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## Business Spotlight: The Land of Repossessions

Ed Peaco  
Contributing Writer

4/18/2011 1:36:00 PM

Ron and Lori Morgan apply their extensive banking backgrounds to practicing the delicate art of pleasing sellers and buyers of bank-owned repossessed vehicles. The husband-and-wife team runs Repo Handling, 531 Boonville Ave.



Lori and Ron Morgan's Repo Handling acts as a middleman between banks and buyers of repossessed vehicles, such as motorcycles, cars, trucks, trailers and boats.

"There's two sides of this. We're in the middle," says Ron Morgan, who works with lenders and potential buyers, while his wife handles accounting and documentation. They met in 1986 as co-workers at Commerce Bank, and each has worked at least a decade in the financial industry.

Morgan witnessed the beginning of the business – as a client, not an owner. A quarter-century ago, working in dealer services at Boatmen's Bank in Springfield, he came to rely on entrepreneur Brent Smith as a buyer for the bank's repossessions.



**Repo Handling**  
Owners: Ron and Lori Morgan  
Founded: 1996  
Address: 531 Boonville Ave., Springfield, MO 65806  
Phone: (417) 831-9943  
Fax: (417) 862-2333  
Web: www.repohandling.com  
E-mail: ron.repohandling@att.net  
Services/Products: Sale of vehicles repossessed by financial institutions  
2010 Revenue: \$330,000  
Employees: 3

In the late 1980s, with Morgan's encouragement, Smith started Car City to serve lenders across Springfield. Boatmen's Bank became his first client.

"From there," Morgan says, "he built it up from that bank to another bank and another bank. Ten years later, he asked me if I wanted to buy the company."

The business changed hands in 1996, and Smith pursued a ministry calling. Morgan started the new entity, Repo Handling, and Lori came on board to help carry the expanding workload.

**Up for bid**  
Bank lenders arrange to send repossessed vehicles – cars, trucks, motorcycles, trailers and boats – to Repo Handling, or the Morgans will hire a subcontractor for repossession. Morgan, who ended his banking career as a vice president for dealer lending, helps the client set a price and suggests any work the vehicle might need. The price is posted on the vehicle and on www.repohandling.com. Clients pay a flat fee on a sliding scale to the set price, which remains the same regardless of the final selling price. Morgan declined

**In the Middle of Uganda**  
The Morgans have made multiple trips to Uganda to support Watoto Child Care Ministries' efforts to care for orphaned children.

"Part of the reason we work is so that we can give back," Lori Morgan says.

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to disclose the fee structure for clients, citing confidentiality and competitive concerns.

Customers place bids, and banks decide whether to accept. Because most repos, which are depreciating assets, will not yield enough to cover the loan balance, Repo Handling must sell the vehicle quickly at the best possible price.

Meanwhile, buyers expect to pay a little less than retail, Morgan says.

The company works with nearly two dozen financial institutions, including BancorpSouth, Central Bancompany, Guaranty Bank and the Railway Credit Union.

Kathie Peterie, president and CEO of Metro Credit Union, says she has worked with Repo Handling for 10 years and appreciates the streamlined process – and the results.

“He works to try to get the credit union the most out of the vehicle,” Peterie says. “The cost of having him handle it for us is extremely fair.”

Peterie also has bought a car for herself from Repo Handling, she says, and finds the process satisfying from both perspectives: “He’s honest and discloses things that he notices about the car.”

**The middleman**

Shoppers accustomed to dealerships might find an important distinction at Repo Handling: no haggling. Bids go directly to the lenders.

“We are not the decision-maker,” Lori Morgan says.

Buyers make their bids on paper and, if accepted, pay a fee of \$50 to \$250 to Repo Handling, depending on the sale price. Paperwork is processed on site. “When they walk out the door, they’re ready to go to the license bureau,” she says.

Art Renfrow, who has bought two cars and a truck from Repo Handling, says he likes the prices and the experience.

“It’s about the vehicle, where it came from and what the price is,” he says. “Ron pretty well lays it out on what you’re purchasing.”

Repo Handling also sells to dealers, but the proportion of individuals has been increasing, the Morgans say, due to referrals from banks, word-of-mouth advertising and Web traffic to view photos and prices of the steadily changing inventory.

Lori Morgan says the downtown location is an asset. “We get a lot of people who are just driving by,” she says.

About 60 percent of vehicle sales are made to individuals, with area automobile dealers responsible for the remaining sales.

Repo Handling recorded \$330,000 in 2010 revenue, about 25 percent below the 2009 sales clip of \$450,000, as fewer people took out car loans and fewer repossessions surfaced, the Morgans say.

Ron Morgan expects little change for 2011. Demand has increased, but inventory has remained low, he says.

“As people get more comfortable with buying and spending money, our numbers probably will go back up,” he says.

This summer, they will be part of a group of 26 people from Springfield churches who will travel to Uganda to build a medical lab and provide medical treatment to those in need. More information is available at [www.watoto.com](http://www.watoto.com).

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*Monday, July 29, 2013*

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