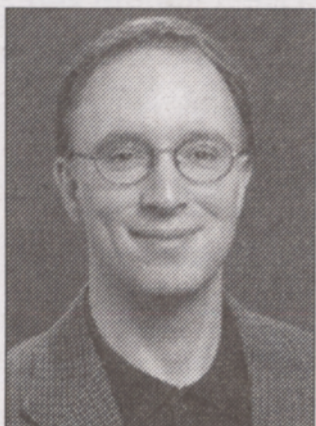


Collect Calls

Journalist and author Fred Williams talks about the cut-throat world of debt collection



Fred Williams

BY ROSETTE ROYALE
CONTRIBUTING WRITER

Working as a debt collector, journalist Fred Williams discovered the extreme tactics collection agencies use to cage the rights of those in arrears

Here's a confession: In my younger days, I was an unrepentant shopaholic. I lived in Maine, working at Colby College, my alma mater, and twice a month I would drive 70 minutes in my brand-spanking new 1990 VW Golf to the outlet mall in Freeport. Ralph Lauren, Cole Haan, Wilson's Leather, L.L. Bean. I tore a blue streak through those stores, rarely stopping to consider that my desire to look good was overshadowed by my ability to pay to look good. My favorite purchase from 20 years ago? A pair of tan suede-cordovan brown leather saddle Oxford shoes with brown metal eyelets. Cost: \$195.

I don't have a clue where those shoes are now, much less anything else I bought. But you know what I still have? Memories of the nauseated, heart-thumping sensation I got when a debt collector called. Because, with a salary of \$18,500, purchasing a \$65 raw silk tie adorned with ring-necked pheasants on a field of light purple fabric ain't a wise idea. But I had VISA and American Express and others, so I reveled in my privileged membership and charged everything. And didn't stop until my unpaid credit card bills, close to \$5,000, went into collection, and the debt collectors came after me. Things got so bad, I wouldn't even answer my work phone, for fear the ring heralded someone wanting the money I owed.

Finally, after years of running from my past shopping sprees by changing phone numbers and addresses, I realized I had to pay those bills. So I worked, mailed in meager checks every month and, somehow, cleared up the debt. To not have to avoid a phone call — what joy. But I often wondered, listening to their messages, what it took to be a debt collector. How in the hell could someone be so mean on the phone? That's why I wanted to speak to Fred Williams.

Not that Williams is mean. On the contrary, he's affable and accommodating. He also worked as a debt collector. To do so, he left his journalism job in upstate New York and in 2008 spent three months calling people on the phone, asking them to pay off their debts. He did so honestly — he wasn't

undercover and never lied to customers — but he did have an objective: to see how debt collection works on the inside.

What he found led to his 2010 book, "Fighting Back Against Unfair Debt Collection Practices: Know your Rights and Protect Yourself from Threats, Lies, and Intimidation." Along with providing an intriguing narrative about what a debt collector's day looks like, Williams also offers sound financial advice, such as how to read a credit report and how to negotiate a debt settlement. Since the book's publication, Williams has appeared on CNBC's "On the Money" and ABC's "Good Morning, America."

Williams no longer works as a debt collector. He's now an editor with a financial news service called SNL Financial, where, he said, "We get a lot of calls for Saturday Night Live." And while most people wouldn't consider debt a laughing matter, Williams spoke compellingly, and with humor, about deceitful debt collectors, the cutthroat work environment, the unhealthy ties between collection agencies and credit card companies, and what consumers can do to stop those abusive calls. He launched into it all before I even asked him a question.

"So I was a reporter at the Binghamton Press, and debt collection is a pretty big business around there, for whatever reason. And we'd hear from people who had been called by them, saying they'd been threatened that their house would be auctioned out from under them or they'd be put in jail for renegeing on debts. So I got the impression these businesses were using pretty harsh tactics. And of course those are illegal tactics. But without really getting inside the industry, the companies would just say, 'Well, there's always some bad apples, and people don't want to pay their debts, so they make complaints' and 'Well, once in a while, we'll get someone who goes over the line, but we'll terminate them.' But the volume of the complaints that were coming in, and the way financial incentives were set up made me think that maybe it was more than that. That maybe the practices were really widespread. So, in order to really check that out, I finally had to leave the newsroom and take a job as a debt collector at one of the mainstream collection companies operating in the

Buffalo area, to see what really went on."

Rosette Royale: How was it to be a debt collector?

Fred Williams: It was not what I expected. Well, maybe some parts of it were. It was pretty easy to get the job. I went right in with my regular resume, my real name and 25 years of journalism experience. They asked me why I wanted to work there. I told them the truth, which was that I heard a lot about collection, and I wanted to see what it was really like for myself. Then there was a week of classroom training. Lots of young guys, a couple guys had a record, other guys hadn't quite finished high school. The training was all on the up and up. It was about what the Fair Debt Collection Practices Act says, what the rules are, what you can and can't do. So that was kind of impressive. But the training kind of skewed toward pushing the line of what you can do.

Once we got on the phones, we were making upwards of 100 to maybe 200 calls a day, usually credit card accounts. Most of these were accounts that had been delinquent for some time. And what I saw was that harsh threats and tricks were pretty pervasive throughout the office. It was pretty much the only way to get money out of these very old and difficult accounts. And even though the company didn't, in my hearing, say anything explicitly about how to threaten or trick people, techniques were passed around by other collectors. (The more experienced collectors, we'd see what they were doing. Even the trainees just a week ahead of you in the program would have all this knowledge that you would absorb, hearing them on the phones.

R.R.: What would be a trick that someone would use?

F.W.: Well, one of the most successful collectors — he was a week or two ahead of me — would call up and say he was a fraud investigator, which was blatantly untrue. He'd say, "I'm calling from VISA, and I need to speak to" who had the first name on the account. That was very effective getting

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Moonless Night

By Eileen Kennedy

I move nearer to you and touch your arm.
You are quiet now, enveloped in the silent dark of the night.
I love you and yet I do not love you.
I feel humiliated by my pain.
I feel ashamed of all that I felt with you.

What went wrong?
You are now a free man and I am a woman.
I rise and stand by the window.
I am quiet now, enveloped in the pungent warmth of the night.
I look for the moon, but the night remains hidden from view.
I hear a wild sound, but it is only my heart crying in the moonless night.