Opinion

"Challenging People to Shape a Better Future Now"

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Dr. King 'Turning in His Grave'

The Curry Report

George E. Curry

The children of Dr. Martin Luther King, Jr. sue each other – as well as loyal family friends – so often that you need a program to keep up with the court action. Bernice and Martin Luther King, III sued Dexter because he failed to open the books of their father's estate. Dexter, hoping to sign a $1.4 million book contract, sued Bernice, who administers their mother's estate, for not sharing their parents' love letters.

Now, for some inexplicable reason, Martin III has teamed up with Dexter to sue Bernice to compel her to turn over their father's Bible – the one President Obama used at his second swearing-in – and his 1964 Nobel Peace Prize medal because they have an interested buyer. But Bernice refuses to surrender the items, saying some things are sacred and should not be for sale.

The person who was perhaps least surprised by the latest family shenanigans is Harry E. Johnson, Sr., president of what was once called the Martin Luther King, Jr. National Memorial Project Foundation.

In a series of tape-recorded interviews with me, beginning April 21, 2011, Johnson, who raised more than $100 million to erect the Memorial, recounted his disappointing experience with the King family.

His first disappointment came when the family-controlled entity responsible for preserving Dr. King's image charged the foundation a licensing fee of $2.8 million. But even that wasn't enough and the King family refused to extend the licensing agreement. Consequently the name of the foundation was changed last year to The Memorial Foundation.

"When we originally had an agreement with them, it was a licensing agreement to use the name and images of Dr. King [in fundraising material]," Johnson stated. "They said the licensing agreement has expired. Fine. I'm saying, 'Give me another licensing agreement.' They're saying, 'No we don't want you to use the name.' It really boils down to this: They want me out of the way because they are saying they need to raise $170 million for the King Center and I'm in the way. Philanthropy in this country is a $320 billion a year industry. How am I in the way to raise whatever they need to raise?"

Johnson questions whether Dr. King is a private figure anymore.

"They keep throwing out the fact that Dr. King was a private citizen – that's why his image is protected. And I told Roland [Martin] to ask Jeffrey Toobin, the lawyer on CNN: 'At what point does one stop becoming a private citizen? Is that when we named a holiday after him? Or is it when we put a memorial on the Mall of him next to the other icons of this country?' (Martin confirmed that Johnson made that request of him, but he never asked Toobin to reply.)

"This is the killer part: If he's a private person, then the King estate and family can say, 'If you take a picture of the Memorial and you sell it as a postcard, you owe them a licensing fee. I don't know if a member of the Congressional Black Caucus would be willing to pick that up as an issue, but I am certain a White Republican would say, 'Get the hell out of here.'"

Warming to his subject, Johnson said, "Who makes a profit off the Lincoln Memorial? Who makes a profit off the Jefferson Memorial?…The King family – or any entrepreneur – should not benefit from saying I want to sell some postcards of the Memorial that's on federal property.

"My whole point is that's crazy. Why are y'all jacking with me, knowing I know all this information? All I wanted to do was raise money to build a memorial for your daddy… Let them go out there and take some pictures of Dexter's house in Malibu, with him living in a large mansion. Y'all trying to raise $170 million for the King Center."

He noted the King estate had engaged Sotheby's, the auction house, in 2006 to sell Dr. King's personal papers.

"They were putting the papers on the auction block," Johnson recounted. "Shirley Franklin [the former mayor of Atlanta] said, 'We can't have that' and paid the King estate $32 million. Now, the King estate is coming back and saying, 'Oh, we need $170 million for the King Center. I can even understand that. But what did you do with the $32 million? Is this going to be every time y'all need some money, you're going to put your hands out to hold someone hostage? They are already charging people for the 'I Have a Dream' speech."

In a statement, Bernice King said, "While I love my brothers dearly, this latest decision by them is extremely troubling. Not only am I appalled and utterly ashamed, I am frankly disappointed that they would even entertain the thought of selling these precious items."

Bernice was correct when she said, "Our father MUST be turning in his grave."

> King family feuds over plans to sell his Nobel Peace Prize and family Bible

Read the rest online at www.theskanner.com

Car Loans Hit People of Color Hardest

Bennett College

Julianne Malveaux

New research by the Center for Responsible Lending (CRL) finds that consumers of color still report paying higher interest rates on dealer-financed car loans than other consumers. This disparity is even more disturbing given that Black and Latino consumers report making more of an effort than Whites to negotiate their interest rates. Thirty-nine percent of Latinos and 32 percent of Blacks reported negotiating their interest rate, compared to only 22 percent of White buyers.

CRL's new report, Non-Negotiable: Negotiation Doesn't Help African-American and Latinos on Dealer-Financed Car Loans, is the first research on the impact of shopping habits as well as information consumers report receiving from car dealers and disparities related to "add-on" products. Findings were based on an October 2012 phone survey of 946 consumers.

The report identifies three specific sales practices as the main culprits behind higher financing costs for buyers of color:

Dealer interest rate mark-ups, sometimes called "dealer reserves" or "dealer participation" can and do raise interest rates above those charged by financial institutions. Lenders bidding to buy the auto loan contract from dealers allow the dealer to add to the interest rate for compensation. Dealers then pocket most or all of the difference. As with a similar practice once allowed for mortgage brokers, this discretion to raise interest rates can facilitate discrimination. Previous research shows that people of color get higher interest rates from dealers that are not justified by objective measures, such as credit history.

Misleading sales information is a second cause of higher costs. For example, many consumers report they were told that they were offered the "best interest rate available," when it was not. Other consumers surveyed shared that they were told that certain additional items were mandatory for the purchase when in truth, the items were not. Misrepresentations, when accepted by consumers, can increase the total purchase price and then lead to higher default rates.

Similarly, "add-on" products sometimes known as "loan-packing" also increase the amount of financing. Non-essential items such as optional insurance and warranties become part of the financing package at highly-inflated costs. Multiple add-on products were sold to Black customers nearly double the rate sold to Whites – 30 percent versus only 16 percent.

Since the report's Jan. 23 release, auto dealer representatives have criticized CRL's research for being based on a survey. However, the industry to date has withheld their own data that would allow better side-by-side comparisons – the same kind that consumers deserve when shopping for a vehicle.

CRL has called on regulators to prohibit compensation for dealers that is tied to the interest rate of the loan. Until regulators enact rules to better protect consumers, here are a few useful tips:

- Get pre-approved loan financing. Historically credit unions and banks offer better deals than loans obtained from car dealers. And even if the dealer offers a lower rate, the dealer will look to make up the difference in sales of add-on insurance and other items. Remember that those items are not required and that all of them can be purchased later.
- Don't shop by monthly payment. Dealers have many tricks, such as making the loan term longer, that can make a monthly payment look affordable. Understand the entire cost of the loan, not just the monthly payment.
- Avoid showroom fever. Buying a car is often the second most costly consumer purchase – after that of buying a home. Know the cost of insurance, registration tags and regular preventive maintenance. Every cost associated with a car should be anticipated and estimated.
- Decide how much of a car loan you can afford. If your budget has little flexibility for a long-term debt, it could be better to begin a dedicated savings account to lessen the amount of a loan you will need.

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