

Another thing I would like to say is that it has been said that we favor certain creditors. I don't know where that idea arose in the minds of anyone connected with the industry. We cannot favor any creditor.

It would be foreign to our nature to favor any creditor. We must favor our debtor. We must do what we must do to help the debtor out of debt.

The only time I have seen any favoring of debtors done in the debt management industry is where debt management is operated on a non-profit basis. I think one of the statements that has been submitted to this committee is by Mr. Price A. Patton. Mr. Patton was the Director of the largest non-profit counselling service in the country, namely, in the City of Chicago. Mr. Patton, in testimony before the Tydings Committee of the Senate, said the originally this non-profit corporation was set up with the help of such individuals as Marshall Field in Chicago and that the creditors were to take a minority interest in this operation. But, as they began to open up and operate and seek clients, the creditors became very much a pressure group; they took control of it to a large degree, and what would occur is that the creditors would send certain of their debtors over and by sending them over to the non-profit organization for counselling service, they are merely saying, "We would like to be favored on your disbursements." But, as far as a commercial debt counsellor is concerned, he would never favor a creditor.

To go further, sir, as far as the charges are concerned that have been made against the industry, I would like to state that Congressman Diggs introduced his bill—and I believe it is because in the State of Michigan, which is the state he represents, there is licensing for the debt management industry. The same charges that are made here today were made in 1958 and the congress took a look at the debt management industry in 1958 and they didn't take any action.

In 1963, when Mr. Diggs introduced a similiar bill, congress again didn't take action. At that point Michigan had had one full year of experience under the Debt Managment Act and I can say that that is probably one of the contributing factors to Mr. Diggs taking the approach of licensing as opposed to prohibition.

Here agin we sit in 1967 and yet in the District there has never been a true investigation of how reputable counsellors operate and of the great need for their services.

I would like to ask the debtor, our client, the consumer, the person who we help, what his opinion is.

I would like to submit as an exhibit (Exhibit 2) to this committee copies of over 125 letters we received at the time of unfavorable publicity last spring, some of them solicited, some unsolicited, from our clients. I think these letters are testimony from people who live right here of how they feel about our organization and about the help we have been able to extend to them and how they feel about their own debt picture.

I would like to submit this to your committee, sir.

Mr. SISK. Without objection, a copy of your Exhibit No. 2 will be made available for the file and subject to inspection by the committee. If possible, it will become a part of the record.

(The material referred to will be found in the files of the committee.)