

TCFA Member Highlight
Vernon Lemens
State Management Services

How many years have you been in the consumer finance lending business? How many offices do you have?

Vernon Lemens has served as a Board Member of TASLC (Texas Association of Small Loan Companies), TFI and TCFA for over 60 years!

What was your career or business prior to entering the consumer finance lending business and what motivated you to get into the industry?

His father, Senator Lemens, started in the loan business in 1928 and Vernon started in the 1950s as a janitor. In the 1960s, as an attorney and loan company owner he was involved with his father in writing the original Texas Consumer Credit Code.

What are the three biggest challenges you see for the finance lending business today?

As an owner of two Banks and eight loan companies he has watched the evolution of an industry that has had many different kinds of significant challenges. In the immediate future he foresees that we will need to distinguish our industry from others by assigning a name to our industry by statute. As we have seen, a descriptive name which is not defined by statute leaves room for confusion and overlap with other industries. A statutory name could distinguish us from other lending industries and help avoid confusion among legislators and the public alike.

What are the three biggest challenges you see for the finance lending business in the next three to five years?

A long term challenge for the industry is that since small and shorter term loans inherently have a much higher PR than appears reasonable, we must find a way to show that our business has reasonable profit commensurate with the risk. One way to present our industry more favorably is to legislatively structure our charges in such a manner that the presentation to the public and on contracts clarifies what portion of the APR covers overhead expense and what portion remains after overhead. The remaining portion, which is small, covers profit commensurate with the risk and should be acceptable as reasonable. The portions could be expressed as the APR percentage attributable to overhead expense and the APR percentage attributable to profit and risk. This should show the reasonableness of the remaining profit and risk portion of the APR and present our industry more favorably.

What advice would you have for the “newcomer” to the industry?

His advice for newcomers is to attend all TCFA meeting to gain as much knowledge from the experienced members as possible.

How long have you been a TCFA member and what do you consider the best benefits of your membership?

No Response

What is your biggest achievement in your business?

No Response

What person(s) have had the most influence on your business life?

The person who has had the most influence on his life is his father from whom he learned the importance of integrity and friendships.

What is something most people may not know about you?

No Response