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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

JOHN GONZALES, individually and on)	CASE NO.: 2:19-cv-1537
behalf of all others similarly situated,)	
)	
Plaintiff,)	
)	
v.)	
)	CLASS ACTION
PROFESSIONAL COLLECTION)	COMPLAINT FOR DAMAGES
CONSULTANTS, MID VALLEY)	
COLLECTION BUREAU, THE BEST)	
SERVICE CO., INC. dba LAW OFFICES)	
OF CLARK GAREN, and DOES 1)	
through 10 inclusive,)	
)	
Defendants.)	
)	

Plaintiff, by and through his attorney, Amir J. Goldstein, Esq., as and for his complaint against the Defendants PROFESSIONAL COLLECTION CONSULTANTS, MID VALLEY COLLECTION BUREAU, THE BEST SERVICE CO., INC. dba LAW OFFICES OF CLARK GAREN, alleges as follows:

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INTRODUCTION

1. This is an action for damages brought by an individual consumer and on behalf of a class for Defendants’ violations of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.* ("FDCPA") and the Rosenthal Fair Debt Collection Practices Act, California Civil Code § 1788, *et seq.* (“Rosenthal Act”) which prohibits debt collectors from engaging in abusive, deceptive and unfair practices; and California Business and Professions Code §17200, *et seq.*, which prohibits unfair competition, which includes any unlawful, unfair or fraudulent business act.

PARTIES

2. Plaintiff John Gonzales is a natural person residing in San Diego County, California.
3. Upon information and belief, Defendant Professional Collection Consultants is a “debt collector” as defined pursuant to 15 U.S.C. § 1692a(6) and Cal. Civil Code §1788.2, is a “creditor” as defined pursuant to Cal. Civil Code §1788.2 and is located in Culver City, California.
4. Upon information and belief, Defendant Mid Valley Collection Bureau is a “debt collector” as defined pursuant to 15 U.S.C. § 1692a(6) and Cal. Civil Code §1788.2, is a “creditor” as defined pursuant to Cal. Civil Code §1788.2 and is located in Culver City, California.
5. Upon information and belief, Defendant The Best Service Co., Inc. dba the Law Offices of Clark Garen is a “debt collector” as defined pursuant to 15 U.S.C. § 1692a(6) and Cal. Civil Code §1788.2 and is located in Culver City, California.
6. That upon information and belief, all named Defendants in this lawsuit occupy and operate out of the same location and use the same address in Culver City, California.

JURISDICTION

7. This Court has jurisdiction pursuant to 15 U.S.C. § 1692k (FDCPA) and 28 U.S.C. § 1331. Venue is proper in this district pursuant to 28 U.S.C. § 1391(c), as the Defendants are located and regularly conduct business in this district.

FACTUAL ALLEGATIONS

8. The Plaintiff repeats and realleges each and every allegation set forth above as if reasserted and realleged herein.

9. That a personal debt was allegedly incurred by Plaintiff to one Cingular Wireless/ AT&T.

10. That upon information and belief, Plaintiff did not have any prior accounts with Cingular Wireless/ AT&T.

11. That at a time unknown to Plaintiff herein, Plaintiff’s alleged debt was referred and/or assigned to Defendant Professional Collection Consultants (hereinafter referred to as “Defendant PCC”) for collection.

Count One

12. The Plaintiff repeats and realleges each and every allegation set forth above as if reasserted and realleged herein.

13. That on or about October 2009, Defendant PCC filed a lawsuit (case no.37-2009-00061269-CL-CL-NC, hereinafter referred to as the “Collections Lawsuit”) against Plaintiff in an attempt to collect on the aforementioned debt.

14. That as part of the Collections Lawsuit, Defendant PCC submitted a declaration to the court regarding the purported underlying contract between Plaintiff and Cingular Wireless/ AT&T indicating the following, in pertinent part: “The original written agreement has been lost, stolen or destroyed.”

- 1 15. That upon information and belief, although Defendant PCC knew that it did not have
2 documentation to support its lawsuit, it persisted with legal action anyway in a deceptive
3 manner in order to confuse and intimidate consumers like Plaintiff.
- 4 16. That upon information and belief, Defendant PCC did not adequately review Plaintiff's
5 account file prior to filing the lawsuit.
- 6 17. That upon information and belief, Defendant PCC did not have prima facie evidence to
7 support its claims in its lawsuit against the Plaintiff, yet persisted with legal action in an
8 attempt to harass Plaintiff and compel payment of a debt by means of abuse, harassment
9 and coercion.
- 10 18. That upon information and belief, Defendant PCC systematically files meritless lawsuits
11 in an effort to compel consumers into making payments on certain accounts knowing
12 that they cannot and do not intend to try said cases on their "merits."
- 13 19. That upon information and belief, Defendant PCC regularly purchases debts and initiates
14 legal proceedings without valid prima face proof of the validity of the debts to compel
15 debtors' into payment by means of legal action.

16
17 *Count Two*

- 18 20. The Plaintiff repeats and realleges each and every allegation set forth above as if
19 reasserted and realleged herein.
- 20 21. That upon information and belief, Defendant PCC failed to properly serve Plaintiff with
21 the Collections Lawsuit.
- 22 22. That the Collections Lawsuit resulted in a default judgment against Plaintiff.
- 23 23. That upon information and belief, Defendant PCC, in order to obtain default judgments,
24 systematically and intentionally fails to execute proper service of process in its lawsuits
25 against its debtors.
- 26 24. That upon information and belief, Defendant PCC strategically engages in wide-spread
27 "sewer service" of its lawsuits and preemptively obtains default judgments without the
28 consumer's knowledge in order to gain unfair leverage in its attempts to collect on debts.

1 25. That upon information and belief, Defendant PCC engages in the systematic and routine
2 practice of filing frivolous lawsuits, like the Collection Lawsuit, and obtaining default
3 judgments against consumers without due process.
4

5 *Count Three*

6 26. The Plaintiff repeats and realleges each and every allegation set forth above as if
7 reasserted and realleged herein.

8 27. That notwithstanding Defendant PCC's lack of evidence to support its claims against
9 Plaintiff for the alleged debt, Plaintiff's account (and the default judgment that followed)
10 was ultimately assigned to Defendant Mid Valley Collection Bureau for collection.

11 28. That on or about February 2019, Plaintiff discovered that Defendants Mid Valley
12 Collection Bureau and the Law Offices of Clark Garen were in the process of executing
13 on the default judgment from the Collections Lawsuit by levying Plaintiff's bank
14 accounts.

15 29. That upon information and belief, Defendant Mid Valley Collection Bureau utilized
16 Defendant The Best Service Co., Inc. dba Law Offices of Clark Garen (hereinafter
17 "Defendant Clark Garen") as its agent and attorneys in executing upon the default
18 judgment against Plaintiff.

19 30. That upon information and belief, Defendant Clark Garen's primary responsibility as
20 Defendant Mid Valley Collection Bureau's agent was to institute the execution process
21 and the bank levy in order to collect on the default judgment.

22 31. That upon information and belief, the Defendants are operated and run by essentially the
23 same entity, yet gives the appearance that multiple collection agencies, judgment
24 creditors, clients and attorneys are involved in the collection process.

25 32. That upon information and belief, Defendants, in their attempts to collect a debt, acted
26 jointly and in cahoots as debt collectors, to systematically file meritless lawsuits
27 (knowing that they cannot and do not intend to try said cases on their "merits"), obtain
28 default judgments premised on improper service, and/or execute on judgments in an

1 effort to compel consumers like the Plaintiff into making payments on bad, unfounded
2 debts.

3 33. That upon information and belief, the purported “bad” debt incurred by Plaintiff has
4 been circulated, purchased and/or assigned (and in this case, also reassigned) through a
5 series of various debt buyers, including Defendants, with the ultimate intent of filing of a
6 meritless collection lawsuit for the purpose of obtaining default judgments and inflating
7 fees unlawfully.

8 34. That upon information and belief, the conduct of all Defendants to collect on Plaintiff’s
9 account confused and deceived Plaintiff as to the status of his account and who was
10 ultimately responsible for collection, and is a concerted effort by all Defendants to avoid
11 fault, lay blame on the other and circumvent liability.

12
13 *Count Four*

14 35. The Plaintiff repeats and realleges each and every allegation set forth above as if
15 reasserted and realleged herein.

16 36. That immediately after receiving the Notice of Levy from his bank, Plaintiff, pursuant to
17 the levy, was instructed to contact Defendant Mid Valley Collection Bureau, rather than
18 the law firm or attorney of record on the underlying judgment.

19 37. That Plaintiff spoke with one “Ron Jacobs,” an agent of Defendant Mid Valley
20 Collection Bureau.

21 38. That during their telephonic communication, the agent informed Plaintiff that he needed
22 to pay off his debts and immediately began pressuring Plaintiff into entering into a
23 payment plan.

24 39. That as a result of Defendant’s misrepresentations and deceptive statements, Plaintiff
25 was led to believe that he was obligated to pay the alleged debt.

26 40. That Defendant’s conduct and threatening representations caused an unnecessary
27 urgency in attempt to coerce the Plaintiff to pay the alleged debt.
28

1 41. That Plaintiff was confused and misled by Defendant, and became stressed and anxious
2 about the levy on his bank accounts.

3 42. That Plaintiff, without having any additional information from Defendants regarding the
4 alleged debt, reluctantly entered into a payment plan under duress after feeling pressure
5 from Defendant's agent and out of fear of what Defendants may do with his bank
6 accounts.

7
8 *Count Five*

9 43. The Plaintiff repeats and realleges each and every allegation set forth above as if
10 reasserted and realleged herein.

11 44. That Plaintiff, subsequent to his telephonic communication with Defendant's agent,
12 faxed Defendants a letter indicating that he was unaware of any claims made by
13 Defendant PCC, that he was never served, and that he was unaware of the Collections
14 Lawsuit until he received notice from his bank regarding the levy on his bank accounts.

15 45. That shortly thereafter, Plaintiff called Defendant's agent, Ron Jacobs, to follow up on
16 his letter.

17 46. That Plaintiff explained that he recently tried to obtain the court documents from the
18 Collections Lawsuit, that the default judgment was obtained in error and that he was
19 disputing the alleged debt.

20 47. That the agent insisted that Plaintiff was still responsible for the debt.

21 48. That the agent told Plaintiff he did not know what he was doing and advised Plaintiff
22 that it was too late to do anything about it.

23 49. That the agent continued to abuse and harass Plaintiff by stating that he was not there to
24 help Plaintiff and that the Defendants would prevail.

25 50. That in response, Plaintiff explained that because the default judgment was issued in
26 error, Defendants had to cease their collection efforts.

27 51. That the agent then told Plaintiff, in pertinent part, that Defendants did not have to do
28 such thing.

1 52. That the agent then advised Plaintiff that he had been practicing civil law and that *he*
2 knew what needed to be done, not the Plaintiff, in an attempt to further intimidate the
3 Plaintiff.

4 53. That the agent threateningly advised Plaintiff to get an attorney.

5 54. That the agent made misleading and deceptive representations, as well as inaccurate
6 legal advice regarding Plaintiff's consumer rights.

7 55. That upon information and belief, the misrepresentations made by Defendant's agent
8 constitute unlawful collection activity as well as the unauthorized practice of law.

9 56. That Defendants abused and harassed Plaintiff by causing a lawsuit and various legal
10 actions to be filed against Plaintiff in an attempt to collect on a debt.

11 57. That Defendants unlawfully proceeded to execute on a default judgment where they
12 knew that service was improper, and were therefore taking legal action against Plaintiff
13 that could not be legally be taken.

14 58. That Defendants persisted with abusive and harassing conduct against Plaintiff in an
15 effort to collect payment on a debt by means of duress and coercion.

16 59. That Plaintiff was left with no other recourse than to seek legal representation in order to
17 address the Collections Lawsuit and the bank levy.

18 60. That as a result of Defendants' conduct, Plaintiff suffered actual damages, including, but
19 not limited to: stress, anxiety, aggravation, sleepless nights and various litigation
20 expenses.

21
22 **AS AND FOR A FIRST CAUSE OF ACTION**

23 61. The Plaintiff repeats and realleges each and every allegation set forth above as if
24 reasserted and realleged herein.

25 62. That Defendants' conduct and communications contained language demonstrating false
26 statements, threatening implications and deceptive misrepresentations in violation of the
27 FDCPA.

1 63. That Defendants' conduct violates 15 U.S.C. 1692 et seq., including but not limited to
2 the following subsections, in that the representations made by the Defendants are
3 harassing, confusing, misleading, deceptive and unfair.

4 a. Defendants violated 15 U.S.C. §1692d by abusing and harassing the Plaintiff;

5 b. Defendants violated 15 U.S.C. §1692e by falsely representing the character,
6 amount, or legal status of the alleged debt; by threatening to take any action that
7 cannot be legally be taken; by using false representations; and by using deceptive
8 means to collect the alleged debt;

9 c. Defendants violated 15 U.S.C. §1692e by using deceptive means in an attempt to
10 collect a debt, for allowing attorneys' signatures to appear on documentation
11 without reviewing Plaintiff's file and by taking actions that cannot legally be
12 taken or not intended to be taken;

13 d. Defendants violated 15 U.S.C. §1692f by using unfair and unconscionable means
14 to collect or attempt to collect a debt; and

15 e. Defendants violated 15 U.S.C. §1692g by using misleading and overshadowing
16 language in an attempt to collect the alleged debt, by contradicting Plaintiff's
17 rights, and by failing to clearly and effectively convey Plaintiff's consumer
18 rights.

19 64. That Defendants engage in a pattern or practice of communicating with consumers
20 where the representations made by the Defendants are harassing, confusing, misleading,
21 deceptive and/or unfair, file meritless lawsuits, obtain default judgments through "sewer
22 service" and ultimately abuse judicial process to execute upon said judgments, all in an
23 effort to collect on alleged debts.

24 65. That as per 15 U.S.C. § 1692 et seq. and as a result of the above violations, the
25 Defendants are liable to the Plaintiff for actual and statutory damages in an amount to be
26 determined at the time of trial but not less that \$1,000.00 per violation, plus costs and
27 attorney's fees.

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1 **AS AND FOR A SECOND CAUSE OF ACTION**

2 66. The Plaintiff repeats and realleges each and every allegation set forth above as if
3 reasserted and realleged herein.

4 67. The Rosenthal Fair Debt Collection Practices Act (Rosenthal Act), California Civil Code
5 § 1788, et seq., prohibits unfair and deceptive acts and practices in the collection of
6 consumer debts.

7 68. By their acts and practices as hereinabove described, the Defendants have violated the
8 Rosenthal Act as follows, without limitation:

- 9 a. Defendants have violated §1788.10(f) which prohibits threats to take actions
10 against the debtor which is prohibited by said title;
- 11 b. Defendants have violated §1788.13(j) with its false representations that a legal
12 proceeding has been, is about to be, or will be instituted unless payment of a
13 consumer debt is made;
- 14 c. Defendants have violated §1788.15(a) which states that, “No debt collector shall
15 collect or attempt to collect a consumer debt by means of judicial proceedings
16 when the debt collector knows that service of process, where essential to
17 jurisdiction over the debtor or his property, has not been legally effected;” and
18 d. By the above-referenced violations of the FDCPA, Defendants have violated
19 §1788.17.

20 69. Pursuant to § 1788.30 of the Rosenthal Act, Plaintiff is entitled to recover his actual
21 damages sustained as a result of the Defendants’ violations of the Rosenthal Act. Such
22 damages include, without limitation, statutory damages, any actual damages sustained,
23 other resulting monetary losses and damages, and emotional distress suffered by
24 Plaintiff, which damages are in an amount to be proven at trial.

25 70. In addition, because the Defendants’ violations of the Rosenthal Act were committed
26 willingly and knowingly, Plaintiff is entitled to recover, in addition to his actual
27 damages, penalties of at least \$1,000 per violation as provided for in the Act.
28

1 71. Pursuant to § 1788.30(c) Rosenthal Act, Plaintiff is entitled to recover all attorneys' fees,
2 costs and expenses incurred in the bringing of this action.

3
4 **AS AND FOR A THIRD CAUSE OF ACTION**

5 72. Plaintiff repeats and realleges each and every allegation set forth above as if reasserted
6 and realleged herein.

7 73. The California Business and Professions Code §17200, et seq., prohibits unfair
8 competition, which includes any unlawful, unfair or fraudulent business act.

9 74. That Defendants, by engaging in the acts hereinabove described, have committed
10 violations under the aforementioned statutes and codes; that said acts are therefore per se
11 violations of the California Business and Professions Code Section 17200 et seq.

12 75. That the harm caused by Defendants' conduct outweighs any benefits that Defendants'
13 conduct may have.

14 76. That a consumer like the Plaintiff is likely to be deceived, and that the Plaintiff was in
15 fact deceived, by Defendants' conduct.

16 77. That the Defendants have been unjustly enriched by committing said acts.

17 78. That as a result of Defendants' conduct, Plaintiff has been harmed and has suffered
18 damages in the form of monetary losses, extreme embarrassment, humiliation, shame,
19 stress, anxiety, aggravation and sleepless nights.

20 79. That as a direct and proximate result of Defendants' unlawful, unfair and fraudulent
21 business practices as alleged herein, Plaintiff has suffered substantial injury in fact and
22 lost money and/or property.

23 80. That pursuant to California Business and Professions Code § 17200, et seq., Plaintiff is
24 entitled to recover his actual damages and restitution.

25
26 **CLASS ALLEGATIONS**

27 81. Plaintiff repeats and realleges each and every allegation set forth above as if reasserted
28 and realleged herein.

1 82. The first cause of action is brought on behalf of Plaintiff and the members of a class.

2 83. That one sub-class consists of all persons whom Defendants' records reflect resided in
3 the state of California and were named as defendants in various collections lawsuits
4 wherein declarations were filed indicating that the underlying contracts upon which the
5 lawsuits were based were either "lost, stolen or destroyed."

6 84. That one sub-class consists of all persons whom Defendants' records reflect resided in
7 the state of California and were named as defendants in the aforementioned collections
8 lawsuits that resulted in default judgments from improper service.

9 85. That one sub-class consists of all persons whom Defendants' records reflect resided in
10 the state of California and received legal advice from agents engaged in the unauthorized
11 practice of law.

12 86. Pursuant to Federal Rule of Civil Procedure 23, a class action is appropriate and
13 preferable in this case because:

14 (A) Based on the facts that the collection activity, including Defendants'
15 representations, statements, letters, and/or collections lawsuits are at the heart of
16 this litigation, the class is so numerous that joinder of all members is
17 impracticable.

18 (B) There are questions of law and fact common to the class and these
19 questions predominate over any questions affecting only individual class
20 members. The principal question presented by this claim is whether the
21 Defendants violated the FDCPA by failing to follow appropriate procedures.

22 (C) The only individual issue is the identification of the consumers who were
23 subjected to meritless lawsuits and/or default judgments, a matter capable of
24 ministerial determination from the records of Defendants.

25 (D) The claims of the Plaintiff are typical of those of the class members. All
26 are based on the same facts and legal theories.

27 (E) The Plaintiff will fairly and adequately represent the class members'
28 interests. The Plaintiff has retained counsel experienced in bringing class actions

1 and collection-abuse claims. The Plaintiff's interests are consistent with those of
2 the members of the class.

3 A class action is superior for the fair and efficient adjudication of the class members'
4 claims. Congress specifically envisions class actions as a principal means of enforcing the
5 FDCPA. 15 U.S.C. 1692(k). The members of the class are generally unsophisticated
6 individuals, whose rights will not be vindicated in the absence of a class action. Prosecution
7 of separate actions by individual members of the classes would create the risk of
8 inconsistent or varying adjudications resulting in the establishment of inconsistent or
9 varying standards for the parties and would not be in the interest of judicial economy.

10
11 87. If the facts are discovered to be appropriate, the Plaintiff will seek to certify a class
12 pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure.

13 88. Collection lawsuits, letters, statements and/or reports, such as those sent by, or at the
14 direction of the Defendants, are to be evaluated by the objective standard of the
15 hypothetical "least sophisticated consumer."

16 89. Defendants violated the FDCPA. Defendants' violations include, but are not limited to,
17 the following:

- 18 a. Defendants have violated 1692d by harassing the Plaintiff and engaging in
19 oppressive and abusive conduct;
- 20 b. Defendants have violated 1692e by using false representations, employing
21 deceptive and misleading means with lack of attorney review and taking legal
22 actions that could not be legally taken, in an attempt to collect a debt;
- 23 c. Defendants have violated 1692f by using unfair and unconscionable means to
24 collect or attempt to collect a debt; and
- 25 d. Defendants have violated 1692g by using misleading and overshadowing
26 language and mischaracterizing the status of Plaintiff's account.

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28 //

1 **WHEREFORE**, Plaintiff respectfully prays for the following relief:

- 2 (a) An order certifying the class(es) defined above, appointing Plaintiff as class
3 representative and appointing his attorney as class counsel;
- 4 (b) Statutory damages and actual damages pursuant to 15 U.S.C. § 1692k in an
5 amount to be determined at the time of trial on behalf of the class on the first
6 cause of action;
- 7 (c) Statutory damages and actual damages provided by statute, including, but not
8 limited to 15 U.S.C. § 1692k et seq., Civil Code §1788.30 et seq., and California
9 Business and Professions Code §§17200, et seq;
- 10 (d) Equitable and injunctive relief;
- 11 (e) Restitution;
- 12 (f) Costs and reasonable attorney's fees provided by statute, including 15 U.S.C. §
13 1692k, California Civil Code §1788.30, *et seq.*, common law and/or the Court's
14 inherent power; and
- 15 (g) For such other and further relief as may be just and proper, including but not
16 limited to a preliminary and permanent order enjoining the Defendants and its
17 agents, employees, affiliates and/or subsidiaries, from collecting or attempting to
18 collect monies not authorized by law from Plaintiff and class members, or from
19 otherwise engaging in the unlawful and unfair acts and practices alleged herein.

20
21 Plaintiff requests trial by jury on all issues so triable.

22 Dated: March 1, 2019

Respectfully Submitted,

23 /s/ Amir J. Goldstein, Esq.

24 Amir J. Goldstein, Esq.

Attorney for Plaintiff

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ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Debt Collectors Sued Over Allegedly Improper Service, Abusive Collection Activity](#)
