

FEDERAL BUREAU OF INVESTIGATION
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FOI/PA# 1385328-0

Total Deleted Page(s) = 6

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143

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MIAMI	OFFICE OF ORIGIN MIAMI	DATE 8/30/74	INVESTIGATIVE PERIOD 8/12/74 - 8/27/74
TITLE OF CASE RETAIL CREDIT COMPANY MIAMI, FLORIDA		REPORT MADE BY [Redacted]	TYPED BY nad
		CHARACTER OF CASE ANTITRUST	b6 b7c

- C -

ACCOMPLISHMENTS CLAIMED				<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES		
						PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW REC-18	
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		SEP 3 1974	EX-105

Dissemination Record of Attached Report				Notations <i>[Handwritten notes]</i> DATA PROC.
Agency	1-OROM, HTD w/enclosures			
Request Recd.				
Date Fwd.	9/3/74			
How Fwd.	50-60 Dm			
By	W7H/ps			

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1385328-0

Total Deleted Page(s) = 15
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60-571-1

SEARCHED	INDEXED
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AUG 12 1974	
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Agenda Item No.

ORDINANCE NO. 74-55

ORDINANCE PERTAINING TO FAIR CREDIT DISCLOSURE AND REPORTING; PROVIDING DEFINITIONS; PROVIDING DISCLOSURE OF CREDIT REPORTS; PROVIDING CHARGES FOR DISCLOSURE; PROVIDING RESTRICTIONS ON CREDIT INVESTIGATORS; PROVIDING PENALTY FOR VIOLATION; PROVIDING FOR INCLUSION IN THE CODE; PROVIDING SEVERABILITY CLAUSE AND PROVIDING AN EFFECTIVE DATE

WHEREAS, an elaborate mechanism has been developed for investigating and evaluating the credit worthiness, credit standing, credit capacity, character, and general reputation of consumers; and

WHEREAS, credit reporting agencies have assumed a vital role in assembling and evaluating consumer credit and other information on consumers; and

WHEREAS, there is a need to insure that credit reporting agencies exercise their grave responsibilities with fairness, impartiality, and a respect for the consumer's right to privacy; and

WHEREAS, it is the purpose of this ordinance to require that credit reporting agencies, those who investigate and collect credit information, adopt reasonable procedures for meeting the needs of commerce which are fair and equitable to the consumer, with regard to confidentiality and accuracy; and

WHEREAS, after careful examination of all applicable state and federal laws concerning credit reporting, the Board has determined that it is in the best interest and will promote the general welfare of the citizens and residents of Dade County to provide more stringent safeguards and

protections against improper and incorrect credit reporting. The provisions of this ordinance are not intended to be inconsistent, nor should they be construed to be inconsistent with applicable federal or state law on this subject,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF DADE COUNTY, FLORIDA:

Section 1. Definitions. As used herein:

- (a) "Credit reporting agency" means any individual, partnership, corporation, trust, estate, cooperative, association, or other entity which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing credit reports to third parties, and which does business in Dade County, Florida.
- (b) "Consumer" means an individual.
- (c) "Investigative consumer report" means a report or portion thereof in which information on a consumer's character, general reputation, personal characteristics, or mode of living is obtained through personal interviews with neighbors, friends, or associates of the consumer reported on or with others with whom he is acquainted or who may have knowledge concerning any such items of information. However, such information shall not include specific factual information on a consumer's credit record obtained directly from a creditor of the consumer or from a consumer reporting agency when such information was

obtained directly from a creditor of the consumer or from the consumer.

(d) "Credit investigator" means any person who collects information in Dade County on a consumer's character, general reputation, personal characteristics or mode of living through personal interviews with neighbors, friends, associates or acquaintances of the consumer reported. The term includes agents and employees of credit reporting agencies.

Section 2. Disclosures to consumers.

(a) Every credit reporting agency shall, upon request and proper identification of any consumer, provide said consumer with a copy of its investigative consumer report pertaining to said consumer at the time of the request, including but not limited to the names and addresses of all persons contacted by the credit reporting agency, or its agents or employees, and the specific information obtained from each person contacted by the agency. It shall be sufficient for the purposes of this subsection if a complete carbon or photostatic copy of the report is provided to the consumer.

(b) The requirements of subsection (a) of this section respecting the disclosure of sources of information do not apply to information received prior to the effective date of this ordinance except to the extent that the matter involved is contained in investigative consumer reports on that date.

Section 3. Charge for disclosures.

The credit reporting agency may impose a reasonable charge on the consumer for furnishing a copy of its investigative consumer report to such consumer pursuant to section 2 of this ordinance, the charge for which shall be indicated to the consumer prior to furnishing the copy and shall not exceed the charge that the credit reporting agency would impose on its clients.

Section 4. Restrictions on credit investigators.

The practice of going in and upon private residences in Dade County, Florida, by credit investigators not having been requested or invited so to do by the ~~owner, lessee or~~ occupant of said private residences for the purpose of obtaining information on a consumer's character, general reputation, personal characteristics or mode of living through personal interviews with neighbors, friends, associates or acquaintances of a consumer is declared to be a nuisance and punishable as a violation of this ordinance.

Section 5. Penalty for violation.

Any person including any credit reporting agency, credit investigator, or any agent or employee thereof, who fails to comply with the provisions of this ordinance shall be guilty of a violation of this ordinance and upon conviction thereof shall be punished by a fine of not less than one thousand dollars (\$1,000) or by imprisonment in the County Jail for not more than one (1) year, or by both such fine and imprisonment in the discretion of the County Court.

Section 6. Inclusion in the Code.

It is the intention of the County Commission and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Code of Metropolitan Dade County, Florida; that the sections of this ordinance may be renumbered or relettered to accomplish such intention; and that the word "ordinance" may be changed to "section," "article," or other appropriate word.

Section 7. Severability clause.

If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 8. Effective date.

The provisions of this ordinance shall become effective ten (10) days after its enactment.

PASSED AND ADOPTED:

Approved by County Attorney
as to form and legal sufficiency. RAG

SUN, July 7, 1974 THE MIAMI HERALD 23-A

TIPOFF

Dade May Enact
A Tougher Law
On Credit Snoops

CREDIT CONCERN: Dade's new watered-down Fair Credit Disclosure Ordinance may be just the first shot in a continuing fight to regulate credit-snooping firms here. One of the new law's principal architects says the commission should see, within the next year, another ordinance that would require training and licensing of credit investigators, limit the types and age of information included in a credit report, and require credit firms to notify the consumer that an investigation is being made. A new law also may limit the circulation of credit reports and require the investigating agencies to supply the consumer with a list of all recipients of the credit report, the courthouse source said.

7-9-74

ORDINANCE NO. 74-57

EMERGENCY ORDINANCE AMENDING
ORDINANCE NO. 74-55 PERTAINING
TO FAIR CREDIT DISCLOSURE AND
REPORTING, IN ORDER TO EXTEND
THE EFFECTIVE DATE OF SAID
ORDINANCE; AND PROVIDING AN
EFFECTIVE DATE

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS
OF DADE COUNTY, FLORIDA:

Section 1. Section 8 of Ordinance No. 74-55 is hereby
amended to read as follows: 1/

The provisions of this ordinance shall become
effective ~~ten (10) days after the date of its~~
~~enactment.~~ August 30, 1974.

Section 2. The provisions of this ordinance shall become
effective immediately.

PASSED AND ADOPTED: July 9, 1974

Approved by County Attorney as
to form and legal sufficiency. RAG

1/ Words stricken through shall be deleted. Underscored words
constitute the amendment proposed. Remaining provisions are
now in effect and shall remain unchanged.



JACK ROBERTS

Manager wouldn't name sources

This time we won one

The next time some kid knocks at my door asking about a neighbor's sex and drinking habits I'm going to call a cop.

Well, not exactly. I have to wait nine days for a new law passed by the Metro Commission yesterday to take effect. But then I'll be ready.

In a sort of minor miracle the Metro Commission did yesterday what the U.S. Congress and the Florida Legislature didn't have the backbone to do. It put some healthy curbs on irresponsible snoopers paid to dig up gossip which might impair your getting credit, insurance or a job.

It wasn't the strongest law in the world. It had been greatly watered down to calm the fears of the money lenders, but it was a start in the right direction. And I can just picture the consternation going on today in the Atlanta office of the giant Retail Credit Company — the behemoth of credit snoopers.

Essentially the law says two things:

One, you're entitled to get a copy of any credit investigation made of your affairs and,

Two, the snoopers can't call on your neighbors for information without being invited to do so. Even then the name of the person giving information about you can't be shielded. You'll know who said nasty things about you.

At 11:40 a.m. yesterday I wouldn't have bet a nickel that the law would pass. There had been substantial opposition from the Retail Credit Co. as well as insurance agents who routinely use Retail Credit Co. report.

The Metro commissioners were told time and again that the U.S. Fair Reporting Act makes it mandatory that a consumer be shown his credit report.

This simply isn't so, at least as far as the Retail Credit Co. is concerned. I went that route with a reader who had a serious complaint. After much badgering the manager of Retail Credit Co. in North Miami read us some excerpts from the lady's dossier but he wouldn't name sources and he never let us see the report.

That case made me spitting mad. The young lady in question had lost a good job opportunity because the snoopers had dug up the fact that she was living with a young man without benefit of a marriage license. They would later wed but the report was a shocking display of punishing someone with middle-class morality.

Marriage had been delayed because the couple was trying to break the news gently to the young man's Jewish parents and her Christian parents. But was the subject any business of Retail Credit?

A tiny group sent up cheers

Oh well, several insurance people intimated yesterday that they might be less likely to write policies now that they can't get anonymous gossip and Metro Commission Ed Graham said he was impressed by this.

Commissioner Joyce Goldberg started out acting like she favored the intent of the law but then waffled about having a law in Dade that didn't apply in Broward.

Commissioner Mike Calhoun tried to amend the law to remove most of its teeth but then went along with Goldberg and Graham in voting against its passage.

When the law passed 5-3 a cheer went up from the tiny group of people who had spoken for the law. One of those cheering was David Weinberger, 47, who has been fighting the Retail Credit Co. and its reporting practices for 17 years — going back to the days when he was denied a job on the basis of a credit report he was never allowed to see.

Weinberger eventually got so wrapped up in his fight he went to law school so he could be a better public advocate. He'll graduate this August. Retail Credit changed his life.

The cheers were premature, I'd guess. The Retail Credit Co. and others will undoubtedly challenge the law in court. But it's a start.

Residents may see credit information

Dade County residents will have the right beginning July 12 to see all the information compiled on them in the files of reporting companies.

They'll also have the right to learn the sources of that information.

Those are provisions of a countywide ordinance enacted yesterday by a 5-3 vote of the Metro Commission.

The ordinance also prohibits credit investigators from making uninvited visits to private residences to get information for their reports, from either persons being investigated or neighbors or acquaintances.

Maximum penalty for violation is one year in jail and a \$1,000 fine.

Representatives of reporting firms such as the giant Retail Credit Co. argued vigorously against the ordinance, saying it was unnecessary and would prevent thorough reporting.

The ordinance, sponsored by Commissioner Harry Cain, was approved by him and by Commissioners Harvey Rubin, Ed Stephenson and Ed Fogg and Beverly Phillips. Opposing it were Commissioners Mike Calhoun, Edward Graham and Joyce Goldberg.

Pressure for such an ordinance began last year after a series of articles in the Miami News detailing abuses by Retail Credit.

Showers Likely

Cloudy with scattered
thundershowers. (Details,
Page 2A.)

TUESDAY'S TEMPERATURES
7 a.m. 78 1 p.m. 85 7 p.m. 85
9 a.m. 82 3 p.m. 84 9 p.m. 78
11 a.m. 85 5 p.m. 84 11 p.m. 78

The Miami Herald

Wednesday, July 3, 1974

Florida's Complete Newspaper

112 Pages

Final

15 Cents

64th Year — No. 21

Two Latin American Editions Are Published Daily

Wed., July 3, 1974 THE MIAMI HERALD 3-A

Metro Limits Credit Probers, Bars Door-to-Door Inquiries

From Page 1

al argued during a public hearing that the ordinance could damage the retail credit firms and the insurance industry, and could hurt the consumer by making credit more difficult to get.

Earl D. Waldin Jr., representing Retail Credit, said

the ordinance represented an attempt to "kill a mosquito with a sledgehammer."

WALDIN SAID that in 1973, Retail Credit made 128,458 credit reports, but only 347 consumers requested access to their personal files. Retail Credit had 329 of the 347 reports, Waldin said, and after the information was reviewed, there were 47 challenges.

Of the 47 challenges, he said, "objective changes were needed in only 14 reports, and subjective changes in only nine reports."

"What we're talking about here, the percentage of mistakes we're talking about, is something like one and one-half mistakes out of every 1,000 reports. Trying to correct that small a percentage of mistakes with this (ordinance) is trying to kill the mosquito with a sledgehammer," Waldin said.

E.J. Curtis, also of Retail Credit, objected to the provision requiring that credit bureaus identify the sources of their information "for the same reason that newspapers won't talk about sources . . . when you have to start identifying sources, the sources dry up."

The insurance industry could be hurt, according to Jack Coyle of State Farm Life, because of background investigations needed in many cases to determine the risk the company is taking in a specific case.

"PERSONAL information is very necessary for the evaluation of insurance applicants, especially in the field of car insurance," Coyle said.

Supporters of the proposal attacked what they said were poorly qualified investigators and the inability of a consumer to defend himself against a bad credit report.

Citing newspaper wants ads for investigators that specified no qualifications

other than that the applicant be over 21, a high school graduate and have a car, David Weinberger, a Miamian who favored the law, said, "I think it's a disgraceful situation in a free country."

"In one of the country's leading communities, like this one is, the personal reputation of a man ought not depend on the hearsay that relatively untrained people dig up," Weinberger said.

In addition to its three major provisions, the ordinance provides that a credit-investigation firm may charge an inquiring con-

sumer for a copy of the credit report, but the charge may be no higher than the charge to a regular customer.

THE ORDINANCE also provides for a \$1,000 fine or one year in jail for persons convicted of violations.

Voting in favor of the ordinance were Commissioners Cain, Beverly Phillips, Edward Fogg, Harvey Ruvin and Edward Stephenson. Voting against were Commissioners Mike Calhoun, Joyce Goldberg and Edward Graham. Mayor Jack Orr, who is ill, was absent.

By JOHN CAMP
Herald Staff Writer

In the face of strong opposition from credit investigation firms and the insurance industry, the Metro Commission Tuesday approved, 5-3, an ordinance making credit investigation reports and the names of

persons supplying information to investigators available to Dade consumers. The ordinance also effectively bars investigators from going door-to-door in search of information about a credit applicant. It takes effect July 12. "WE HAVEN'T had a

chance to determine the impact of this thing, but it looks like we'll have to face the question of whether we can continue to operate at all," said Lee Lester, an attorney for Retail Credit.

Retail Credit dominates the national credit investigations business, including that in Dade County.

Commissioner Harry Cain, sponsor of the ordinance, said it would "impose some inconvenience, but no real hardship on reputable credit bureaus."

"The law simply provides consumers three rights: they didn't have, before — to know who is alleging derogatory things about him; to correct information that is essential for most people to get: the essentials of life such as a home, a car and insurance; and it eliminates shopping and restores some of the rights of privacy," Cain said.

Opponents of the proposal

Turn to Page 3A Col. 1

SPYING ON CONSUMERS

MIAMI NEWS

JAMES M. COX, JR.
Publisher and President

DANIEL J. MAHONEY, JR.
Associate Publisher

JIM FAIN
Editor

HOWARD KLEINBERG
Managing Editor

CLARKE ASH
Associate Editor

JACK KASSEWITZ
Chief Editorial Writer

12 A

Mon., July 1, 1974

The credit snoopers called to task

MIAMI NEWS

Miami, Fla., Tuesday Afternoon, July 2, 1974

46 Pages

Credit-disclosure law OK'd by Metro

By MORTON LUCOFF
Miami News Reporter

The Metro Commission today voted 5-3 to require investigative credit reporting companies to fully disclose reports they make on consumers.

The ordinance, effective in 10 days, also prohibits credit investigators from uninvited visits to private residences to gather information for the reports.

Earl Waldin, an attorney for Retail Credit Co., argued against the ordinance, saying it is an attempt "to kill a mosquito" with a sledgehammer.

Voting for the ordinance were Commissioners Harry Cain, its sponsor, Harry Ruvin, Ed Stephenson, Beverly Phillips and Ed Fogg. Voting against were Milte Calhoun, Ed Graham and Joyce Goldberg.

The ordinance requires that companies such as Retail Credit disclose at a consumer's request a copy of the report done on the consumer, including names and addresses of sources of information used in the report.

Cain said the new law will help protect the consumer from erroneous credit reports which may contain gossip and hearsay from the consumer's neigh-

Pressure for stronger regulation of credit reporting came early last year following a series of articles in The Miami News detailing abuses by the Retail Credit Co., an Atlanta-based firm with offices here. The stories told how investigators are encouraged and rewarded to find derogatory information on applicants for loans, insurance or, in some cases, a job.

The ordinance exempts credit bureaus from regula-

tion because they do not use "moral character" information in their credit reports.

An existing federal law requires only that the credit reporting companies read portions of credit reports to consumers. The Metro law gives the consumer the right to demand a copy of the full report.

Penalty for violation of provisions of the ordinance is a maximum of one year in jail and/or \$1,000 fine.

The latest version of Metro Commissioner Harry Cain's year-old ordinance on credit reporting fails to cover all the abuses and problems in the field of professional snooping, but it does give consumers the one most essential weapon with which to defend themselves.

Cain's measure, which comes up for final approval at tomorrow's commission meeting, would require Retail Credit Co. and others of its ilk to furnish the consumer, at a reasonable cost, a full copy of its investigative report. The ordinance specifies that the report must include the names and addresses of all persons contacted by the agency and the specific information obtained from each of those persons.

Armed with this knowledge, the maligned consumer can take

steps to remove wrong information and to correct errors. Probably more importantly, the credit snoops will become a lot more careful about reporting unsubstantiated gossip when they know the consumer himself will have complete access to the report.

As a further safeguard against the inclusion of casual rumors in official credit reports, Cain's ordinance will prohibit the investigators from going door to door to ask questions of unsuspecting neighbors.

These two aspects of the ordinance deserve quick approval. There should be more comprehensive measures in the future — to license the investigators as private detectives, to make sure the fees charged consumers for their reports stay within the "reasonable" range of duplicating costs, and to require the firms to undo any damage they inflict through their own carelessness.

Both the Legislature and the Congress have been considering such laws for two years with little success so far. If the state and federal governments cannot act, Metro should go all the way to reform credit reporting abuses within its jurisdiction.

Meanwhile Cain's present ordinance is only a start, but it is a

☆☆☆☆
BLUE STREAK

10 CENTS

SECTION B
The Miami Herald
Fri., July 5, 1974

LOCAL NEWS

Credit Firms Accept Law

By JOHN CAMP
Herald Staff Writer

Credit reporting and insurance companies that predicted doom in response to Dade County's enactment of the nation's budget credit disclosure law are conceding — if grudgingly — that they might survive after all.

They still claimed, however, that the law will hurt the people it was designed to protect, Dade County consumers.

But insurance companies and major credit-granting firms not involved in the public hearings don't seem particularly upset with the law, with most saying it shouldn't affect their business at all.

The new law strikes most directly at "subjective" information provided about an applicant for a new job, an insurance policy, or for credit.

Such information includes judgments about the applicants' moral character, drinking habits, companions and general standing in the community.

CREDIT REPORTS also include "objective" information on the subject's indebtedness, bank balance, record of payment on debts, financial background and employment record, and information from public sources such as court documents.

Much of the gathering of subjective information is done in interviews with neighbors or other persons who know the subject of the investigation.

The new law forbids the door-to-door solicitation of credit information, without prior permission for the interview from the person providing the information, and also requires the credit investigators to later reveal on demand the sources of their information.

Mayor insurance and credit-granting companies contacted by The Herald say they don't much rely on such subjective reports.

"WE RELY to a great extent on black-and-white information . . . we might want to supplement it (with subjective material) if the factual information leaves room for doubt about the applicant," said Kenneth

Karnig, credit manager for Miami's First National Bank, one of the largest credit-granting institutions in the state.

Karnig emphasized that subjective information was usually only considered in borderline cases and where the bank had no previous experience in doing business with the credit applicant.

A spokesman for Sears-Roebuck, which has an extensive credit system, said that his company does not use subjective information at all.

"WE GO STRICTLY by the person's past payment record or financial standing," he said.

Life insurance agent Edwin B. Cole of Miami, however, said that he expects his business to be hurt by the ordinance.

"We've been shown time and time again that the more information we've got about a man, the more likely it is that he'll be approved for insurance," Cole said.

Monday, July 1, 1974

5A

Metro to act on control of credit reports

By BILL DOUTHAT

Miami News Reporter

The Metro Commission, which regularly battles corporate giants to deal with national issues on home ground, takes on the somewhat credit reporting industry tomorrow.

The commission is scheduled to vote on ordinances designed to protect the consumer from erroneous credit reports and to make those reports open for scrutiny by the consumer.

Attempts to tighten safeguards in credit reporting have failed this year in Congress and the Florida Legislature. Because of those failures, and based on its successes in dealing with such national issues as clear meat packaging and phosphate detergents, the Metro Commission has decided to flex its Home Rule muscle to correct credit abuses.

At issue is the consumer's right to know what is said about him, and by whom, in reports that are used to determine his eligibility for credit, insurance and, in some cases, a job.

The issue will go before the commissioners in the form of two ordinances, one of which passed on first reading last September. The second ordinance, revised to exempt credit bureaus from regulation, is the one preferred by Commissioner Harry Cain, sponsor of both ordinances.

Most abuses in credit reporting, Cain said, occur in investigative consumer reporting, reports that use "moral character" information on applicants for life, health and auto insurance.

Credit bureaus, on the other hand, report only financial information and pay habits and not the drinking and social habits of the consumer.

Both ordinance proposals require that the credit reporting industry make investigative reports available to the consumer, and disclose sources of the information. At present, Retail Credit Co., largest of the investigative credit reporting firms, considers sources to be confidential.

In addition, the ordinances prohibit credit investigators from "going in and upon" private residences in the county to gather information without invitation.

"This would extremely hamper us in getting the most elementary information," said Hal Arnold, a spokesman for the Atlanta-based Retail Credit Co.

Disclosure of sources, he said, would make many sources used in the investigative report unavailable.

"The kind of practice where you don't know the source reminds me of the McCarthy days," said Cain, a former U.S. senator. "Many people were harpooned by sources that were completely anonymous to them."

Pressure for stronger regulation of credit reports came early last year following a series of articles in The Miami News detailing abuses by the Retail Credit Co. The stories told how gossip and hearsay are used in reports and how investigators are encouraged and rewarded for finding derogatory information on consumers.

Insurance executives have written to the Metro Commission opposing the ordinances, saying that the FCRA provides enough protection for the consumer.

"Those who have nothing to conceal have no objection to the credit reporting procedure," said C.A. McAllister, a Farm Bureau vice president in Gainesville. "Only those who fear the bright light of information are opposed."

Fri., June 28, 1974

THE MIAMI HERALD

3-B

DADE COUNTY BOARD OF COMMISSIONERS



Public Hearings



10:00 A.M.

- Ordinance providing for extension of time in which a vehicle may remain parked on the public right-of-way ⁷⁴⁻⁵⁶
- Ordinance pertaining to Fair Credit Disclosure ⁷⁴⁻⁵⁵

TUESDAY, JULY 2

DADE COUNTY COURTHOUSE
COMMISSION CHAMBERS

73 W. Flagler Street

You are urged to attend and express your opinion if you are interested in these items which will be discussed at the next regular meeting of the Metropolitan Dade County Board of Commissioners.



CHARLES WHITED

T 272174, Firm Driven Asunder

After 22 years of mutual risk on the highways — their money and my hide — the Home Indemnity Company and yours truly, otherwise known as T 272174, have split.

I've taken my automobile insurance business elsewhere.

Undoubtedly, this will come as a shock to the managers and executives of the Home Company, whoever they are. After all, our partnership goes back to 1952.

That was the year, I'm sure the files will reflect, when Army Cpl. C. M. Whited bought a second-hand Ford and took out a policy with Home. The premium was around \$60 a year.

Since then, the annual premiums have followed a steady trend. Up. This year, with two second-hand cars and three family drivers, the bill from Home was 10 times that '52 figure.

But this, ironically, was not what burned me out on Home. The bill would have been paid as part of the high cost of driving. I had no quarrel over the rates.

What got me was the nagging feeling that the company, once personified by a living, breathing agent who collected my premiums and knew me by name, had withdrawn into a data processing machine somewhere in New York City.

And as this happened, I was no longer Charles Whited; a customer of 22 years, or even "named insured." I was a set of numbers, codes and risk factors, all keyed to a red button marked: "In Case of Late

THE ULTIMATE stroke came this spring, with a printed notice in the mail pursuant to Public Law So-and-So.

An investigation would be made into the character, general reputation, personal habits and mode of living of policyholder T 272174.

For car insurance? A few weeks later, while I was at work, a woman came to the house and questioned a teenage daughter. Who drives the cars? What do I do for a living? Do I drink?

The interviewer never called me personally. I don't know who else she questioned, or what they might have said. But I fired off an indignant letter to the Home Company, demanding to know.

Back came another printed form, "Consumer Report Reply." Reference T 272174:

"This is in response to your recent request. The report we requested will furnish such general information as your residence, marital status, number of dependents, occupation, general health, habits, reputation and mode of living."

Accompanying this was a brief letter from an underwriter in Jacksonville explaining about how the company periodically re-inspects cars and drivers. My questions weren't an-

SECTION B
The Miami Herald
Wednesday, July 10, 1974

Credit Law Delayed To Aug. 30

An emergency ordinance delaying until Aug. 30 the effective date of Dade's new fair credit disclosure law was approved unanimously Tuesday by the Metro Commission.

Commissioner Harry Cain, who sponsored the disclosure law, asked for the delay in effective date, saying that credit investigating firms needed the extra time to prepare for the change in the law.

The new ordinance would require the credit firms to show personal credit files to a person who goes to a credit office and asks for his file, force the credit companies to disclose the sources of the information in the files and forbid door-to-door solicitation of personal information to go into a credit file.

"I think we should give them (the credit investigation companies) this delay in the spirit of cooperation," Cain said.

LOCAL NEWS

Local News

SECTION B

The Miami Herald

Thursday, July 11, 1974

SO HOME Indemnity and policyholder T 272174 split.

I went shopping for car insurance, and wonder of wonders. I called the local offices of another national firm and they sent a live, flesh-and-blood representative to the house.

He sat and chatted pleasantly, which is something a data processing machine never does. He jotted figures with pen and paper. He even chuckled.

By the time he closed his briefcase I had what I considered vastly-improved liability insurance coverage at a premium \$200 lower.

If I needed it, he could even arrange time payments.

The new company may require an investigative consumer report, too. But under Dade County's disclosure law, effective Aug. 30, the investigating firm will have to let me know — on demand — what information my file contains and how it was obtained.

That's a comfort.

The new policy also gives me a whole new identity.

No longer will I be known simply as T 272174.

THE MIAMI HERALD 33-D
Sunday, July 14, 1974

J1-81 Miscellaneous Employment

FIELD representative needed. Full or part time. Large national firm making insurance inspections. Must have car, other qualifications discussed on interview. Bi-lingual preferred. Call 643-5411. Equal Opportunity Employer.

Monday, July 15, 1974

J1-81 Miscellaneous Employment

22-D THE MIAMI HERALD

J1-81 Miscellaneous Employment

FIELD representative needed. Full or part time. Large national firm making insurance inspections. Must have car, other qualifications discussed on interview. Bi-lingual preferred. Call 643-5411. Equal Opportunity Employer.

THE MIAMI HERALD 15-D

Tuesday, July 16, 1974

J1-81 Miscellaneous Employment

FIELD representative needed. Full or part time. Large national firm making insurance inspections. Must have car, other qualifications discussed on interview. Bi-lingual preferred. Call 643-5411. Equal Opportunity Employer.

16-E THE MIAMI HERALD

J1-81 Miscellaneous Employment

Wednesday, July 17, 1974

J1-81 Miscellaneous Employment

FIELD representative needed. Full or part time. Large national firm making insurance inspections. Must have car, other qualifications discussed on interview. Bi-lingual preferred. Call 643-5411. Equal Opportunity Employer.

25-C THE MIAMI HERALD

J1-81 Miscellaneous Employment

Thursday, July 18, 1974

FIELD representative needed. Full or part time. Large national firm making insurance inspections. Must have car, other qualifications discussed on interview. Bi-lingual preferred. Call 643-5411. Equal Opportunity Employer.

THE MIAMI HERALD 19-D

J1-81 Miscellaneous Employment

Friday, July 19, 1974

FIELD representative needed. Full or part time. Large national firm making insurance inspections. Must have car, other qualifications discussed on interview. Bi-lingual preferred. Call 643-5411. Equal Opportunity Employer.

As of 7/8/74 not a registered fictitious name in Dade County and as of 7/23/74 not a corporation operating in Florida.

Employment ads of Retail Credit Company, nation's largest insurance/employment/inspection reporting firm, a \$200 MILLION per year MONOPOLY

The Credit Bureau of Greater Miami is owned through the Credit Bureau, Inc. by Retail Credit Company of Atlanta, Ga.

DADE REPORT

MIAMI NEWS

5A
Tuesday, July 23, 1974



JACK ROBERTS

Credit Bureau foulup

Early in June, Astrid Moreno decided to buy a washing machine from Sears in Coral Gables. She was "turned down" on the basis of a report from the South Florida Regional Agency, which is better known as the Credit Bureau of Greater Miami.

She couldn't believe it. A Cuban refugee who came to this country in 1962, Mrs. Moreno and her husband, Julio, pride themselves on always paying their bills on time.

"My husband and I believe that Cubans have to set good examples of how the foreign born behave in this country," says Mrs. Moreno. "We charge things like other people but we always pay on time."

Anyway, after repeated calls to the Credit Bureau, Mrs. Moreno discovered that the Credit Bureau had reported to Sears that a Julio Moreno had failed to pay a bill at the J.C. Penney Store. This was a jolt because Julio and Astrid Moreno had never had a charge account at Penney's. Furthermore, the address listed for the Moreno who charged at Penney's was totally unknown to Julio and Astrid.

When Mrs. Moreno revealed this to a clerk at the Credit Bureau she thought the matter would be cleared up soon. But as the weeks dragged by she began to get pretty hot over the matter.

Clerks fail to satisfy her

One clerk, she says, told her the Credit Bureau was six weeks behind in its work. Another clerk hung up on her and a third left her waiting on the phone 55 minutes.

"Angry, she went to the expense of making two long-distance calls to the regional headquarters of Penney's in Atlanta. She says she was assured that it was all a mistake and that Penney's would so notify the Credit Bureau here and send her a copy of the letter. The letter never arrived.

Finally, last week Mrs. Moreno was notified by Sears that she had been approved for credit. . . not because the Credit Bureau had come through with a correction but because the Morenos had been good Sears credit customers when they lived in North Carolina.

This made Mrs. Moreno angrier. How was she going to get the blot off her record? What about the next time she and her husband asked for credit? Her husband operates a small sales business. Their good credit is an invaluable asset.

I told Mrs. Moreno I would go with her to the Credit Bureau at 14701 NW 7th Ave. On our arrival yesterday, George Beyer, the manager, had a computer readout pulled on the Moreno's credit record. Sure enough, there was an unpaid bill listed for Penney's.

Beyer questioned her about the address listed and then called for her "consumer file," which apparently reflected some of her calls to the agency.

So why the bum rap?

This record noted that someone in the Credit Bureau had put through an order to delete the Penney's bill from the Moreno file. OK, why was the computer still spitting out a bum rap against the Morenos?

Beyer said it was all a mistake, that someone failed to take off the faulty address from the Moreno file and the computer was still mashing them up with information gathered from Penney's computer.

Beyer said the Credit Bureau had sent a letter to Sears July 7 making the correction. Later I talked with the Sears credit manager, who said he never received any such letter. He said granting of credit to Mrs. Moreno was based on her North Carolina experience as a Sears customer.

Beyer apologized to Mrs. Moreno and had the record corrected while we waited. I wondered why someone couldn't have done that six weeks ago.

If this happened to me I'd want to kick a computer in the face. Reading my mind, Beyer said newsmen are uniformly unfair to those who report on credit.

I think Beyer was getting a little weary of me. This visit marked the third time I've had to accompany a reader to the Credit Bureau to correct faulty reports.

Employment ads of Hooper-Holmes Bureau, Inc., nation's second largest insurance/employment/inspection reporting firm which is perhaps 10 or 15% the size (in annual volume) of the industry leader, Retail Credit Company

Sunday, July 21, 1974

J1-81 Miscellaneous Employment

THE MIAMI HERALD 33-C

J1-28 Positions Wanted

INVESTIGATORS
NATIONAL concern needs insurance inspectors. Must be female. Must be good typist. Dade and Broward counties. Excellent earnings \$500-\$1000 per month after training period. No. Hoel, Dade 24-533, Broward 572-2178.

Monday, July 22, 1974

THE MIAMI HERALD 21-C

J1-81 Miscellaneous Employment

INVESTIGATORS

NATIONAL concern needs insurance inspectors. Must be female. Must be good typist. Dade and Broward counties. Excellent earnings \$500-\$1000 per month after training period. No. Hoel, Dade 24-533, Broward 572-2178.

Tuesday, July 23, 1974

28-D THE MIAMI HERALD

J1-81 Miscellaneous Employment

INVESTIGATORS

NATIONAL concern needs insurance inspectors. Must be female. Must be good typist. Dade and Broward counties. Excellent earnings \$500-\$1000 per month after training period. No. Hoel, Dade 24-533, Broward 572-2178.

COLLECTIONS \$1400!

MUST be experienced, good at phone, national company. Extra good benefits. Arne Travers Employment, 1820 N.E. 43 St., 759-7214.

WIOD
610 RADIO

Editorial

The metro commission chickened out in the end, but did approve a countywide ordinance regarding snooping by investigators for credit and insurance companies. The watered-down version of the law gives citizens the right to see all the information compiled on them. That's a start in the right direction. But we've still got a long way to go before we are protected from having neighborhood gossip end up in some business's file and used as the basis for denying credit or insurance. At least, under this law, you are entitled to see your report. Also, investigators can't call on your neighbors asking personal information about you without being invited to do so. If the neighbors do consent, you'll at least find out who your friends are and what they said about you. Just knowing this should curb the wagging tongues of next-door gossips.

The law was supposed to have gone into effect last Friday. But, during a later meeting on another subject, the Metro Commissioners granted credit investigators additional time to prepare for complying with the ordinance. WIOD can't figure out why they need time to comply with this particular ordinance. We see it as a delaying tactic and only hope it doesn't mean the Metro Commission is about to get cold feet. It's a weak law at best, but we need it. And we need it as a foundation upon which to build a strong measure to outlaw such snooping altogether.

BROADCAST: Monday, July 15, 1974, 8:10 AM and 9:05 PM

by Phil Costin, General Manager

P.O. BOX 1177 • MIAMI, FLORIDA 33138 • (305) 759-4311

Title
Retail Credit Company
Miami, Florida
Autitrust
OO: MM

OAA
E.C. [unclear]
8-12-74
[unclear]

Index
David P. Weinberger

60-571-2

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AUG 12 1974	
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Call Mr. Weinberger + tell him
we will send him info to the AT Div.



David P. Weinberger
5920 S.W. 16th Terrace
West Miami, Florida 33155

(305) 665-7238

August 2, 1974

Kenneth W. Whittaker, Special-Agent-in-Charge
Federal Bureau of Investigation
3801 Biscayne Boulevard
Miami, Florida 33152

Dear Mr. Whittaker:

I am concerned over the possibility that a criminal violation of antitrust laws may occur in Dade County which will have a drastic effect not only on our citizens but perhaps ultimately on many other Americans. Let me explain.

BACKGROUND

Retail Credit Company is the nation's leading "investigative consumer reporter" (see 15 USC Sec. 1681a(e)). Its clientele includes almost every major insurer in the United States offering personal forms of coverage (life, health and accident, automobile liability and other casualty insurance). Only 21% of its volume by its own figures (1972 and 1973 annual reports) is credit reporting. The balance is almost entirely investigative service to the insurance industry (some \$160 MILLION per year). As far back as 1916 the life insurance industry, even then concerned about overdependence upon one source of information, took action to create an alternate source (American Inspection Bureau, now of Chicago, Illinois). In 58 years ASB has not been able to dislodge Retail Credit's principal but weak competitor, Hooper-Holmes Bureau, Inc. so that Retail Credit Company today is at least 75% of the entire insurance 'inspection reporting' business done in the United States today. On Oct. 16, 1968 the antitrust division of the U.S. Department of Justice 'routinely requested' antitrust information from Retail Credit. Only a few months after the Nixon administration took office the inquiry ended with no violations found. Then a few months later the President appointed RCC's president to an honorary post with the National Alliance of Businessmen on what I and others consider a very undeserving record. Retail Credit has been involved in attempts to intimidate legislative aides at federal and state levels; in the former an out-of-court settlement was reported in the Congressional Record and the latter has resulted in a large civil suit in Minneapolis earlier this year. In 1971 Retail Credit was indicted in New York on three felony counts (bribery, conspiracy and rewarding official misconduct) and it quickly entered a guilty plea (along with seven other major detective agencies) to the lone misdemeanor count of 'giving a municipal employee an unlawful gratuity.' There are two pending FTC complaints against Retail Credit; the first, in November 1972, alleges anti-competitive practices in RCC's ownership of 5% of the nation's credit bureaus (but doesn't address itself to RCC's lock on the insurance market). The later FTC complaint brought in December 1973 alleges violations of the Federal Trade Commission and federal Fair Credit Reporting Acts. It appears that neither FTC complaint will be resolved short of litigation, probably including appeals as well as administrative proceedings. When protests were made to the White House by this writer over the appointment of RCC's president to the National Alliance of Businessmen in 1969-1970, President Nixon's personal secretary wrote to deny that the appointment was made by the White House (though four sources including NAB's press release suggested otherwise). In 1973 Retail Credit Company suffered a civil antitrust judgement on appeal.

Mr. Kenneth W. Whittaker (continued)

THE SOURCE OF MY CONCERN

Under 15 USC 1681t, the federal Fair Credit Reporting Act does not preempt the field of credit reporting to federal legislation exclusively. When several local incidents in the Miami area in recent years brought considerable attention to Retail Credit's methods of operation, interest in further legislation developed after the credit reporting industry killed Representative Dubbin's state bills two years in succession (1973 and 1974). On July 2nd the Metro Dade County Commission enacted the ordinance herewith attached which was scheduled to go into effect on July 12th. Thereafter an emergency ordinance was rammed through by unanimous vote to delay the law from taking effect until August 30th. On July 22nd the president of Retail Credit Company wrote stockholders that

"...(t)here continues to be some activity in state and county legislation. A new ordinance in Dade County, Florida, for example, would restrict the flow of business information to the Miami business community which, in turn, would be a disservice to all Miami residents. WE ARE CURRENTLY WORKING TO OBTAIN RELIEF FROM ITS RESTRICTIONS..." (emphasis added)

The gist of the ordinance is that calls by underpaid, poorly trained, supervised and qualified 'inspectors' on private residences for the purposes of asking about neighbors without the advance consent of the resident called upon would be a criminal nuisance, especially since production quotas and quotas for derogatory information have been levied upon Retail Credit field personnel judging by company documents and Congressional testimony. The ordinance seeks to have the effect of compelling insurers to grant coverage on more relevant information than often uncorroborated hearsay not only about drinking habits but homosexuality (see attached RCC letters instructing field personnel in how to conduct such inquiries).

Since Retail Credit's reputation is too tarnished now to enable it to seek Commission reversal itself, I am concerned that it is putting its insurance customers up to claiming to members of the Commission that the writing of all forms of personal coverage may have to cease in Dade County unless this part of the ordinance is withdrawn. I do not believe that the McCarran-Ferguson Act of 1945, relegating control of insurance companies to state authorities, would permit the insurance companies to act in concert for the purpose of blocking legislation. The ordinance passed by a 5-3 vote which would have been 6-3 if the late Mayor Jack Orr had been well enough to attend the Commission's meeting on July 2nd. Several local newspapers and radio stations have applauded the ordinance in question, and as you can see there has been considerable local news coverage.

I think there is a serious situation here which warrants investigation. A former United States Senator is a member of the Commission and I believe it would be in the public interest to attempt a discreet inquiry to ascertain just what pressures have been brought. If the insurance industry is trying to bludgeon the Commission with a threat to reducing the volume of coverage written here, we have a situation of interstate business attempting to thwart local legislation by duly elected public representatives---a matter at least as serious in its sinister implications as Watergate.

I ask that you consider the matter and determine if an investigation is warranted (as I believe it is). A copy of this letter is being forwarded to the head of the antitrust division of the Department of Justice, whose consumer affairs section has also been contacted by the undersigned.

DPW/dpw copy: file;

Antitrust Division, U.S.
Dept. of Justice, Washington

Yours very truly,

David P. Weinberger
David P. Weinberger

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RETAIL CREDIT COMPANY

INFORMATION FOR BUSINESS DECISIONS • HOME OFFICE ATLANTA, GEORGIA



February, 1972

Dear Fellow Worker,

I don't know you but I see the results of your work. In fact, it is my job to determine how you do your job, so we are in this together. I often wish I could talk to you so we could understand and help each other.

Believe me -

It Makes the Difference

This Doesn't Tell the Story -

- "Insured drinks to excess on weekends."
- "Drinks to excess on special occasions."
- "Drinks to feeling good and drives afterward."
- "Drinks a few beers daily."
- "Is criticized for being a heavy drinker."
- "Used to drink a lot but quit."

We Haven't Done the Job Unless

We've Found Out and Reported

- What he drinks.
- How often he drinks - daily, weekly, monthly, 2-3 a year?
- How much he drinks -
 - If daily - how many, and where, and when?
 - If on weekends - every weekend, or most, or 1-2 a month?
 - If to excess - feeling good on loud and boisterous or intoxicated?
 - how often - daily, weekly, monthly, 1-2 a month, 2-3 a year?
- Where he drinks - home, tavern, lounge, club, parties, on the job?
- When he drinks - evenings, lunch, on the way home from work?
- How long - if he quit, specifically when and why?
- Does he drive afterwards?

I hope you will keep this and find it of some benefit.

Most sincerely,

Ann Analyst
Quality Analysis Division
Research Department

RETAIL CREDIT COMPANY

INFORMATION FOR BUSINESS DECISIONS • HOME OFFICE ATLANTA, GEORGIA



March, 1972

Dear Fellow Worker,

Your response to my first attempt to get together in our thinking on how to do our job better encourages me to send you my suggestions on another area of our work.

It Makes the Difference

This Doesn't Tell the Story -

- "Lives common law."
- "Lives with Mr. _____ (different name) but sources do not know the relationship."
- "Subject living with woman without benefit of marriage."
- "He is divorced because of his association with other women."
- "He lives with another man and sources suspect them of living in an immoral relationship."

We Haven't Done the Job Unless

We've Found Out and Reported -

- Current marital status -
 - If divorced - when, why, whose fault?
 - If separated - how long, cause, divorce planned?
- Past and present moral reputation -
 - If promiscuous - extent, class of partners?
 - If particular affinity - how long, criticized, partner benefited?
 - If living with partner - how long, children, stable home, criticized, is there living undivorced spouse?
 - If illegitimate child - how old, circumstances, favorable reputation regained, living and working conditions?
- Possible homosexuality -
 - How determined - living together, demonstrates affection for partner in public, dress and/or manner, criticized, associates with opposite sex?

note!!

over!!

Most sincerely,

Ann Analyst
Quality Analysis Division
Research Department

See reverse side for Retail Credit Company internal memoranda giving procedure for reporting homosexual tendencies and drinking habits.



JACK ROBERTS

Feb. 13, 1973

Miami (Fla.) NEWS

Credit sleuth adds devastating footnote

Lucille loves Frank, and Frank loves Lucille. They plan to get married soon, but this really isn't any business of yours, mine, or an outfit's called Retail Credit Co.

Frank and Lucille, you see, started living together about a year ago, thinking at the time they eventually might want to get married. The arrangement is fairly commonplace in our society today.

As far as marriage was concerned, they had two strikes against them. Lucille, 30, is Catholic; Frank, 27, is Jewish. This meant that relatives in distant cities had to be given time to prepare for the shock of a religious stranger coming into the family.

Nevertheless, from what I can determine, Frank and Lucille are about as straight as a couple can get. She sells insurance. He works in hotel sales. They live a very ordinary life . . . no wild parties . . . no excesses that show. They don't really know their neighbors in the northeast section apartment complex where they live, although Lucille has lived there for more than five years. .

Lucille was a hostess of Modern Air for 5½ years, losing her job when the nonscheduled carrier moved its offices to Germany a year ago. For six months, she worked for a Beach convention firm, and for the last five months she has been selling insurance for a firm that isn't too well known.

Sought job with top firm

Then Lucille applied for a job here at one of the most prestigious insurance firms in America. The people doing the hiring obviously liked her. The deal seemed set. She would be put through a three-year training course, which would end up with her having an agency of her own. During that period, she'd earn \$200 a week plus bonuses, which would be set aside for her own business someday.

Then came the report from Retail Credit Co., 666 NE 125th St. The gist of the whole report was that Lucille was what she said she was, had no financial problems, wasn't involved in alcohol or drugs and was well thought of where she lived.

At the bottom of the report, however, was a devastating paragraph that said Lucille was living with a man and Retail Credit didn't know anything about their relationship.

This, said her would-be employer, might blow a mind or two when her application was submitted to the Atlanta and Hartford offices of the insurance firm. The would-be employer asked Retail Credit if this one damaging paragraph could be deleted from the report. The answer was no.

ADULTERY AND FORNICATION

Florida Statutes—1972

CHAPTER 798

ADULTERY AND FORNICATION

798.01 Living in open adultery.—Whoever lives in an open state of adultery shall be guilty of a misdemeanor of the second degree, punishable as provided in §775.082 or §775.083. Where either of the parties living in an open state of adultery is married, both parties so living shall be deemed to be guilty of the offense provided for in this section.

History.—§1, ch. 1938, 1974; RS 2535; GS 3518; RGS 5408; CGL 7550; §772, ch. 71-136. cf.—§741.5, Incest.

798.02 Lewd and lascivious behavior.—If any man and woman, not being married to each other, lewdly and lasciviously associate and cohabit together, or if any man or woman, married or unmarried, engages in open and gross lewdness and lascivious behavior, they shall be guilty of a misdemeanor of the second degree, punishable as provided in §775.082 or §775.083.

History.—§6, sub-ch. 8, ch. 1637, 1968; RS 2595; GS 3519; RGS 5407; CGL 7550; §773, ch. 71-136.

798.03 Fornication.—If any man commits fornication with a woman, each of them shall be guilty of a misdemeanor of the second degree, punishable as provided in §775.082 or §775.083.

History.—§8, sub-ch. 8, ch. 1637, 1968; RS 2597; GS 3520; RGS 5408; CGL 7551; §774, ch. 71-136.

Deletion requested

Then Lucille called on Robert J. Kammer, manager of Retail Credit, and asked him to delete the paragraph. Kammer refused, saying he had a duty to the firm that hired him to tell what he knew.

I went with Lucille to Kammer's office for a second-try. The answer was still no. Kammer said Lucille's record would stay on file with Retail Credit for the next two years. That's federal law, he said. If anyone asks for another employment report on Lucille, the investigator assigned to make out a new report will have the benefit of the old report to go by.

I told Kammer that this provided Lucille with a dandy "criminal" record. He said that was my opinion, not his.

As a matter of fact, I couldn't get Kammer to admit if he approved of Lucille as a person or not, based on the facts contained in Retail Credit's report. Kammer said his job was to get facts and not make his opinions known.

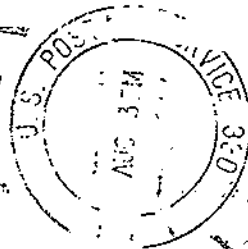
I persisted, wanting to know if he would hire a sharp gal like Lucille? He said he might consider it, but he'd have to know a lot more.

Kammer said he would amend Lucille's file to state that she was planning to get married.

As far as I'm concerned, that has nothing to do with her credit or her ability to sell insurance. It's just one of those things where the older generation sits around poking sticks at the younger folks.

Obviously, I disapprove of the way Lucille has been shoved around, or I wouldn't have gone to Kammer's office. He didn't seem enthralled with me either. Sorry, but I think this kind of fooling around with people's lives is ridiculous. I hope those people at the insurance company stand up for Lucille's rights and hire her.

David P. Weinberger
5920 S.W. 16th Terrace
West Miami, Florida 33155



Mr. Kenneth W. Whittaker
Special Agent in Charge
Federal Bureau of Investigation
3801 Biscayne Blvd.
Miami, Fla. 33152

~~PERSONAL & CONFIDENTIAL~~

~~PERSONAL & CONFIDENTIAL~~



THE TRAVELERS

Dear Policyholder,

Sometime during the coming two months, you may be contacted by a representative of the Retail Credit Company. They are a large and reputable independent reporting company which provides business information to The Travelers as well as many other businesses. They have been asked by us, to provide additional information and to verify existing information on our records given to us by you and your agent. The purpose in doing this is to be sure we have your policy rated correctly.

The information developed in such a report consists of a confirmation of your identity, age, residence, marital status including numbers of children, and your employment; the number and types of automobiles in the household, how the automobiles are used (business or pleasure); driving record and habits of each driver, including past violations and accidents they may have suffered; health impairments; use of alcohol and drugs, if any; living conditions, whether residential or business, new, stable or deteriorating; and information relating to your reputation in the community. Typically the policyholder or member of his family is interviewed. Other information may be obtained through interviews with your business associates, friends and neighbors.

This is a normal underwriting procedure utilized countrywide by The Travelers and many other insurance companies. One of the most frequent questions asked by our policyholders is, "Will my insurance rates go up or down as a result of this report?" This will vary of course from case to case. It depends to a large extent upon the accuracy of the information given to us by you and your agent. However, in the majority of cases, there was no additional cost at all.

We hope the above will answer some of your questions about why this is being done and what you may expect when contacted.

Sincerely,



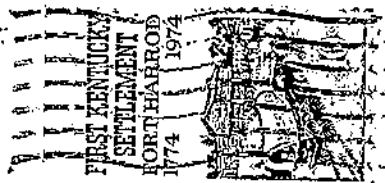
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SEARCHED	INDEXED
SERIALIZED	FILED
AUG 17 1974	
FBI - MIAMI	

Alber

David P. Weinberger
5920 S.W. 16th Terrace
West Miami, Florida 33155



Mr. Kenneth Whittaker
Agent-in-Charge
Federal Bureau of Investigation
3801 Biscayne Blvd.
Miami, Fla.

5920 SW 16th Terrace
West Miami FL 33155
August 15, 1974

Kenneth Whittaker
Special-Agent-in-Charge
Federal Bureau of Investigation
3801 Biscayne Blvd.
Miami, Fla.

Dear Mr. Whittaker:

re: Metro Dade County ordinance 74-55; insurance
industry; antitrust; "investigative consumer
reporting"

[redacted] of your office has acknowledged receipt of my recent letter
to you on the above subjects.

b6
b7c

I attach a copy of a letter put out to insurance policy applicants and policy-holders who are about to be investigated by the leading 'inspection reporting' company in America (which dominates the insurance investigation field to the extent of at least 75% of volume done by the four leading national firms in that field).

The insurance industry founded American Service Bureau, now of Chicago, in 1916 out of concern with over-reliance on Retail Credit Co. even then. In 58 years ASB has only been able to penetrate the life and accident/health investigation fields to the extent of about 15% of such work by the leading national firms. The proximity of the insurance industry to the leading 'inspector' is apparent from the attached letter. In my view a serious legal question of the independence of insurance inspection reporting firms exists. The anti-competitive effects on the American population are severe. If an applicant felt mistreated by Retail Credit Company in its investigation of him, he would be a good deal less likely to complain to Travelers because of its support to Retail Credit and the applicant's fear that Travelers might decline him if he did complain about the investigation. For Travelers to push one inspector over another in my view inhibits competition among the inspectors (or at least, what little competition still exists). Insurance today isn't a right, but neither is it a luxury.

My concern has mostly been with a collective attempt by issuers of all forms of personal coverage in Dade County (life, A&H, auto liability and certain other forms of casualty insurance, and bonding) to cut back on activity here or withdraw altogether from business in Dade County if ordinance 74-55 is not repealed or emasculated. This enactment makes it a public and criminal nuisance for "investigative consumer reporters" (see 15 USC Sec. 1681a, definitions) to call at private residences for the purpose of asking about neighbors without the advance consent of the resident called upon. Implicit is the claim that poorly paid, trained and supervised 'inspectors' with production and derogatory information quotas on them are such a nuisance; this proposition is properly contested in the courts and not by attempts to improperly interfere with the legitimate exercise of legislative authority by the Dade County Commission. Ordinance 74-55 has no (direct) effect on investigative agencies of the United States such as the FBI.

Yours very truly,

David P. Weinberger
David P. Weinberger

DPW/dpw attachment

copy: file; [redacted]

[redacted] Consumer Affairs
Section, Anti-trust
Division, US Dept. of
Justice, Washington, DC

b6
b7c

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE MIAMI	OFFICE OF ORIGIN MIAMI	DATE 8/30/74	INVESTIGATIVE PERIOD 8/12/74 - 8/27/74	b6 b7C
TITLE OF CASE RETAIL CREDIT COMPANY MIAMI, FLORIDA		REPORT MADE BY <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		TYPED BY nad
		CHARACTER OF CASE ANTITRUST		

- C -

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			

APPROVED *[Signature]* SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

60	571	5	
Searched _____	Indexed _____	Serialized _____	Filed _____

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COPIES MADE:

- 2 - Bureau (Encs. 14)
- ① - Miami (60-571)

nad

Dissemination Record of Attached Report				
Agency				
Request Recd.				
Date Fwd.				
How Fwd.				
By				

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

Report of:

Office: Miami, Florida

b6
b7c

Date:

August 30, 1974

Field Office File #:

60-571

Bureau File #:

Title:

RETAIL CREDIT COMPANY
MIAMI, FLORIDA

Character:

ANTITRUST

Synopsis:

DAVID P. WEINBERGER, West Miami, Florida, expressed suspicion that Retail Credit Company (RCC), Miami, is influencing insurance companies up to threats of withdrawal of insurance coverage from Dade County, Florida, if a recently enacted ordinance curtailing activities of credit and insurance investigators remains in effect. He believes this is indication of monopolistic power of RCC, in view of lack of effective competition.

- C -

**ENCLOSURES TO BUREAU
FOR TRANSMITTAL
TO ANTITRUST DIVISION**

1. Copy of letter from DAVID P. WEINBERGER to Federal Bureau of Investigation, Miami, dated August 2, 1974.
2. Copies of February, 1972 and March, 1972, RCC letters to employees.
3. Copy of JACK ROBERTS' column, Miami News, February 13, 1973.
4. Copy of Dade County Ordinance Number 74-55.

MI 60-571

5. Copy of Miami Herald Notice, June 28, 1974, and copy of Miami News "Dade Report", July 1, 1974.
6. Copy of Miami News articles July 1, 1974 and July 2, 1974.
7. Copy of Miami News articles, July 3, 1974.
8. Copy of Miami Herald article, July 3, 1974.
9. Copy of Miami Herald article, July 5, 1974.
10. Copy of Dade County Ordinance Number 74-57.
11. Copy of Miami Herald articles July 10, 1974 and July 11, 1974.
12. Copy of WIOD Radio Editorial, July 15, 1974.
13. Copy of JACK ROBERTS' column, Miami News, July 23, 1974.
14. Copy of letter from DAVID P. WEINBERGER to Federal Bureau of Investigation, Miami, dated August 15, 1974.

DETAILS:

AT MIAMI, FLORIDA

By letter dated August 2, 1974, and received August 12, 1974, to the Miami Federal Bureau of Investigation Office, Mr. DAVID P. WEINBERGER, 5920 S.W. 16th Terrace, West Miami, Florida, alleged the possibility of criminal violation of the antitrust laws by the Retail Credit Company (RCC). He alleged that RCC has at least 75 percent of the entire insurance inspection reporting business done in the United States. He expressed the fear that RCC is "putting its insurance customers up to claiming to members of the Metro Dade County Commission, Dade County, Florida, that the writing of all forms of personal insurance coverage may have to cease in Dade County unless a portion of the recently passed Ordinance Number 74-55 is withdrawn.

WEINBERGER enclosed a copy of Ordinance Number 74-55, a portion of which would prohibit credit investigators from "going in and upon private residences in Dade County"... "for the purpose of obtaining information on a customer's character, general reputation, personal characteristics or mode of living through personal interviews with neighbors, friends, associates or acquaintances of a consumer" unless requested or invited by the occupant.

WEINBERGER in his letter said there are two pending Federal Trade Commission complaints against RCC: "the first, in November, 1972, alleges anti-competitive practices in RCC's ownership of 5 percent of the nation's credit bureaus (but doesn't address itself to RCC's lock on the insurance market).. The later FTC complaint brought in December, 1973 alleges violations of the Federal Trade Commission and Federal Fair Credit Reporting Acts".

WEINBERGER further stated in his letter, "On July 2nd the Metro Dade County Commission enacted the ordinance herewith attached which was scheduled to go into effect on July 12th. Thereafter, an emergency ordinance was rammed through by unanimous vote to delay the law from taking effect until August 30th." WEINBERGER enclosed a copy of this ordinance also, Number 74-57.

WEINBERGER's letter continued, "On July 22nd the President of the Retail Credit Company wrote stockholders that ...'(t) here continues to be some activity in State and County legislation. A new ordinance in Dade County, Florida, for example, would restrict the flow of business information to the Miami business community which, in turn, would be a disservice to all Miami residents. WE ARE CURRENTLY WORKING TO OBTAIN RELIEF FROM ITS RESTRICTIONS...' (emphasis added)."

WEINBERGER also enclosed with his letter copies of various newspaper commentaries on the above ordinance. He also enclosed copies of RCC letters to employees commenting upon the manner in which they should conduct their investigations.

FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 8/22/74

Mr. DAVID P. WEINBERGER telephonically contacted Special Agent [redacted] in response to a message left for him at his home telephone.

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b7C

Special Agent [redacted] informed Mr. WEINBERGER that the information in his letter to the Miami Federal Bureau of Investigation Office dated August 2, 1974, would be furnished to the Department of Justice.

Mr. WEINBERGER informed that since he had written his letter, he has come into possession of a copy of a letter from the District Manager of the Travelers Insurance Company to its policyholders informing them that sometime in the coming two months they might be contacted by a representative of the Retail Credit Company, and outlining the nature of questions they might be asked and explaining the purpose. He said he believes this shows the close connection between the insurance companies and Retail Credit Company. He said he would forward a copy of the letter by mail to the Miami Federal Bureau of Investigation Office.

Interviewed on 8/14/74 at Miami, Florida File # Miami 60-571
by SA [redacted] : nad Date dictated 8/16/74

b6
b7C

- 4 -

MI 60-571

By letter dated August 15, 1974 and received August 17, 1974, Mr. WEINBERGER forwarded a copy of a letter, undated, on the letterhead of "The Travelers", signed by [REDACTED] addressed to "Dear Policyholders" and informing that the policyholder might be contacted by a representative of the Retail Credit Company, which company provides business information to The Travelers as well as many other businesses. It was explained that the purpose would be to provide additional information and verify existing information to ensure the policy was rated correctly. The letter also pointed out that "Other information may be obtained through interviews with your business associates, friends and neighbors". It was pointed out that this is a normal underwriting procedure utilized by The Travelers and other insurance companies.

In his letter Mr. WEINBERGER reiterated, "My concern has mostly been with a collective attempt by issuers of all forms of personal coverage in Dade County (life, A&H, auto liability and certain other forms of casualty insurance, and bonding) to cut back on activity here or withdraw altogether from business in Dade County if ordinance 74-55 is not repealed or emasculated".

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FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 8/30/74

Mr. DAVID P. WEINBERGER, 5920 S.W. 16th Terrace, South Miami, Florida, telephonically informed as follows:

Mr. WEINBERGER had asked for an appointment to see the Dade County Attorney, and went to the latter's office on August 28, 1974, expecting to see the County Attorney. Instead, he was met by an Assistant County Attorney, who showed him a proposed revised ordinance which will be presented to the County Commission as a replacement for Ordinance Number 74-55 pertaining to Fair Credit Disclosure, etc.

This proposed revised ordinance is much milder than Number 74-55 and Mr. WEINBERGER believes this is a further indication that the Retail Credit Company (RCC) may have prompted its insurance company clients to threaten the Dade County Commission with withholding all insurance coverage in Dade County if Ordinance Number 74-55 was put into force. He knows from conversations with legislators that the credit investigation and insurance investigation lobby is very powerful. He interprets this latest action as further indication of the monopolistic power of RCC.

Mr. WEINBERGER added that, seventeen years ago, he, himself, had suffered unjustly as the result of irresponsible reporting by RCC in connection with his efforts to gain employment by the IBM Corporation. He has subsequently spent a great deal of time and money in attempting to curb the activities and power of RCC. He has studied law and, at age 44, has just last month received his law degree.

Mr. WEINBERGER plans to contact the news media in an attempt to marshal public opinion against the elimination of Dade County Ordinance 74-55.

Interviewed on 8/27/74 at Miami, Florida File # Miami 60-571

by SA : nad Date dictated 8/29/74

- 6* -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/22/74

Mr. DAVID P. WEINBERGER telephonically contacted Special Agent [redacted] in response to a message left for him at his home telephone.

b6
b7C

Special Agent [redacted] informed Mr. WEINBERGER that the information in his letter to the Miami Federal Bureau of Investigation Office dated August 2, 1974, would be furnished to the Department of Justice.

Mr. WEINBERGER informed that since he had written his letter, he has come into possession of a copy of a letter from the District Manager of the Travelers Insurance Company to its policyholders informing them that sometime in the coming two months they might be contacted by a representative of the Retail Credit Company, and outlining the nature of questions they might be asked and explaining the purpose. He said he believes this shows the close connection between the insurance companies and Retail Credit Company. He said he would forward a copy of the letter by mail to the Miami Federal Bureau of Investigation Office.

Interviewed on 8/14/74 at Miami, Florida File # Miami 60-571-6
 by SA [redacted]: nad Date dictated 8/16/74

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/30/74

Mr. DAVID P. WEINBERGER, 5920 S.W. 16th Terrace, South Miami, Florida, telephonically informed as follows:

Mr. WEINBERGER had asked for an appointment to see the Dade County Attorney, and went to the latter's office on August 26, 1974, expecting to see the County Attorney. Instead, he was met by an Assistant County Attorney, who showed him a proposed revised ordinance which will be presented to the County Commission as a replacement for Ordinance Number 74-55 pertaining to Fair Credit Disclosure, etc.

This proposed revised ordinance is much milder than Number 74-55 and Mr. WEINBERGER believes this is a further indication that the Retail Credit Company (RCC) may have prompted its insurance company clients to threaten the Dade County Commission with withholding all insurance coverage in Dade County if Ordinance Number 74-55 was put into force. He knows from conversations with legislators that the credit investigation and insurance investigation lobby is very powerful. He interprets this latest action as further indication of the monopolistic power of RCC.

Mr. WEINBERGER added that, seventeen years ago, he, himself, had suffered unjustly as the result of irresponsible reporting by RCC in connection with his efforts to gain employment by the IBM Corporation. He has subsequently spent a great deal of time and money in attempting to curb the activities and power of RCC. He has studied law and, at age 44, has just last month received his law degree.

Mr. WEINBERGER plans to contact the news media in an attempt to marshal public opinion against the elimination of Dade County Ordinance 74-55.

Interviewed on 8/27/74 at Miami, Florida File # Miami 60-571-17
 by SA [redacted] : nad Date dictated 8/29/74

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b7c

(Mount Clipping in Space Below)

Cain Seeks Softer Credit-Check Law

By JOHN CAMP
Herald Staff Writer

The sponsor of Dade's new credit-investigation reform law said Wednesday

that he will ask the Metro Commission to soften provisions that control ways investigators gather information about credit and insurance applicants.

Commissioner Harry Cain said he was convinced that a provision that prohibits the door-to-door soliciting of information "just won't work," and that he will ask that it be removed.

The law is scheduled to go into effect Friday, but

Cain said he would ask that the effective date be delayed until Sept. 30.

"THERE WAS a prohibition against a credit reporting agency going from door to door in a neighborhood to gather information. I thought it was tremendous, but the credit people told me they couldn't live with that restriction," Cain said.

"My reaction to that claim was to say, 'prove it.'" They assigned some of their most experienced people to (try the system under the new law) and after looking at the results, I was satisfied that it didn't work," he said.

Specifically, the law required a credit investigating agency to get prior permission, by letter or telephone, before an investigator could visit a neighbor's home to solicit information about a credit or insurance applicant.

"WHEN THEY showed me that it just didn't work, I was faced with a dilemma. I began thinking about credit investigators, and I got some ads for investigators out of The Herald. The only requirements for some of them is that they be at least 21 and have a car . . .

"After a lot of argument with myself and others, we came up with some ideas that will be offered as amendments (to the law).

"We will strike the provision requiring prior notice, but we will require that all credit investigators have an identification card saying who they are and for whom they work.

"WE WILL ALSO require that all investigators have a training course and an examination, if you will, approved by the Dade County consumer protection division."

"These are improvements that have never been considered before, and they were brought up to get at some of the things that originally inspired me to put in (the prior notice section)," Cain said.

Cain said flatly that "I have changed my mind not because of any pressure from anywhere, but because I've decided that my original position won't work. It's as simple as that."

(Indicate page, name of newspaper, city and state.)

2-B

MIAMI HERALD

MIAMI, FLA.

Date: 8/29/74

Edition:

Author:

Editor:

Title: HARRY CAIN

Character:

or

Classification: 60-571

Submitting Office: MIAMI, FLA.

Being Investigated

SEARCHED 60-571-8 INDEXED
SERIALIZED 25 FILED

AUG 29 1974

C

(Mount Clipping in Space Below)

Cain bows

to insurers,

may drop

snooping ban

(Indicate page, name of newspaper, city and state.)

1-A

MIAMI NEWS

MIAMI, FLA.

Date: 8/28/74

Edition:

Author:

Editor:

Title: HARRY CAIN

Character:

or

Classification: 60-571

Submitting Office: MIAMI, FLA.

Being Investigated

60-571-9

SEARCHED INDEXED
SERIALIZED FILED

AUG 29 1974

[Redacted]

By MORTON LUCOFF and BILL GJEBRE
Miami News Reporters

Metro Commissioner Harry Cain, author of Metro's tough credit reporting ordinance which goes into effect Friday, today offered to drop one of the three major provisions.

Cain said insurance companies and Retail Credit Co., the world's largest credit reporting firm, have told him it would be "difficult to do business" in Dade without the change.

Cain has offered to drop the portion of the ordinance which prohibits snooping by credit investigators.

Cain said he will make proposals to revise the ordinance at the Tuesday meeting of Metro commissioners, even though the ordinance will go into effect this Friday. He said he will move Tuesday to extend the effective date to Sept. 30 so his amendments can be acted on.

"A lot of people from insurance companies have written and said they can't live with this," Cain said. "I agree with them on some things and not on others."

"The investigator is the key who can determine someone's future," Cain said. A primary concern, he said, is that Retail Credit investigators may be ill-trained and make errors on credit reports.

Cain said that he has met with executives of three insurance companies since the ordinance was passed July 2, but he said he does not feel he was intimidated to reverse his position. He said he could not recall the names of the insurance companies which sent representatives to talk with him.

"Nobody has threatened me with anything. But Retail Credit, which makes thousands of credit reports each month, said it didn't know how to continue in business with the provisions."

Cain said he was not interested in going as far as "to knock a business out of business" or make it more time consuming and costly for consumers to get credit clearances.

"This is one of the most difficult problems; trying to help the consumer, but not hurt the business," he said.

The ordinance, passed July 2, had three basic provisions:

- That the subject of a credit report was entitled to get a copy for it, paying the same fee as whoever asked for the investigation.

- That if any derogatory information was contained in the report, the subject had the right to demand and receive the names of those who gave such data to aid in his attempt to refute it.

- That credit investigators would be banned from unauthorized "snooping" — either by personal visit or over the telephone — to obtain information from neighbors, employers or others about those under investigation.

Cain said he will stick by the first two provisions as absolutely necessary for protection of the personal rights of those being checked.

But he said he was willing to drop the third provision in return for three amendments more tightly regulating the investigators.

"Even Retail Credit said to me, 'we agree with you and our other critics on our method of employing investigators,'" Cain said.

● The three new amendments he will sponsor, which Cain says Retail Credit will agree to would be:

- Requiring credit company supervisors to more effectively supervise their investigators. Metro will not regulate this supervision, Cain added, but he still is working on what should be qualifications.

- Require all credit investigators to register with Metro's consumer protection division. The division would have authority over examinations given investigator applicants. The examinations would be based on knowledge of federal and Metro credit reporting laws.

- Require credit reporting firms to inform subjects of reports of any corrections made in them for as long as two years. Federal law sets a six-month limit on notifications.

C

(Mount Clipping in Space Below)

Attorney calls it detective agency

**Retail Credit
sued for fraud**

By **DICK HOLLAND**
Miami News Reporter

A Miami attorney has sued the Retail Credit Co. in federal court, contending that it has practiced fraud and concealment in its relations with the U.S. government.

The attorney, David Weinberger, claims that Retail Credit is, in reality, a detective agency within the meaning of a federal statute which prohibits the U.S. government from hiring such agencies.

Weinberger, a longtime foe of Retail Credit, is suing in a "quint" action, on behalf of both himself and the United States. In the event that the verdict is in favor of the plaintiffs, he would share in any monetary penalties assessed against the defendant.

In conjunction with his suit, Weinberger wrote to Attorney General Edward Levi, asking that if the U.S. Justice department decides not to prosecute the suit, it would not impede Weinberger's private prosecution of it.

The suit asks for a declaratory judgment that Retail Credit is a "detective agency" within the meaning of the U.S. Code.

Techniques used by Retail Credit, largest firm of its type in the U.S., include "pretext" to gather information, personal photographic surveillance, "skip tracing" of missing persons and debtors, retrieval of credit cards, investigation of truth or falsity of insurance claims, use of unmasked informants and the reporting of arrests and criminal

charges, the suit contends. Weinberger said these are all techniques used by detective agencies.

The suit also asks a declaratory judgment that Retail Credit may not furnish to any federal agency — or any state or local agency operating with federal funds — information on the morals or sexual behavior of any person designated as a subject of "investigative consumer reports." Such reports exceed the legitimate need of the government for information on a citizen, Weinberger said.

He also sought a reversal of the ruling by U.S. District Court Judge C. Clyde Atkins on April 1 that Retail Credit and other such companies do not have to reveal the sources of their information.

The suit contends that Retail Credit, because it is a detective agency within the meaning of the U.S. Code, has obtained money illegally from the U.S. government.

And Weinberger asks that the court award to him "such sums as are fair and reasonable compensation for the disclosure of his information leading to the recovery of sums illegally obtained . . ."

The ruling by Judge Atkins involved a Metro ban on snooping by credit and insurance investigating firms. Atkins upheld the part of the law providing that consumers have the right to get copies of investigative reports on them, but do not have the right to learn the sources of the information.

(Indicate page, name of newspaper, city and state.)

5-A

MIAMI NEWS

MIAMI, FLA.

Date: 4/8/75

Edition:

Author:

Editor:

Title: RETAIL CREDIT CO.

Character:
or 60-571

Classification:

Submitting Office: MIAMI, FLA.

Being Investigated

60-571-10

SEARCHED INDEXED
SERIALIZED FILED

APR 8 1975

[Redacted Box]

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#32

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62-22624-1

Handwritten mark

HN:GAT

December 10, 1929.

DEC 11 1929

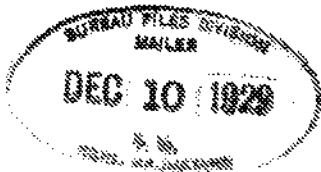
Mr. W. K. Bowling,
P. O. Box 831,
Detroit, Michigan.

Dear Sir:

Receipt is acknowledged with thanks
of your communication of December 8, trans-
mitting a clipping from the Cleveland, Ohio,
Press of December 8, 1929.

Very truly yours,

Director.



Department of Justice

Bureau of Investigation

P. O. Box 831,
Detroit, Mich.

December 5, 1929.

PERSONAL

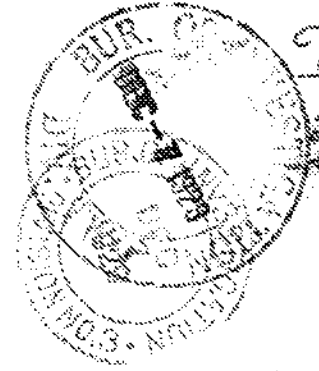
Director,
Bureau of Investigation,
Department of Justice,
Washington, D. C.

Dear Sir:

Attached find clipping from the
Cleveland, Ohio Press of the 2d instant, which
is self-explanatory.

Very truly yours,

W. K. Bowling
W. K. Bowling,
Special Agent.



(2)
(3)

*For information Bureau of Investigation of Department of Justice
Division of Investigation Bureau of Investigation*

W. W.

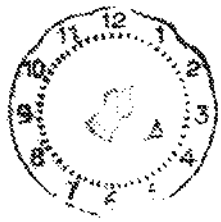
62-22624

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Heng*

*No 11
W.K. Bowling
12/11/29*

RECORDED & INDEXED
DEC 11 1929



DEC 6 1929

62-22624-1
BUREAU OF INVESTIGATION
DEC 7 1929 A.M.
DEPARTMENT OF JUSTICE
Div. of Investigation
Chas. T. ...

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PAYMENT OF POSTAGE GUARANTEED

DEPARTMENT OF JUSTICE
WASHINGTON, D. C.
OFFICIAL BUSINESS

SAWKEN HEADS CHECK BUREAU

Supervise Protection Office of
Cleveland Retail Credit

62-97600

...with assigned to the Cleveland
Office of the Department of Justice
in the arrest and conviction of
John W. Worthington, one of the
country's most notorious bank
robbers.

Worthington was one of the govern-
ment agents who followed the cele-
brated man who became T. Dale
and arrested under the name of
...

They announced that another
operative for the new division
would be retained from ...

John W. Sawken, former deputy
chief of the branch office, will head the
newly organized division of the
Retail Credit Bureau in ...
The new division will give more
full members of the Retail Credit
Bureau's branch operations special
service and attention in addition
to the service of the regular credit
department.

Worthington was with the department
for the past five years, and during
his time supervised the service
of all the government's bank theft
cases.

W. W. ...

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1385328-0

Total Deleted Page(s) = 9

- Page 1 ~ b7D;
- Page 2 ~ b7D;
- Page 3 ~ b7D;
- Page 4 ~ b7D;
- Page 5 ~ b7D;
- Page 6 ~ b7D;
- Page 7 ~ b6; b7C; b7D;
- Page 8 ~ b7D;
- Page 9 ~ b6; b7C; b7D;

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X For this Page X  
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FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1385328-0

Total Deleted Page(s) = 9
Page 6 ~ Referral/Direct;
Page 11 ~ Referral/Direct;
Page 12 ~ Referral/Direct;
Page 13 ~ Referral/Direct;
Page 14 ~ Referral/Direct;
Page 15 ~ Referral/Direct;
Page 16 ~ Referral/Direct;
Page 17 ~ Referral/Direct;
Page 18 ~ Referral/Direct;

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X For this Page X
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REPORT
of the



1 -

FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

To: Bureau of Competition
Federal Trade Commission
Washington, D. C. 20580

September 16, 1974

Attention:

b6
b7c

Re: Retail Credit Company
Docket No. 8920

Clarence M. Kelley
Clarence M. Kelley
Director

FX 104 REC-123

Examination requested by: Addressee

FBI FILE NO.

15-14-101

Reference: Letter dated 9/11/74

LAB. NO.

D-740911077 IK

Examination requested: Document

Qc1 Photocopy of a two-page typewritten memorandum from
 entitled "PROSPECTIVE PURCHASERS OF CBI-7"

b6
b7c

K1 Photocopy of a five-page typewritten letter dated October 15, 1969, and attachment, addressed to Honorable Richard W. McLaren, Assistant Attorney General, Antitrust Division, United States Department of Justice, Washington, D. C., signed

K2 One-page typewritten letter dated June 11, 1970 addressed to the Federal Trade Commission, Bureau of Deceptive Practices, Division of Consumer Credit, 6th and Pennsylvania Avenue, Washington, D. C., signed

Result of examination:

Characteristics in the typewriting on specimen Qc1 indicate that this document was probably prepared on the typewriter employed in the preparation of specimen K2. The fact that specimen Qc1 is a photocopy lacking some of the detail of an original document precluded a definite opinion being reached in this regard.

Enclosures (3)

Page 1

(over)

WSO:jlh
(4)

15 OCT 3 1974
MAIL ROOM TELETYPE UNIT

Clarence M. Kelley
Director

WSO

It was not possible to determine whether specimens Qc1, E1, and E2 were or were not prepared by the same individual or at approximately the same time period.

The submitted documents are returned herewith. Photographs have been retained.

Recorded 9/11/74

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

NO LAB FILE

vpp

Laboratory Work Sheet

Re: Retail Credit Company
Docket No. 8920

File # 95-195218-1
Lab.# D-740911077 IK

Examination requested by: Federal Trade Commission
Washington, D. C. 20580 L. 9/11/74

Examination requested: Document

Date received: 9/11/74

Result of Examination:

Examination by: [redacted] 9/12/74 WSO b6 b7C

- 1 - Check in the two on spec Qc1 indicates that the doc was prob prep on the sever employed in the prep of spec K2. The fact that spec Qc1 is a photocopy lacking some of the detail of an original document, precluded a def opinion being reached in this regard.
- 2 - It was not possible to det whether spec Qc1, K1 + K2, were or were not prep by this same individual or at the, approx same time period.
- 3 - The submitted doc is returned herewith - Keep photo

Honorable

October 19

Qc1 Photocopy of a five-page typewritten letter dated 10/15/69, and attachment, addressed to Richard W. McLaren, Assistant Attorney General, Antitrust Division, United States Department of Justice, Washington, D.C. signed [redacted]

Qc1 Photocopy of a two-page typewritten memorandum from [redacted] entitled "PROSPECTIVE PURCHASERS OF CBI-W"

K2 One-page typewritten letter dated June 11, 1970 addressed to the Federal Trade Commission, Bureau of Receptive Practices, Division of Consumer Credit, 6th and Pennsylvania Avenues, Washington, D.C. signed [redacted]

b6
b7C

Evidence furnished by [redacted] on 9/11/74 WSO

7-1
7-16-74
WSE/S/16

PHOTOGRAPHED
... 974

Qc1	T	A	R	n	W	x	x	E	S	.	
Kc1	✓	✓	✓	✓	✓	K	H	✓		F	

10/19/69

Qc1 prepared on a date later than the date of prep. of spec Kc1 or Qc1 prepared from a reproduction of a Carbon copy on which the degree of damage of the Km-Qc1 is more extensive than on the originals of K1 + K2.

Date of letter

6/4/69 - R A Y k

11/22/69 - m W n A r dx altho different from Qc1 + Kc1, it has A, T, n

1/14/69 A R T n

3/5/69 A K R n W

4/29/69 A K R n W T

4/2/70 A K T

IBM replaced approx 500,000 tubes in 1974 approx. 15% of which were Executive tubes with an approx. 15% the Executive tubes are equipped with Documentary style of tubes. (11,250 tubes)

6/11/70 - T A R W S K n H K F

seven or 8 in week

1961 selective introduced

conservative estimate of chances of this being another tube are 1:1,036,800

Ratio of the number of ways in which an event might occur in any form.

Executive tubes make up 15% of IBM Typobar machines. Tubes equipped with Executive modern type style make up 8% of the total typobar machines.

- T = 1/5
- A = 1/4
- R = 1/4
- W = 1/3
- S = 1/5
- K = 1/4
- n = 1/3
- H = 1/6
- K1 = 1/4
- F = 1/3

Recorded 9/11/74
vpp

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE NO LAB FILE

Laboratory Work Sheet

Re: Retail Credit Company
Docket No. 8920

File # 95-19-111
Lab. # D-740911077 IK

Examination requested by: Federal Trade Commission
Washington, D. C. 20580 L. 9/11/74

Examination requested: Document

Date received: 9/11/74

Result of Examination:

Examination by:

b6
b7c

Specimens submitted for examination

Qc1 Photocopy of a five-page typewritten letter dated 10/15/69,
and attachment, addressed to Richard W. McLaren

Qc2 Photocopy of a two-page typewritten memorandum from
entitled "PROSPECTIVE PURCHASERS OF CBI-W"

b6
b7c

PHOTOGRAPHED
SEP 11 1974

EVIDENCE

FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C.

30

12/17/71

REQUEST FOR RETURN RECEIPT

Duplicate After Mailing

Requesting office—Fill in items 1, 2, 3 (4 or 5), and 6.

1. DATE OF MAILING

9-18-74

AIRMAIL

2. THE ARTICLE WAS ADDRESSED AS FOLLOWS:

[Redacted]

F. B. I. LABORATORY
WASHINGTON, D.C. 20535

3. CONTENT IF KNOWN

b6
b7c

4. DUPLICATE (If restricted in delivery, see 5)

Show delivery record information and check block 1a on return receipt.

Show address where delivered in space provided on return receipt.

5. AFTER MAILING OR RESTRICTED DELIVERY

Obtain signature of addressee. If addressee is not available or declines to sign, show delivery record information and check appropriate blocks (1a—and b or c, whichever applies) on return receipt.

Per [Redacted]
Atty. Gen. Mail
was a subpoena
to testify in a
matter.

UNITED STATES POST
REGISTRY DIVISION
CITY POST OFFICE
WASHINGTON, D.C. 20547



PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



OFFICIAL BUSINESS

P-186-5

Postmaster
F.B.I. Building
Wash. D.C. 20535

U.S. POSTAL SERVICE
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300

Postmaster,

For return receipt after mailing attach
25¢ postage in this space and cancel.

EVIDENCE

**FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C.**

FILE#

D-7409 11077

DATE _____

EXAMINER

IK

Q#

K#

NEGATIVES

INITIALS _____

UNITED STATES GOVERNMENT

Memorandum

- Assoc. Dir. _____
- Dep. AD Adm. _____
- Dep. AD Inv. _____
- Asst. Dir.:
- Admin. _____
- Comp. Syst. _____
- Ext. Affairs _____
- Files & Com. _____
- Gen. Inv. _____
- Ident. _____
- Inspection _____
- Intell. _____
- Laboratory _____
- Plan. & Eval. _____
- Spec. Inv. _____
- Training _____
- Legal Coun. _____
- Telephone Rm. _____
- Director Sec'y _____

TO : [Redacted]

DATE: September 25, 1974

FROM : [Redacted]

b6
b7C

SUBJECT: RETAIL CREDIT COMPANY
DOCKET NO. 8920

On September 24, 1974, Special Agent [Redacted] was called by [Redacted] Bureau of Competition, Federal Trade Commission, Washington, D.C., to testify in a hearing before the Honorable Montgomery K. Hyun, Administrative Law Judge. The testimony resulted from a Laboratory examination of typewritten documents furnished by [Redacted] in which it was determined that they had been prepared on the same typewriter.

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b7C

Although this matter was not explained in full to the Laboratory, it is understood that the hearing is the result of a request by the Retail Credit Company to merge with several other companies, one of which is a solvent company. It is the understanding of the Laboratory examiner that for the Retail Credit Company to merge with a solvent company is against the law.

Direct testimony required three hours. Cross-examination was deferred to a later date, allowing the respondent's attorney to obtain his own expert who, with all the materials including testimony exhibits prepared by the Laboratory examiner, will render a separate opinion and furnish the respondent's attorney with questions for a comprehensive cross-examination.

RECOMMENDATION:

EX-101

REC-61

95-195218-2

None. For information only.

95-195218

- 1 - [Redacted]
- 1 - [Redacted]
- 1 - [Redacted]
- 1 - [Redacted]

SEP 26 1974

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b7C

WWSO:dls
(5)

20 OCT 1 1974