

Lason sells U.K. subsidiary, loses bid to dismiss suit

By Brent Snavely
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Lason Inc. (OTC: LSONE) on Friday said it has completed the sale of its United Kingdom subsidiary to Amsterdam, Netherlands-based TNT Post Group NV. Terms of the sale were not released.

In December, Lason said that subsidiary was generating about \$48 million in annual sales.

The company has been in a financial tailspin since December 1999 and is in the midst of a reorganization.

In another development, Lason's effort to have a class-action lawsuit dismissed was denied May 10 by U.S. District Judge Arthur Tarnow.

Troy-based Lason is being sued by shareholders who allege the company issued false and misleading statements between February 1998 and December 17, 1999.

E. Powell Miller, a partner at the Troy law firm Mantese Miller and Mantese P.L.L.C., said the ruling clears the way for the plaintiffs to request documents from Lason and to begin deposing executives.

Miller also plans to ask for all documents collected by Butzel Long, a Detroit law firm hired by Lason to conduct an internal investigation.

Butzel Long's investigation turned up accounting problems deep enough to cause Lason to notify the U.S. Securities and Exchange Commission that it would need to restate earnings for previous quarters. Because of the internal investigation, Lason has yet to issue fourth-quarter or year-end statements.

The company declined to comment on the suit.

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