

OVER THE TOP



A TAWDRY TALE OF COLLECTIONS GONE AWRY

BY ED WINN III

RTO can be a tough, gritty business. Everybody in it knows that. It's not like that every day, of course. Some days are as peaceful and serene as you please. And then some days, the clouds gather and it's just one rotten thing after another—enough to test any man or woman to the limit. This is the story of one of those days.

It started out easy enough. A customer came to the store late last July and rented a sofa, loveseat and dinette. It was all new stuff. It was a good account for the store at \$175 a month. She paid a month and a few days and wasn't due until September 3. She got paid on the first. Everybody in the store was feeling good about adding some BOR in the dead of summer.

The delivery went smoothly. It wasn't a great apartment, but the delivery guys had seen far worse. There was a yard full of kids, mostly hers, it looked like, and they were happy enough that Mom was getting herself some new furniture.

The trouble started pretty quickly, though, like it often does. She never paid in September—a first payment default. Who knew? All those good feelings from such a short time ago turned to sawdust. It was mid-September before anybody could get her on the phone. She had a story—lost job, family emergency. She pleaded for a little time, a couple of weeks. She made a commitment to come in and get caught up, but then she broke it. By the end of the month, everybody sort of knew that the account was no good and that the stuff would be coming back. Oh well. Welcome to the rental business. That's a familiar enough story. But it got worse—a lot worse.

The store guys kept calling trying to get the furniture back. She kept making excuses and hanging up on them. The calls coarsened on both ends of the line. She said they were harassing her. They said they needed to pick up their stuff. Pick-ups were scheduled—one time, two times, three times. No one ever came to the door. It became obvious to all concerned that she knew the system and was working it. They should have kicked the file upstairs right then, but they just couldn't. There was pride at play and honor. She was alternately rude and then so smug that she got under their skin with all of her pious talk about being religious and wanting to do the right thing. They were all lies. It should have made them laugh after a while, but it didn't. It went the other way and infuriated them.

Getting the furniture back became a quest for these two guys. They couldn't let it go. Calls continued going back and forth during October and November. People started calling one another names. Threats were made to cut off the power to the apartment on the one side and to call the police on the other. They didn't talk to her every time. Sometimes they talked to the kids about their mother. Sometimes they talked to her friends who were visiting, and not in a kindly way, it seems.

A man got involved on her side—a husband, maybe? He told them that he had been to prison and that he wasn't afraid to go back. He told them that he was from the city and that he knew people who would kill the rental guys and everybody they loved if they ever called her again. Now suddenly, manhood and primal fear were in the mix.

More than once she told them outright that she was stealing the furniture. "I'm going to steal your stuff. That's what I do. You're going to lose your job and I'm going to Hell," she said.

There was a confrontation on the front porch in late November. Two delivery guys who knew nothing of the work and emotions underlying the account went out to make a pick-up, because that's what the work order said to do. A man came to the door and

news and seeing the cause as completely lost, one of the guys decided to let off a little steam. Not content with verbal jousting with the woman on the phone, he started leaving messages on her answering machine. They were ugly. They were obscene, these messages, and now they were on tape. Even for hardened rental guys, seeing the transcript of these messages felt like looking at the Abu Ghraib photos of prisoner abuse in Iraq. They were that bad—much too filthy to print here. This was customer abuse and it wasn't a close question.

With the tapes in hand, she quickly made arrangements to give the furniture back in early January. She wanted clean hands. Shortly thereafter, she played her tapes for an office full of lawyers. The demand letter to the home office came a few days later, exhaustively listing the company's sins, ignoring the customer's altogether, and demanding \$100,000 in exchange for a quick and confidential settlement.

"Mind you we expect that a...jury would award a much larger amount

THE LESSON FROM THIS SAD TALE ONCE AGAIN IS THAT RENTAL STORE EMPLOYEES CANNOT AFFORD TO RETALIATE — EVER — AGAINST CUSTOMERS, EVEN WHEN THEY ARE BAITED TO DO SO.

wanted to know, "What the [deleted expletive] the delivery guys were doing there?"

That's not the best way to start a pick-up, but undaunted, the delivery guys explained their mission. "She's not home and you ain't getting [deleted expletive]!" the man said menacingly, and got in their faces from his porch. The delivery guys, not being in on the ongoing verbal gun battle, left with a cacophony of threats from the man, including more death threats aimed at the guys back in the store working the account.

Hearing the latest

when they hear the tapes of your employee's messages to [our client]," the demand letter said. The lawyers attached a copy of the lawsuit they were prepared to file, which included allegations of Intentional Infliction of Mental Distress, Defamation, Negligence, Negligent Infliction of Emotion Distress, Negli-



gent Hiring, Training, Supervision and Retention. Some of the claims were just hers; others belonged to her and her kids. The suit claimed that she had begun seeing a doctor and had to miss work because of the stress caused by the company's harassment.

The company sent the letter to its insurance company seeking coverage under its Commercial General Liability policy. The insurance company first said that it wouldn't defend the claim and then said that it would defend the claim after all, under its reservation of rights clause.

In the meantime, the company hired local defense counsel because it had no choice and began investigating the claims.

It didn't take long to start learning about her. She was, in fact, a thief and had demonstrated her considerable skills in working over several other rental companies. She had a big screen television, a stereo, a computer and a sofa/loveseat set

from other rental companies who had written her stuff off. She had lately stiffed a payday loan company not very far away. And the investigation into her past is not over.

The employees, who had been around for a while and had helped open the store in the new market and who had performed adequately until this, were let go. You can't have rental store employees letting off steam on customers' answering machines no matter the provocation.

The plaintiffs' lawyers have lately dropped the settlement demand to \$25,000 "and not a penny less." Maybe they have learned something about their client. The insurance company, when it weighs the costs of defense, will probably write a check. There may be a bit more wrangling to get the settlement down a bit, but a bad person is going to get more money that she deserves. The rental company has already suffered a black eye and some loss of morale because a couple of employees got carried away with a bad account,

broke company rules, and by their own admission, left "rude/unprofessional messages" on a customer's answering machine.

The company will survive. Life will go on. But nobody on the rental side of things is feeling all that good right now. It can be a cruel business sometimes. Sometimes the bad guys make out like, well, bandits.

The lesson from this sad tale once again is that rental store employees cannot afford to retaliate—*ever*—against customers, even when they are baited to do so. *Especially* when they are baited. This company, which trains employees pretty well overall, is going to pay more for insurance—if it can get insurance in the future—because employees were egged on and succumbed to the temptation. Don't let it happen in your store. It costs too much and, if you were to ask the store guys in this story, they would tell you that it didn't feel that good. ■

Ed Winn III is APRO's general counsel.

Ask About Our NEW Wireless Solutions

ACT Inc.
Alliance Computing Technologies, Inc.

hp invent

TWIN HEAD

DELL

The ACT ADVANTAGE

- Leading Technology Provider
- Toll Free technical support desk
- On-site warranties standard
- Recovery process designed specifically for RTO
- Dedicated customer service
- Free small parts replacement program
- Exclusive RTO Support and Service organization

ACT makes it easy to do business!

1-888-615-5228

ACT is proud to be recognized as: **APRO 2003 Vendor of the Year** www.actsmart.com

ACT Welcomes You to Tampa for APRO 2004