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Credit-Reporting Unit Faces Curbs

Restrictions Facing a Credit Reporter

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TULSA, Okla.—For the past 11 years Paul Polin, a management consultant, has been engaged in a battle with the Atlanta-based Retail Credit Company, one of the nation's largest credit reporting agencies.

Retail Credit, which maintains files on about 110 million Americans, receives and analyzes information for credit reports, using various direct and indirect methods for collecting data about a person's standing.

Mr. Polin contends that over the years it has acted as a "snoop" agency that maintains contact with various Federal agencies, including the Federal Bureau of Investigation.

Now, at Mr. Polin's initiative, Oklahoma Attorney General Larry Derryberra has issued an official opinion that may cause the concern to

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stop doing business in that state.

Mr. Derryberra reviewed a 1908 state law that requires a credit reporting agency to first issue a copy of the opinion that it sends to subscribers to the person about whom the report is being made. He said the agencies must comply.

This Oklahoma ruling carries credit reporting legislation a step further than last year's Federal Fair Credit Reporting Act, which provided that a subject have access to his dossier and the right to correct errors.

But the Federal act states "the consumer need not be shown the file itself and the consumer has no right to physically possess or receive a copy of the report."

Mr. Polin has long contended that Retail Credit was in violation of the law by not giving the persons reported on a copy of the opinions that were issued.

The company did not have

immediate comment on the ruling but had earlier said they might consider leaving a state that would not allow them to operate as at present.

Mr. Derryberra said in his opinion "this office will seek to revoke the permit of any corporation doing business in Oklahoma in the event that this office receives information that establishes that the law has been violated."

The law requires however, that a written statement is needed only when a written opinion is rendered by the reporting agency.

Retail Credit has long contended that the contents of its reports must be kept secret for its protection and for its sources of information. During a Congressional hearing in 1968, Retail Credit gave the number of persons covered by its dossiers as 110 million.

As to what is covered by his ruling, Mr. Derryberra stated that "any opinion which includes or covers financial or credit standing is submitted for the purpose of

establishing such a rating even though the opinion is submitted for other purposes."

Mr. Derryberra also said that it was his belief that the intent of the law was to cover any concern doing business with the public rather than placing a division between wholesale and retail enterprise.

Mr. Polin said he was pleased with the ruling, adding "this opens a whole new ball game." A self-styled consumer advocate, he has attempted several times to bring Retail Credit into court and has been successful in securing a State Supreme Court ruling against the company concerning the availability of reports to the person being reported about.

The Attorney General was careful to point out that his opinion pertained only to statements as to whether a person was a good risk or bad risk or of high or low moral character and not to matters such as sums of money borrowed, payment habits or bankruptcies.

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