



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, FEBRUARY 27, 1981

AT
202-633-2016

The Department of Justice today filed a civil antitrust suit against Business Investment and Development Corporation, of Odessa, Texas, alleging a conspiracy to restrain competition in the market for repossession services.

Repossessors, or adjusters as they are sometimes called, provide services for banks, credit unions and other lenders that seek to recover merchandise sold under a security agreement.

Attorney General William French Smith said that the complaint was filed in U.S. District Court in San Antonio, Texas.

Sanford M. Litvack, Assistant Attorney General in charge of the Antitrust Division, said the complaint alleged that Business Investment and Development Corporation had violated Section 1 of the Sherman Act by preparing and publishing a fee schedule for repossession services, and by restricting the area in which its licensees advertise and provide repossession services.

The suit alleged that the defendant, an investment corporation, has a wholly-owned subsidiary which operates a national repossession service organization called American Lenders Service Company. This company has licensing agreements with approximately 60 individuals who own and operate independent repossession agencies. Among the licensees are individuals who own stock in Business and Investment Development Corporation, the complaint said.

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The complaint asked that the defendant and co-conspirators be enjoined from continuing the illegal combination and from entering into any other arrangement that has a similar purpose or effect.

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