

Sharpton backing off ads for car-title lender

By Hazel Trice Edney
Special to Sentinel-Voice

WASHINGTON (NNPA) - New York activist Al Sharpton, under fire from opponents of predatory lending, said he has discontinued appearing in controversial television commercials for LoanMax, a car-title lending agency that charges interest rates up to 300 percent.

The first round of commercials, which appeared over the past month, was mostly seen on the East Coast. The deal was paying Sharpton \$20,000 a month or \$240,000 for one year, according to sources familiar with the contract.

After he was challenged, Sharpton withdrew from the ad campaign.

"I respectfully, but firmly, decline your offer for further engagement on my part, and will not engage in any business relationship to promote auto lending with LoanMax," Sharpton wrote in a Dec. 7 letter to Rod Aycox, LoanMax president and chief executive officer. "I respect the fact that you have, according to our review of all data, respected regulators and the law, and I hope you respect the fact that I choose not to indirectly send mixed signals to the public on my views on interest caps on loans of any kind. I trust that all of us will move toward a nation that will not discriminate against people with no credit, or that are victims of economic discrimination."

The letter terminates the \$240,000 contract with Select Management Resources, the management arm of the Alpharetta, Ga.-based LoanMax, a firm that operates 200 stores in 21 states. Sharpton said the commercials aired during prime-time morning news shows in the Washington, D.C., Virginia and Maryland area.

"There are no other commercials. Whatever was scheduled has been cancelled," Sharpton said in an interview with the NNPA News Service. "They were willing to pay a lot of money for me to go forward. But, I'm not going to do that because I've got to be convinced that this is the right thing to do... At this point there's nothing to talk about with them."

This marks the second time within three months that Sharpton has had to back away from an arrangement

that ran counter to his pro-consumer reputation.

In September, even after it had been widely reported that Tyson Foods was the target of a lawsuit filed by 12 Black employees charging racial discrimination, Sharpton was proceeding to honor Tyson Foods, along with Wal-Mart, a firm accused of treating its employees poorly, a charge the company strongly denies. However, when contacted by the NNPA News Service, Sharpton said he would first look into the allegations, and he subsequently abandoned plans to present the controversial awards.

In this instance, Sharpton said his decision to end his dealings with LoanMax was based on learning that the company has interest rates that could skyrocket to 300 percent for a person who is not able to pay back a loan within a year. He said he had not done the research before agreeing to the commercials because he signed the first contract based on the word of a trusted friend, Lamell McMorris, a former executive director of the Southern Christian Leadership Conference under the administration of Martin Luther King III. McMorris, also a friend of Aycox, said he encouraged Sharpton to do the commercials because he believes the company to be fair.

Aycox has not returned repeated phone calls soliciting his response to Sharpton's decision. However, in an earlier interview, while confirming the 300 percent interest rate, he stood by the fairness of his loans, saying, "We deal with hundreds of thousands of customers every year who are very satisfied."

Sharpton initially suspended the commercials after Keith Corbett, senior vice president of the Durham, N.C.-based Center for Responsible Lending, a non-profit think tank, criticized him for the commercials that featured Sharpton on stage by a flag, appearing to be in his former role as a Democratic candidate for president.

"I just wish he had talked to us earlier because a lot of the damage has been done," Corbett, responding to Sharpton's cancellation, said he is not fazed by the amount of money offered by LoanMax for the commer-

cial to expand.

"If it is true that he is making that much, I'm not surprised because the fringe financial services will go to any length to divide the Black community," Corbett says.

In response to several news accounts of Corbett's criticism of the Sharpton commercials, Aycox wrote Corbett a letter, threatening to take legal action for statements which he called "misleading and inaccurate."

In one example, the letter (See Sharpton, Page 9)

Murder up, crime falls

WASHINGTON (AP) - The nation's murder rate jumped 2 percent during the first six months of this year, with the biggest increases reported by small towns and in the Midwest, the FBI said Monday. The number of rapes, arsons and assaults fell during the same period. After a dramatic 5.7 percent decline in the number of murders last year, the murder rate ticked upward 2.1 percent between January and June. Citing figures collected under its uniform crime reports, the FBI said cities with fewer than 10,000 people saw the largest increases in their murder rates.

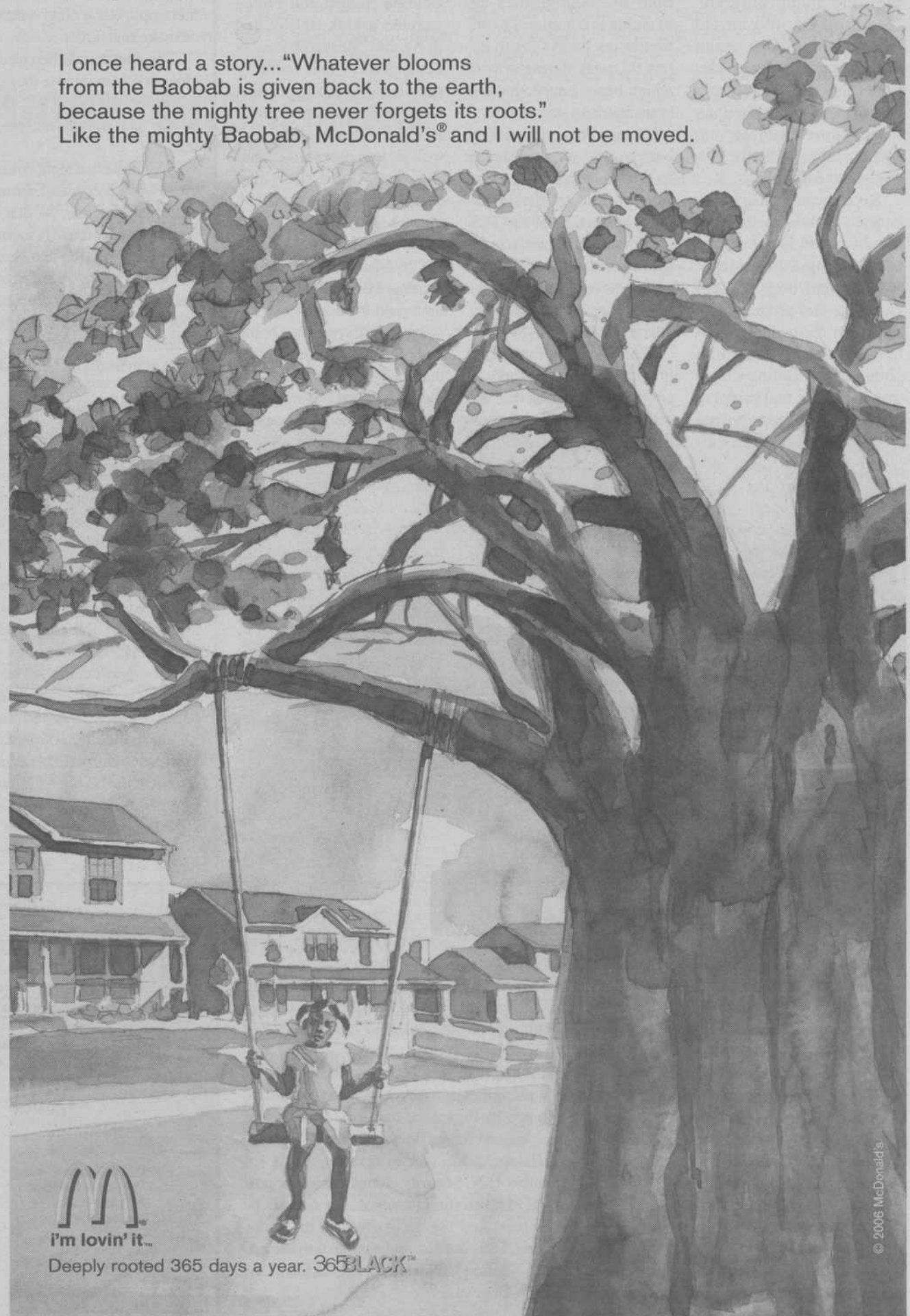
Murder rates rose across the country, but the Midwest saw the highest increases with 4.9 percent. Kansas City, for example, reported 56 murders in the six months of this year but only 39 during the same time in 2004.

The FBI did not disclose its raw crime counts for all communities because it considers these six-month reports to be preliminary. But for all cities with more than 100,000 people, it reported 4,080 murders in 2005 and 3,979 in 2004.

Glendale, Calif., saw its murder rate spike dramatically by 1,300 percent because of a single crime: A suicidal man parked his SUV on railroad tracks in January and caused two commuter trains to crash, killing 11 people. Those victims accounted for nearly all Glendale's 14 deaths classified as murders.

The FBI said rapes nationwide fell nearly 5 percent, and arson crimes fell nearly 6 percent. Property crimes — which include burglary, larceny and vehicle thefts — declined overall 2.8 percent. Assault fell just under 1 percent.

I once heard a story... "Whatever blooms from the Baobab is given back to the earth, because the mighty tree never forgets its roots." Like the mighty Baobab, McDonald's® and I will not be moved.




i'm lovin' it..

Deeply rooted 365 days a year. 365BLACK™