

Senator TYDINGS. I really do not see how you can regulate the cost of goods. If the customer knows the cost of the credit, and if the customer is protected from sharp practices, then if the customer wants to buy a television set for \$250 which he can buy at \$125 at a normal department store or appliance store.

Mr. DIXON. Senator, I am afraid we have arrived at a time in our society—and this just does not necessarily apply to poverty people—where the average American says “How much a month or how much a week?” And I think—

Senator TYDINGS. They do not shop around enough.

Mr. DIXON. I think that is it, sir.

Senator TYDINGS. It is obvious from the statistics which you have presented in the course of your testimony that the stores in the low-income areas which inflate their prices and throw on the high credit charges because a high percentage of their customers are not going to be able to pay for the goods and they are going to have to go to court to collect, or reposses the goods or get a judgment.

Would it be to say that your survey indicates that?

Mr. DIXON. I would think that it would be warranted to conclude that experiences have been weighted in some way and that the prices and charges have been set with the knowledge that perhaps many repossessions will have to be made—garnishments, repossessions, and what have you.

Senator TYDINGS. Now, in garnishments and repossession cases, the court costs are always loaded onto the customer, are they not?

Mr. DIXON. That is correct.

Senator TYDINGS. It would appear that those committees having jurisdiction over the judiciary ought to perhaps examine court costs from the standpoint of whether or not the courts are being used by the merchant against the consumer, rather than requiring the merchant's own judgment to be decisive in assessing the risk so that he does not sell goods to a person who obviously cannot afford to pay for them.

Have you any thoughts on that?

Mr. DIXON. Well, I would think it would be a very worthwhile study, even a study of various thinking that garnishment should be reexamined completely itself.

Senator TYDINGS. I think it is going to be interesting. How much detail does your survey go into with regard to the statistics relating to repossessions and garnishments and attachments, and so forth?

Mr. DIXON. I think it is comprehensive and will be very understandable. I think it will be very helpful to you.

Senator TYDINGS. I frequently hear particularly from my own constituents in Baltimore, the feeling expressed by those that are in the poor and less educated sector of the economy that the courts are used always to protect the owner and seller, and never to protect the consumer. Indeed, sometimes they are rather unfairly used against the interest of the consumer.

Mr. DIXON. Certainly, I think it is time that this whole procedure be examined, as it is being examined today, to see if we can even up the