

Nissan dealer to liquidate assets

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* Former Saints star Deuce McAllister says he's learned a lot

By Jeff Ayres

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Deuce McAllister Nissan's days of overlooking south Jackson along I-20 are over.

Filing for bankruptcy in an economy that has crippled the auto industry proved too much for the 3-year-old dealership, which on Thursday agreed to liquidate its remaining assets through Chapter 7 bankruptcy. The dealership had operated in Chapter 11 since March.

"There's no longer any viable business to buy," said Doug Noble, an attorney for the dealership. "All anybody would be buying there would be (furniture, fixtures and machinery)."

Deuce McAllister Nissan of Jackson closed in April once the bankruptcy judge allowed Nissan Motor Acceptance Corp, the automaker's lending arm, to remove vehicles and other property from the south Jackson lot.

The March filing was aimed at preventing Nissan from seizing vehicles and allowing Deuce McAllister time to pursue options to salvage the business.

"The sad day happened when we shut our doors months ago," McAllister said. "It's an unfortunate situation. Personally, I've learned a lot."

Noble said efforts to dispose of the vehicles and other seized assets to help pay off the debt are ongoing.

The settlement does not affect McAllister personally or his other business interests, which include a stake in another Jackson auto dealership and redevelopment of the King Edward Hotel and Standard Life Building in downtown Jackson.

McAllister said he's upbeat about his other Jackson-area business ventures and is ready to focus his energy on those. A Lena native, he was released by the Saints in February after eight seasons in the NFL.

What will happen to the dealership is unclear.

Nissan spokeswoman Julie Lawless couldn't immediately say what discussions, if any, there have been about bringing a third Nissan dealership to Jackson.

The Gray-Daniels automotive family operates Nissan dealerships in Jackson and Brandon.

The south Jackson corridor now has lost five dealerships since 2006.

McAllister wouldn't rule out opening another car dealership in Jackson should the economy significantly recover.

The closing comes as the auto industry is in turmoil with Chrysler in bankruptcy and General Motors expected to file in the coming days. Chrysler recently announced it would close 789 franchises, including six in Mississippi, and General Motors has said it will trim its network by about 2,400 dealers by the end of next year.

When a bankruptcy proceeding is converted to Chapter 7, federal trustees typically appoint private-sector employees, such as accountants or attorneys, to handle the liquidation.

Noble said they typically re-examine remaining assets, liabilities and any liens on those goods. They work with banks and others who are owed money or physical assets.

He couldn't say exactly what assets remain in addition to the building itself, what the total worth of the assets are, or when the proceeding would be complete.

McAllister had been seeking private investors to help the business survive. He and Noble agreed on Thursday that Chapter 7 bankruptcy would be the best way to resolve the situation.

"I think that's of benefit to all of us," Noble said.

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Abstract (Document Summary)

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