

Repo Man  
*Wheels* 1991

THE LUNCH ORDER was a Quarter Pounder, Junior Burger, nine-piece Chicken McNuggets, large fries and a chocolate shake. Each. The three of us ate in the car, to stay near the phone.

Between flicking pickles out the window, the two guys in front discussed some of the nicer cars they've driven. There were Porsche 928s, BMW 750iLs, Benzes, Jaguars, Jensens, everything. These overweight, unlikely looking gents had driven them all. Driven them through garage walls, paling fences, and neighbours' yards, having smashed windows and hot-wired ignitions.

The owners of these cars actively discourage this sort of thing. In fact, there are shootings, knife attacks, savage dogs, and naked wives prostrating themselves while husbands lurk in back rooms with lumps of timber. One owner slept in the backseat nightly with a loaded shotgun. Some chain their cars' chassis to house foundations. Others try to disappear interstate. But our two Blues Brothers are breaking no laws. They're only doing their job, and a glamour job it isn't.

They're re-po men.

From the driver's seat, Barney – not his real name – gestured towards his portable phone. “You got one of these yet?” he asked me. “Mate, you oughta go to the auctions, pick one up cheap. I re-po these things all the time.”

Barney is rotund, mid-fortyish, a short-sleeved synthetic guy. You could pick him as a detective, even from a satellite photograph. But Barney has been a re-po man for 19 years. For the last five he's been fully licensed as a “commercial agent,” the proper term for the profession of collecting repayments or goods for finance companies, from people who have defaulted on their payments. Eighty per cent of those goods are cars.

Barney walks the unpalatable bottom line in what one major finance company spokesman estimated as 0.3 per cent of his company's car finance contracts. They're the car purchases which, for reasons of marital break-ups, private economic hardships, corporate collapses or blatant fraud, see the repayments stop coming in and Barney heading out. As the finance company spokesman said, “once they get past three months overdue, it's the money or the box.” Barney's job is to recover the money or the vehicle at all costs. Plus costs.

For most hire purchase and consumer mortgage car financing, the Credit Act of 1984 requires that a finance company must give at least 30 days' notice of intent to repossess after a customer has defaulted on a payment. When that time comes, the finance company sends out a commercial agent to collect either an agreed part-payment, or the goods. Barney says about half the time, people just shrug, nut out a sum with the finance company over the phone, and give him the money.

The other half of the time, when Barney's faxed directive states “no arrangements to be made,” is when things can get ugly. The law prevents commercial agents from entering private premises unless the customer signs a form giving “free consent.” If

the customer refuses, and the car's parked on his property, the finance company must apply for a court order to enter the premises. If it's parked in the street in the first place, it's open slather for the Barney brigade.

Otherwise, a court order can take three to four weeks, during which time the car still be re-poed any time it ventures into a public area. After repossession, customers have a 21-day "cooling off" period, during which time the finance company must retain the car for possible reclamation. After that, it's off to the auctions for the car, and off the Chrissie-card list for everybody else.

Some lease arrangements are different. Theoretically, the day after a missing payment – or indeed, even if the finance company suspects impending doom – the car can be repossessed immediately and without a court order. Any damage to the premises must be met by the finance company, but damages to the goods incurred during removal must be met by the customer.

Barney suggests there may be some relationship between the congeniality of the customer and the amount of damage done to his car.

Barney's mentor and sometime offsider is a bloke in his mid-50s, equally rotund, and possessed of an alternately cheerful and fearful countenance. I had previously agreed not to use real names, and immediately decided that this guy could be "Norm." As he took my hand and gleefully ground all my knuckles together for several minutes, I learned that his real name was already Norm. I guess we'll run with that.

Re-po men are not thin on the ground in any sense. Barney estimates there are about 1500 commercial agents operating in Sydney alone, with similar numbers in Melbourne and perhaps fewer in other capital cities.

The economic recession has essentially been good for the re-po business, which suffered a bit of a slump when the finance industry's REVS (Register of Encumbered Vehicles) program commenced in the late-1980s. Collecting previously encumbered cars from wholly innocent people wasn't fun, says Barney, but there was plenty of work around. These days, the volumes are back up, but Barney notes that his calls are now evenly divided between business and private owners. Previously, private calls predominated.

Emphasis has thus shifted from the traditional front-running re-po reason, marriage splits. "Nine times out of 10, if it's a marriage break-up, the wife's taken the car and she's shot through. The husband buys her a car, she thinks it's hers, and he's got it on 'tick' (on finance). So what's the old man do? First thing he does is stop paying for it."

Two other trends stand out. The cars, Barney says, are a lot newer, but they're not necessarily the more upmarket models. "They don't come up all that regularly," he says. "I've done a couple of Mercs in the last six months... two Porsches, one of them a big fraud deal, a Daimler... It's still mostly middle-of-the-road cars, vans. And there's a lot of young blokes with motorcycles. They haven't realised yet that they have to be paid for, and what happens if they don't pay for them."

The other trend has been for "voluntary surrenders," wherein companies or individuals acknowledge that they can no longer afford the repayments, and willingly

return the car. Steve Wilkinson, state manager of Australia's largest car financier AGC Corporation, says that 40 per cent of his company's recent re-pos have simply walked in the door, sometimes without any payments outstanding.

"It's a sign of the economy," Wilkinson laments. "We don't *want* cars handed back. We lose the principal and the interest. And on luxury cars, we're the ones who cop the losses due to the downturn in market values. We prefer to re-structure deals wherever we can; drop interest rates, for example." On re-pos generally, Wilkinson says, "we're seen as the big, bad wolf, but honestly, we often have people leading us down the garden path. Re-pos are just a bloody hassle."

Compounding the financier's problems with the slump in luxury market values, is that customers frustrated with financial problems will often neglect their servicing and maintenance. On occasion, cars threatened with repossession have been deliberately sabotaged.

Steve Edwards, legal advisor for finance industry body Australian Finance Conference, agrees that everybody loses on a re-po. "Basically, no customer wants to get his car repossessed, and the finance company doesn't want the added expense, time and trouble of repossessing it... The best advice is to *talk* to the financier, as they'll always prefer the money to a repossessed car."

Wilkinson, however, says "our biggest problem is convincing people to tell the truth. We have four guys who are employed to just go out and talk to people, assess their position, and try to work something out."

Barney and Norm are also in the business of convincing people, and assessing their positions. Barney expressed his concern that sometimes, finance company reps lose touch with the people in the street.

"You get some young kid, straight out of school. He gets on the phone, says 'your payment fell f\*\*\*\*\* due and you've gotta pay it.' And the customer says, 'well, we can't pay.' And he says, 'I don't give a f\*\*\*, you've gotta pay. And if you don't, *I'm sending the agent in.*' And then we get out there and they're in fine f\*\*\*\*\* trim.

"But I've told 'em, if I go out there and get a smack in the mouth from someone over what they've done, not only will that bloke get a smack in the mouth back off me, but I will come into that office and give that person a smack in the mouth too."

That Barney looks like a detective is not surprising. Along with his commercial agent's licence, administered by the Licensing Police, Barney carries a Private Investigator's Licence. And Barney's got a gun.

"Yeah, I'm licensed to carry a pistol," he says. "I've got a gun, a .38-calibre revolver. I don't carry it for the simple reason that if you carry it, there's always a chance you'll pull it. If you don't carry it, there's no chance you'll use it. We're not the Police."