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FTC Continues Crack Down on Deceptive Debt Collection; Houston-based Defendants Agree to Stop Deceptive Fees and Practices

Owner to Pay \$100,000, Surrender Assets, Including Luxury Motor Home

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FOR RELEASE

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A Houston debt collection company, RTB Enterprises, Inc., which does business as Allied Data Corporation, and Raymond T. Blair, its president and sole shareholder, have agreed to a [federal court order prohibiting them from the allegedly deceptive tactics](#) they have been using to bully English and Spanish-speaking consumers into paying debts and unnecessary fees.

According to a [complaint filed by the Federal Trade Commission](#), the defendants violated the FTC Act and the Fair Debt Collection Practices Act by using false and deceptive methods to collect more than \$1.3 million in so-called "convenience fees" and "transaction fees" from consumers who authorized payments by telephone. The defendants allegedly trained their collectors to deceive consumers into believing that payments were not accepted by U.S. mail and that the fees were unavoidable. In some instances, the fees were added to consumers' accounts without their knowledge or consent, the FTC charged.

The FTC also alleged that the defendants' collectors deceived both English and Spanish-speaking consumers by falsely claiming to speak for attorneys, falsely threatening to sue consumers who did not pay, and using deceptive schemes to coerce consumers into paying or providing their personal information.

"It's illegal for debt collectors to lie, make false threats, use a false identity, or trick people into paying a debt or an unauthorized fee," said Jessica Rich, Director of the FTC's Bureau of Consumer Protection. "The FTC will continue to protect consumers from deceptive or abusive debt collection practices, regardless of whether the deception or abuse occurs in English, Spanish, or any other language."

The federal court order imposes a penalty of \$4 million, which will be partially suspended based on inability to pay once Blair surrenders assets totaling \$100,000. The proposed order also requires Blair to relinquish a luxury motor home. The order prohibits Blair and his company from repeating any of the unfair or deceptive practices alleged in the complaint, and it requires them to truthfully disclose information about any fees they charge, and the steps consumers can take to avoid paying.

For consumer information about dealing with debt collectors, see [Debt Collection](#).

The Commission vote authorizing the staff to file the complaint and approving the proposed federal court order was 5-0. The FTC filed the complaint and proposed order in the U.S. District Court for the Southern District of Texas, Houston Division on June 17, 2014.

NOTE: The Commission files a complaint when it has "reason to believe" that the law has been or is being violated and it appears to the Commission that a proceeding is in the public interest. The proposed order has the force of law when approved and signed by the District Court judge.

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online [Complaint Assistant](#) or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 2,000 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's website provides [free information on a variety of consumer topics](#). Like the FTC on [Facebook](#), follow us on [Twitter](#), and [subscribe to press releases](#) for the latest FTC news and resources.

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