

The BBB report says consumers complained about unauthorized withdrawals, failure to disclose that their initial payment is taken as a setup fee and failure to state the company's true nature.

CCC isn't a debt counseling company after all, Pepper said.

"He's a telemarketer. He would get the information and take an upfront fee," she said. The Florida company then hands debtors off to other companies, including one in Evanston, Wyo.

### **Trouble in paradise**

Calls to Nabydoski were not returned.

However, a man identifying himself as Edward Kennedy of the Hess Kennedy law firm in George Town, Grand Cayman, called saying he represented the company.

The Consumer Credit Counseling name is not trademark-protected, he said, adding that he didn't think his client had intentionally advertised in Billings.

The privately held company is in compliance with Florida laws, he said.

When asked for his telephone number, Kennedy said, "Have a great day," then hung up.

Pepper at the BBB wondered if the man's name was real or taken from the senior senator from Massachusetts. The company's address in the commonwealth state, she said, is just a mail drop, and telemarketers often work under false names.

### **Helena gets involved**

Cort Jensen, the lead attorney at the Montana Office of Consumer Protection in Helena, has his eye on the Florida company.

Apparently to get a local phone number, it listed a street address in Billings that turned out to be AT&T's address - a building so secure that even the postman can't enter.

Under Montana law, companies cannot use unfair or deceptive practices. Only nonprofits or companies bonded in this state can counsel debtors. The Florida company isn't bonded here, and it has registered as a for-profit in its home state.

One consumer has complained about this company to Jensen's office and so has the CCCS of Montana.

"I really don't want Montanans to get hurt and they could," Jensen said.

Montana law leaves nonprofits mostly unregulated. However, House Bill 140, which would set up some controls, gets a hearing before the Montana Legislature on Tuesday.

Jensen has placed two telephone calls to Florida.

"They haven't returned my calls. I can't imagine why. Wait. Irony doesn't translate well in newspapers, so I'll restate," he said. "If the company is legitimate and if it is complying with Montana law, I'd love to have them contact me."

### **Tracing the listing**

Qwest Communications, the regional "Baby Bell" serving Montana and Wyoming, sold its telephone directory business.

Pat Nichols, who represents Dex in Denver, said the CCC in Florida isn't a customer because it didn't buy a phone book ad. Its only listing is in the white pages. Those are local numbers that come directly from Qwest.

"We are obligated to print the Qwest and other listings exactly as we receive them," she said.

Dex cannot police all the millions of telephone listings it receives, she added.

"However, we are very concerned, especially when it affects consumers and a legitimate company in Billings," Nichols said.

The CCCS of Montana has hired a Billings attorney to obtain a preliminary injunction. A court order, Jacobson said, could make Qwest either disconnect the bogus number or route the Florida calls to its office on Alderson Avenue.

### **Windin' up in Wyoming**

After the Florida telemarketers land the clients, they are farmed out to other credit counseling firms, including one in Wyoming.

An Evanston, Wyo., company using the name Family Financial Education Foundation is taking referrals, according to the Central Florida BBB.

Family Financial also bought an ad in the Billings Yellow Pages. The Web site ([www.ffef.org](http://www.ffef.org)) says it processes up to 1,200 new clients each month.

The company has been in business since 1990 and has a 501(c)(3) non-profit status.

Jensen said credit counseling companies must have a non-profit status to work in most states. The IRS is re-evaluating this designation that allows so many companies in this industry to avoid paying taxes.

"Non-profit status has nothing to do with the charitable purpose or legitimacy of a business," Jensen said.

Family Financial has a satisfactory rating with the Better Business Bureau.

The company's President and Chief Executive William Richards Cluny did not return telephone calls.

"If this Florida listing truly is supposed to be a number for the Wyoming company, why not use its own name?" Jensen said.

#### **What's a consumer to do?**

Jacobson said consumers need to work with a company close to home that they can actually visit.

If that isn't feasible, he said they must check out the companies carefully and have an attorney read the contract before they sign.

All this, he said, is a sad diversion.

"We're having to spend resources, time and money defending our integrity against this nonsense instead of helping our consumers," he said.

"I can't tell you how frustrating it is."

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