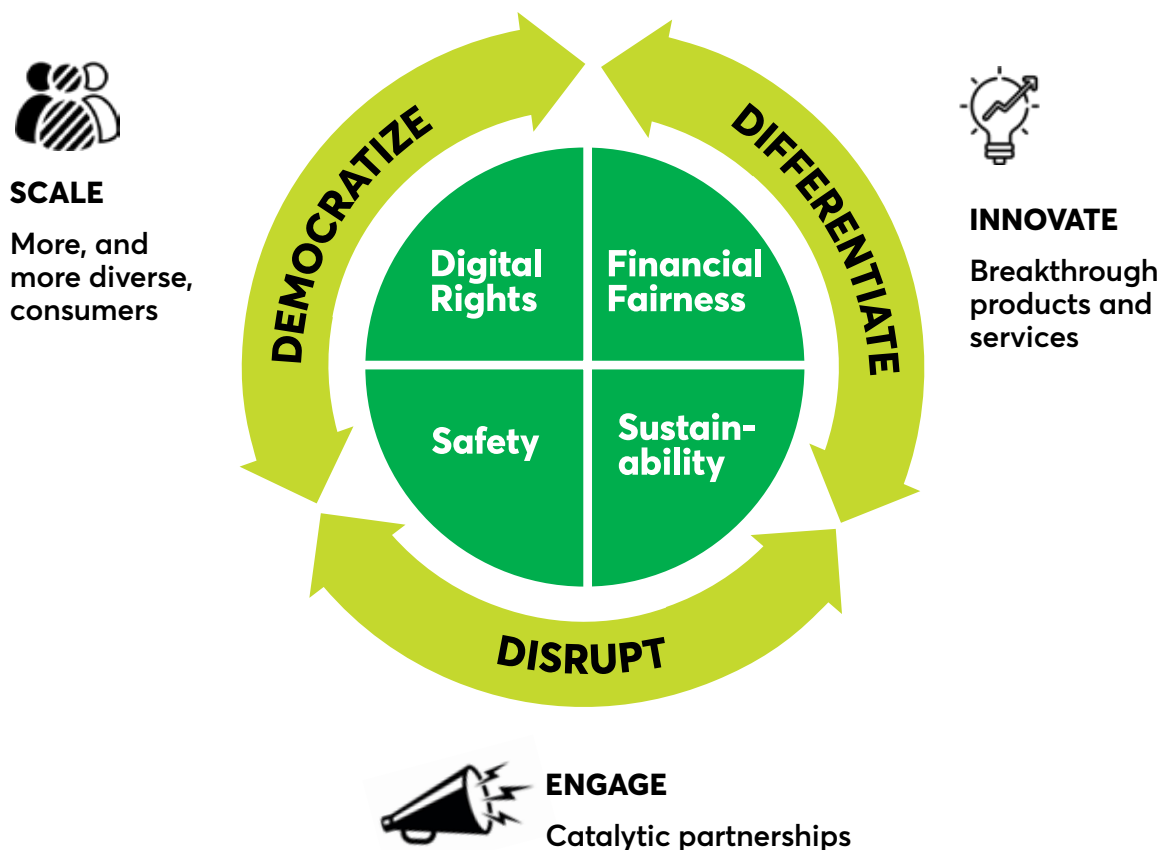


Marta L. Tellado,
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OUR VISION

To galvanize consumers, corporations,
and government to work together to solve this era's
defining marketplace challenges

Transformation Strategies



DEMOCRATIZE: Broaden the Movement

Shaping the marketplace in ways that move consumer rights and protections to the foreground of innovation requires an ambition to reach dramatically more people. We need to include a younger, more diverse public—to augment the collective power of our consumer community and our ability to secure the financial support from members that fuels our mission. Moreover, our continued ability to understand and advance the interests of American consumers is possible only

if our membership and staff grow to reflect the full cultural, economic, and racial and ethnic diversity of the general population, a shift that has begun but must be accelerated. Democratizing begins by establishing a purpose and becoming an indispensable ally for younger and more diverse consumers, whom we do not consistently influence today but whom we believe will find community at CR as we align with them on both values and needs.

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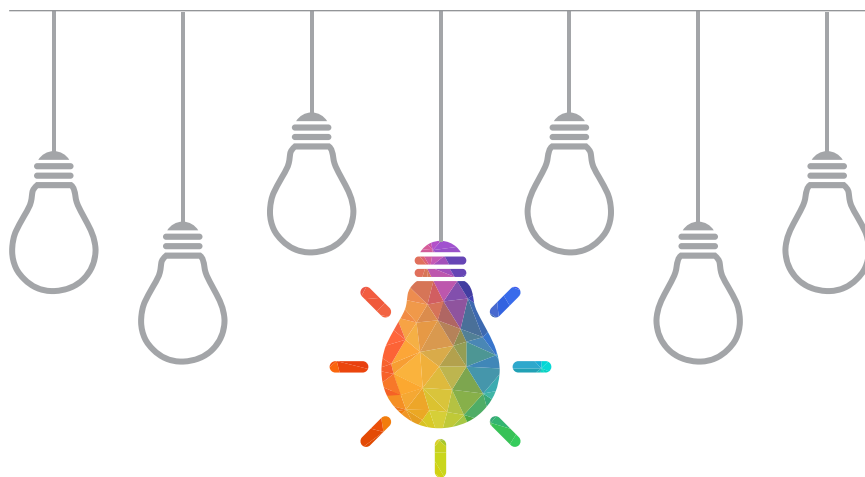


DIFFERENTIATE: Deepen Affinity With New Consumers

We must become more relevant in the lives of American consumers in a crowded media and information landscape. The digital revolution has radically changed how consumers communicate, spend money, and make decisions. With abundant access to free peer and expert reviews, consumers are no longer as willing to pay for scientific ratings and testing insights as they once were. That is why we must begin to generate the resources we need to advance our mission from an impact

model that doesn't rely solely on our being an information provider. This means our membership program must reinforce a stronger affinity with our mission, rather than treat engagement with CR as a purely transactional experience. It also means that new free and paid offerings must meet the needs of these consumers. We will begin delivering unique solutions to the important problems today's consumers face, rather than selling expert product reviews as our main offering.

We will begin delivering unique solutions to the important problems today's consumers face.



DISRUPT: Reset the Rules of the Marketplace

The speed, scope, and complexity of the marketplace, along with the concentration of corporate power and diminution of government oversight, have created an economy that frequently fails the consumer. We must empower and engage people—through our own membership community and in partnership with others—to build collective action and a scale of power and influence to reset the rules and hold the powerful to account.

Given the rapid pace of new product development and technological innovation, we must deploy our data and insights to work proactively with industry to create upstream impact and influence the design and delivery of products and services *before* they come to market. And we must partner with policymakers and advocates to forge laws and regulations that define and uphold a fair and just marketplace for all.

We must empower and engage people—through our own membership community and in partnership with others—to hold the powerful to account.



Reimagining How We Reach and Engage Consumers



Reinvention of CR's Research, Testing, and Insights

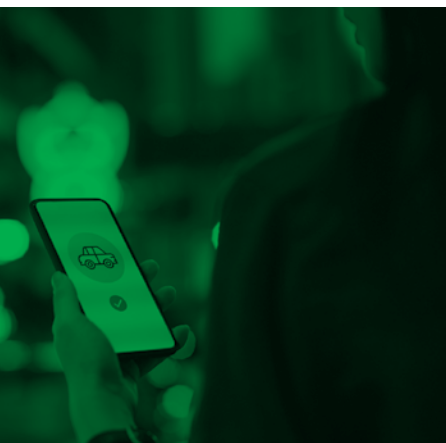
CR's unparalleled expertise and facilities for testing, consumer surveys, and research have long set us apart from other journalism and advocacy organizations. The independent insights generated by our research drive all that we do. As our offerings evolve to include new products and services in addition to traditional ratings and reviews, and as our partnerships and stakeholders broaden to include manufacturers, regulators, and researchers in addition to consumers, our research engine must also change. In these next three years we will reassert our role as a preeminent thought leader on consumer needs and behavior, and introduce a suite of new testing methodologies to ensure we are providing relevant and timely insights to all stakeholders. We will also complete a multiyear effort to re-architect our data-collection platforms and practices to ensure agile data governance and access.



Transforming Our Membership Offering

Membership 1.0 transformed our main consumer products—a subscription-based website and magazine—into a robust membership experience that has engaged consumers and increased revenue to accomplish our mission. Moving forward, we will continue transforming our membership offering by leaning into our purpose, expertise, and power across all content and channels. Our design principle will shift from helping with purchase decisions to marrying those decisions with higher-order consumer needs and goals such as reassurance, stability, and security. We will increase the value of CR membership by addressing key consumer life stages, such as parenthood and home ownership, with content and solutions that not only maximize the value and longevity of individuals' purchases but also offer new opportunities to make their voices and values heard in the marketplace. And we will show up where consumers are with the information and services they need at the times they need it by expanding our reach with partnerships and new distribution platforms.

We will reassert our role as a preeminent thought leader on consumer needs and behavior, and introduce a suite of new testing methodologies to ensure we are providing relevant insights.



Introducing New Services That Achieve a Double Bottom Line

In the time frame of this strategic plan, we will also expand beyond our membership offering and introduce new products, tools, and services that support people in their daily lives, contribute to the creation of pro-consumer norms and standards in the market, and generate revenue to support our nonprofit mission. We have begun this work with CR Recommended, a program currently in pilot stage that provides our trusted product recommendations to all shoppers when and where they need it most: online or in a store at the point of purchase. In addition to helping consumers navigate a marketplace inundated with fake and sponsored reviews, CR Recommended is designed to create a race to the top by incentivizing manufacturers to meet our standards for product safety, reliability, and quality. With the goal of influencing product design further upstream in the product development life cycle, we also launched a new Data Intelligence program, which provides insights to key market actors, including manufacturers, industry associations, regulators, and researchers. We will build on the experience and momentum generated by these nascent programs to develop, test, and launch a fuller suite of relevant products and services that solve critical challenges for today's consumers, innovators, and creators.


A Dynamic Culture

We recognize that our ability to successfully democratize our base, differentiate our products and services, and disrupt the marketplace relies on key enablers in our organization: new skills, new operating processes and structures, and even a new way of working. We must continue to attract new talent, build a dynamic culture of innovation and experimentation, and ensure that our organizational structure enables high-performing teams to work nimbly and succeed. We will also need to continue to modernize our physical workspace and research labs to further enable flexibility, agility, and speed, and to reduce our carbon footprint.



MARKETPLACE CHANGE:

Focusing on the Issues That Impact People's Lives



CR activates three levers of change to address the challenges and opportunities that people face in their daily lives: We empower consumers, we influence industry, and we spur policymakers to put people first. We will use these levers to advance Digital Rights, Financial Fairness, Safety, and Sustainability, building on the reach and authority we have in sectors such as home, tech, and cars, and forging new partnerships to fuel and scale our impact.

DIGITAL RIGHTS: We control our personal data, including how it's shared and used.

People love the benefits of the digital world, but just 9 percent of people believe they have "a lot of control" over the information that is collected about them, even as 74 percent say "it is very important to be in control." This points to a disconnect between supply and demand: Consumers' expectations are not being served in the marketplace. But because of the complexity of the issue, people feel powerless. It is not merely that people's data is extracted and used without their understanding, consent, or control; it's how this data is used to manipulate behaviors, exploit cognitive biases, and power automated decision-making by opaque algorithms, which disproportionately harm low-income consumers and communities of color.

COVID-19 heightens the urgency of our work. In a time of physical distancing, almost every aspect of our lives has become digital. And while local shops, restaurants, and other services are shuttered, Big Tech is devouring their customers and jobs—further concentrating economic power and market domination.

CR will work with its coalition partners to reshape the terms of the digital marketplace in consumers' favor. In 2018, CR was instrumental in the passage of the landmark California Consumer Privacy Act, the nation's first comprehensive privacy bill. The momentum from this victory has created a window for us to spearhead a larger coalition to pass additional reforms and protections—including

a much-needed federal privacy law. CR will also scale up product testing and partnerships through the Digital Standard, working with manufacturers to shape the design of connected products and services, and enabling them to compete and differentiate on emerging consumer values such as privacy and fairness. Finally, CR will launch innovative products and services that help people control their data and exercise their data privacy rights.



To model our values, we are working to improve the data privacy experience of our own members and users. Specifically, we are rewriting our privacy policies so that they are clear and concise, building digital products that collect and retain only the minimal data necessary, and introducing an easy-to-understand interface for consumers to

DIGITAL RIGHTS: We control our personal data, including how it's shared and used.

exercise their right to access or delete their personal information. And as our journey continues, we hope to share our experience to help others with theirs.

In a world where software shapes and powers our lives, CR can help people reclaim agency, demand better from Big Tech, and ensure that innovation is a force for human ad-

vancement, creativity, and freedom. There are too few large-scale national organizations active in this debate that have CR's household name recognition and independence. We are uniquely positioned to drive change and contribute to mainstreaming understanding and awareness of the need to preserve competition, choice, and agency in the marketplace.

HOW WILL WE KNOW IF WE SUCCEEDED?

- **Manufacturers have raised the standard on privacy and security.**
- **Consumers have access to data control solutions.**
- **Competition and consumer privacy protections are strengthened at the state and federal level.**

FINANCIAL FAIRNESS: We use financial products and services that augment our economic well-being.

From hidden costs and confusing terms and conditions to exploitative and predatory practices, consumers can find it difficult to protect what they earn and make informed decisions about what to do with their money. In the digital marketplace, technology innovation is creating new products and services that may bring convenience but also create unseen risks and consequences. The new economic crisis is exposing an even broader swath of consumers to financial fragility that leaves them at greater risk of financial hardship from these challenges. The scale and breadth of the crisis presents an opening to tackle these structural problems and reset the rules.

CR's strategy will focus on three goals. First, we will advocate for consumers to emerge from the economic crisis unharmed: From auto and student loans to mortgages and credit card debt, consumers should not face a greater debt burden or damaged credit scores due to forces out of their control.

Second, we will strengthen foundational consumer protections where our efforts can have the most impact. CR will sustain its long commitment to and engagement with

the Consumer Financial Protection Bureau, seeking to reverse a trend of weakening oversight. We will also work to expand protections in states through model state laws and regulatory protections in California, New York, and elsewhere. Our mass market, nonpartisan brand and our geographically diverse membership will help engage lawmakers on both sides of the aisle.



Third, we will ensure that financial protections are applied and enforced equally in the digital marketplace. Regulators and advocates are stymied by the complexity of digital finance, and powerful corporations argue that consumer protections limit innovation and wealth creation. CR has developed respected in-house expertise on digital transactions, which, coupled with our capacity to test,

FINANCIAL FAIRNESS: We use financial products and services that augment our economic well-being.

enables us to speak with authority about the consumer harms embedded in digital finance. We must ensure that digital financial tools help consumers, emerging harms are not normalized, and old biases are not replicated

in new products. Our success will be defined by our ability to build partnerships with young, diverse consumers who are acutely aware of the ways in which technology and data are being used against them.

HOW WILL WE KNOW IF WE SUCCEEDED?

- Foundational consumer protections are preserved and strengthened.
- Digital financial tools enhance financial well-being and do not create risks.
- Financial transactions are transparent and fair, and do not trap consumers in debt.

SAFETY: We have confidence that the products and services we buy and use are safe.

In the COVID-19 era, we are sharply reminded that public health and safety are the foundation of a functioning society, and both government and the private sector have critical roles to play. We can provide clear and accessible information to help consumers manage day-to-day risks; call out price-gouging, deception, and scams involving products and services; and advocate to ensure that our food supply remains safe. As we mourn the loss of tens of thousands of Americans to the coronavirus, we must also act on the highly preventable deaths and injuries generated by failures in the marketplace each year, and, in particular, ensure that our homes are truly a safe haven for all ages.



Centers for Disease Control and Prevention data preceding the COVID-19 pandemic showed unintentional injuries as the third leading cause of death in the U.S., following only heart disease and cancer, and a top cause of death for those under 45. In recent years, car crashes have accounted for at least 36,000 deaths and 2.7 million injuries

per year, while incidents involving consumer products are tied to at least 8,000 deaths and 15.5 million emergency room visits per year. Foodborne illnesses leave 3,000 people dead, 128,000 hospitalized, and 48 million people sick each year.

Consumers often bear the burden of protecting themselves and paying the hidden economic costs of marketplace harm. Many companies see safety as a cost driver or as an opportunity to charge a premium for new features. Weak government oversight and the underfunding of key agencies undermine legal protections, which are opposed by a well-resourced industry. Legal redress for consumers is slow and costly, and frequently hides risks from public view.

Safety has been a hallmark of CR's work for decades: We bring the capacity to lead on multiple issues while leveraging the reach and political diversity of our members. With these strengths in mind, CR will establish a new standard for safety across the market-

SAFETY: We have confidence that the products and services we buy and use are safe.

places for transportation, home products, and food through strong mandatory rules and voluntary standards, partnerships, consumer demand (including our ratings), and public pressure. We will also work to strengthen the

nation's core safety agencies, with a legislative focus on reforming the Consumer Product Safety Commission. And we will ensure that innovation and consumer safety go hand in hand.

HOW WILL WE KNOW IF WE SUCCEEDED?

- Strong minimum safety standards prevent and reduce consumer harms.
- Consumers can buy safe products with confidence.
- Companies are held accountable for the safety of their products and services.

SUSTAINABILITY: We reduce the impact of consumption on the environment and public health.

The nation has failed to put the marketplace on track to avoid catastrophic climate change, which requires limiting warming to 1.5° C and attaining carbon neutrality by 2050—a failure that will cost our country as much as \$500 billion a year by the middle of the century. Transportation is the leading cause of climate pollution and a top contributor of other air pollutants that result in nearly 100,000 U.S. deaths per year. Companies have few incentives to build for durability or factor in the full environmental cost of production, distribution, use, and disposal, and the online marketplace has amplified these harms. A lack of government leadership on a national and global scale, resulting in part from strong corporate power, is inhibiting political solutions.

The American public now recognizes the real threat of climate change, and it's the top concern for millennials and Gen Zers. However, consumers struggle to evaluate the sustainability of products and services and the total cost of ownership, even as they face higher household costs (for food, home insurance, healthcare, and utilities). Low-income families and communities of color are disproportionately affected by extreme weather events, exposure to air pollutants, and a lack of cost-effective sustainable choices. At the same time, Latinos and African Americans have a stronger-than-average interest in addressing climate change.

CR will build the partnerships needed to scope, define, and advance a strategy that

could focus on any number of issues, from carbon emissions to air and water quality to plastics and other toxic waste. The strategy will leverage CR's traditional strengths while exploring opportunities to develop new products and services that provide benefits to members while driving impact. We will prioritize markets and industries where durability and total cost of ownership have a nexus with lower emissions, lower waste, and lower cost.



While spurring others to aim higher, we must also measure and reduce our own carbon footprint. Our passionate staff has already identified measures to reduce plastic and other waste in our facilities, and we have invested heavily in our infrastructure and

SUSTAINABILITY: We reduce the impact of consumption on the environment and public health.

our cultural capacity for working remotely to reduce commuting and travel. This is the beginning of our own sustainability journey.

We have a track record of promoting energy and fuel efficiency through ratings and policy, and we are committed to bringing the

full power of CR to address climate change and environmental issues more broadly. We have the opportunity to bend the curve of consumption toward a sustainable future and to build a bridge to the young and diverse members who will shape consumer issues in the next half-century.

HOW WILL WE KNOW IF WE SUCCEEDED?

- Strong minimum standards prevent and reduce environmental and consumer harms.
- Consumers reduce emissions and waste by purchasing more sustainable products and services, and taking other actions to reduce individual footprints.

A SUSTAINABLE SOCIAL ENTERPRISE

Investing for the Future

Since our founding, Consumer Reports has set the standard for mission-driven nonprofit enterprises by pioneering models that enabled us to simultaneously deliver on our mission and achieve financial sustainability. In recent months, however, the world has changed dramatically; like so many other nonprofit organizations grappling with the impact of the COVID-19 pandemic, CR will work to meet our strategic plan goals in what many economists believe will be one of the most uncertain, volatile, and challenging economic periods since the Great Depression.

This reality compels us to balance near-term flexibility with our longer-term aspirations for growth. Our commitment to democratize our audience, differentiate our products and services, and disrupt the marketplace with and for consumers has not been altered by the crisis. But in order to fulfill our commitment,

we must become more agile, adaptable, and intentional than we have ever been before. While the economy has been thrust into turmoil, we will not scale back our ambition for consumers; we have to exercise extraordinary discipline in our financial stewardship of CR. We must think boldly and creatively about new opportunities, and be more proactive than reactive when it comes to navigating the changing consumer, media, and economic landscapes.

Guided by our principles of independence, scientific rigor, and putting consumers first, we will evolve and strengthen our self-sustaining social enterprise model. We will work together with our members and philanthropic partners, whose investments help fuel our mission, to broaden our reach and build the consumer power necessary to reset the rules of the marketplace in favor of all consumers. We will:

- **Build momentum on the investments we have made in newly launched products, programs, and partnerships.**
- **Make the difficult choices that will allow us to pivot faster for future opportunities.**
- **Invest in our bold bets with a long-term horizon so that we can test and learn as we innovate with and for consumers.**
- **Steward our resources so that we build the strategic reserves necessary for our long-term sustainability.**

MISSION:

Creating a Fair and Just Marketplace for All



Today, consumers face a market filled with products and services of impenetrable complexity, corporations that seek to control our behavior and limit our choices, an economy being lurching into unfamiliar terrain by global crises, and a government unwilling to or incapable of addressing systemic issues that pose existential threats to our basic safety, health, and economic and political stability.

While we've made significant progress in our more than eight decades, traditional con-

panies reached a point of too much consolidated power they were reined in by laws and the market force of competition, but that changed in recent decades as companies used the courts to undermine antitrust measures. Our new world of digital aggregators and social giants that double as retailers, gatekeepers, news providers, and platforms have thrived in an unconstrained environment. They've amassed the power to filter our decisions, direct our thinking through search results and advertisements, and determine what information we do or don't see. Alpha-

Our mission remains our North Star; it has helped CR navigate significant marketplace disruptions in the past, and we have secured watershed victories with and for consumers in every age.

cerns such as safety, quality, and value persist in the products and services we rely on and the food we eat. At the same time, entirely new ecosystems of products and services are innovating at lightning speed and posing new harms that are harder than ever to detect. Many of the connected products available to consumers are vulnerable to hacking, data leaks, and exploitation, which can not only cost consumers money but also put them in personal danger. In return for ostensibly "free" services, our data is extracted and used without our understanding, consent, or control. Large-scale data collection powers algorithms that automate decisions that deeply affect our lives and often serve to perpetuate existing inequalities and biases.

For much of the 20th century, when compa-

bet/Google, Amazon, Apple, and Facebook are among the most powerful companies in the world today, not only because they've bested the marketplace but because they've *become* the marketplace.

The threats posed by this concentration of power are not limited to technology. Traditional market forces are exacerbating, not mitigating, the biggest systemic issues of our time. From deadly extreme weather to strains on our food systems, global issues such as climate change and the COVID-19 pandemic are bringing catastrophic consequences not only to individuals but also to the economic, political, and social systems that support us. Many companies profit at the cost of our shared atmosphere and environmental resources while consumers are paying the hid-

MISSION: Creating a Fair and Just Marketplace for All

den costs of emissions from the production, use, and disposal of products and services.

Despite the daunting scale and complexity of these challenges, our mission remains our North Star; it has helped CR navigate significant marketplace disruptions in the past, and we have secured watershed victories with

and for consumers in every age. Through the aggregate impact of our choices and voices, consumers today still hold the power to shape a fair and just marketplace that puts people first, is governed by effective rules that encourage competition and innovation, and prioritizes the following pro-consumer principles:

CHOICE

Access to quality products and services from diverse providers at a fair price.

VALUE

Products and services that are reliable and perform as promised.

TRANSPARENCY

Clear and comprehensive information about products and services, and their cost.

SAFETY

Products and services that do not harm people.

DATA PRIVACY & SECURITY

The right to privacy is prioritized and protected by default, minimizing the collection, storage, sharing, and use of personal data. Financial and other personal information is protected to prevent theft or abuse.

EQUAL TREATMENT

Gender, race, ethnicity, sexual orientation, ability, geography, and other personal characteristics do not influence or determine the accessibility, quality, or price of products and services.

SUSTAINABILITY

Products and services do not harm public health or the environment in their production, use, or disposal.

ACCOUNTABILITY

Corporations and government are held to account for unsafe, deceptive, and faulty products and services, and for preventing market competition. Consumers have the right to seek recourse and redress.

LEVERS OF CHANGE

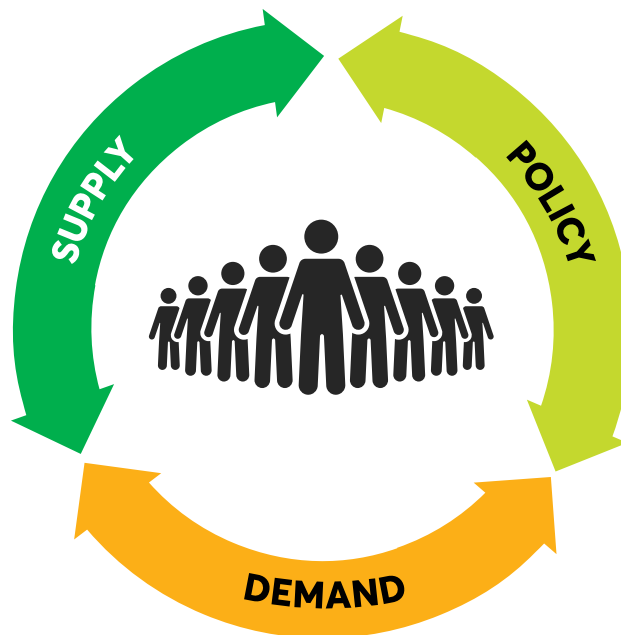
Building Consumer Power

Consumer power flows not only from individual purchasing but also from the many other roles we play in our lives. And when we come together, our voice, reach, and power are exponentially greater. As consumers we are:

- **Voters who drive policies that protect and advance consumers' interests.**
- **Employees who influence their employers to act in the best interests of consumers.**
- **Activists who engage for change and advocate for solutions.**
- **Community leaders who educate and organize their families and friends.**
- **Shareholders and investors who direct capital toward responsible business practices.**

We work to empower consumers in their many roles, we influence business leaders to act responsibly, and we spur policymakers to prioritize the rights and interests of consumers. See the next page to learn how CR activates these levers of change in the marketplace.

LEVERS OF CHANGE: Building Consumer Power



	SUPPLY	DEMAND	POLICY
WHO	Manufacturers, Suppliers, Designers, Retailers, Digital platforms, Industry associations, Entrepreneurs, Investors	Consumers, Nonprofits	Legislators, Government agencies, Standards bodies, International bodies
WHAT	<p>Set standards for products and services.</p> <p>Generate data, insights and analysis to assess and improve products and services.</p> <p>Amplify consumer voices.</p> <p>Advocate for fair practices in industry.</p>	<p>Understand consumer perspectives.</p> <p>Inform consumers, so they can choose superior products and services.</p> <p>Invent marketplace solutions.</p>	<p>Amplify consumer voices.</p> <p>Advocate for laws and rules that benefit consumers.</p> <p>Advocate for enforcement of rules and laws that benefit consumers.</p>
HOW	<p>Establish standards for product and service design and performance.</p> <p>Promote standards through thought leadership, industry engagement, partnerships with market movers, convenings, media.</p> <p>Develop testing and rating methodologies.</p> <p>Perform testing and analysis, including ratings, reviews, investigations, reports.</p> <p>Share consumer insights through reports, data intelligence, product-specific feedback.</p> <p>Apply pressure through consumer campaigns.</p>	<p>Consumer insights collected through surveys, focus groups, personal stories.</p> <p>Ratings, reviews, buying guides, service journalism, concierge service.</p> <p>Products and services that set standards and disrupt failing marketplaces.</p>	<p>Share consumer insights and stories through white papers, reports, expert testimony, op-eds.</p> <p>Promote consumer voices through lobby days and testimony, and on rule-making bodies.</p> <p>Lobbying, expert testimony, public comments, and oversight requests.</p> <p>Letters, petitions, and complaints to enforcement agencies and state attorneys general.</p> <p>Apply pressure through consumer campaigns.</p>

A Force for Honesty and Integrity in the Marketplace

In 1936, the year CR was founded, American families faced growing challenges in the marketplace. A patchwork of poorly enforced regulations offered few safeguards to Americans grappling with seismic shifts in the economic and media landscapes. Rapid technological advancement led to new products unfamiliar to consumers. With little governing the veracity of advertising claims, consumers had no way to gauge the value, quality, or authenticity of the goods available to them. Further, the cost of basic products represented a dramatically higher percentage of household spending than they do today, making the consequences of buying a faulty or misleading product that much more severe.

Consumer Reports built a compelling and cohesive model to respond to these needs. A group of scientists developed rigorous, independent testing and research practices to help consumers compare goods in the marketplace. The widespread influence that CR's findings had on purchasing decisions became a powerful point of influence, and regulators and manufacturers began to heed our voice and take the interests of consumers into account when designing and marketing products. Over time, that knowledge and influence was leveraged to create a powerful advocacy voice to ensure that consumer-first marketplace rules were enshrined in law.

Our social enterprise model flourished over decades, and Consumer Reports became a trusted household name to millions of Americans. Many organizations fight for consumer-relevant interests, but CR is unique in its scope and strengths: unparalleled expertise and facilities for testing and research; a content and journalism platform that spans print,

online, and broadcast media; and dedicated advocacy and mobilization teams to advance pro-consumer policies at the state and national level. Our ability to integrate each of these capacities—to comprehensively engage with consumers, corporations, activists, journalists, and rule-makers in concert—has allowed CR to play a distinct and critical role within the market: CR focuses the attention of a mass audience on important issues and wields its influence to drive change.

The proof is in the progress. In the eight-plus decades since our founding, CR and our members have fought—and won—key battles to protect our personal and financial health, ensure the safety of our children and families, and advance the equitable treatment of Americans regardless of race, gender, age, or ZIP code. Without CR, seat belts would not be standard in cars, women would not have access to information on contraception, and the Consumer Financial Protection Bureau would not exist to protect consumers from deceptive and abusive practices. In a time when our government has increasingly abandoned its oversight responsibilities, CR has emerged as a parallel regulator, often single-handedly compelling manufacturers to redress the harms and injury they have caused consumers and signaling to government when it has failed to safeguard the public from harm. And as the world braces for the immediate impact—and long-term aftershocks—of a global pandemic and the extraordinary economic disruption left in its wake, CR will be a pillar of accurate information, of clarity and trust, of expert guidance, and of fearless actions as we lift ourselves out of the crisis and build a marketplace that will serve people's needs in the uncertain days to come.