

Press Coverage | May 18, 2021

Debt Collectors Face Surge of Suits After 11th Circ. Ruling

RELATED PROFESSIONALS

[David N. Anthony](#)

David Anthony, a partner in Troutman Pepper's Consumer Financial Services Practice Group, was quoted in the *Law360* article, "[Debt Collectors Face Surge of Suits After 11th Circ. Ruling.](#)"

"There will be significant practical consequences that go along with all of this," said David Anthony, a Troutman Pepper partner who has extensive experience defending FDCPA cases. "There's going to be a rush of continued class litigation, and most of the clients that I'm working with are developing their own Hunstein strategy."

"There's not a lot of those cases that reach the circuit court of appeals level that require you to revisit almost your whole business operation," he added.

...

"What was jarring about this decision is it puts the foundation of a lot of these businesses potentially at risk to be looked at through a different liabilities lens," Anthony said. "All of these companies are now having to go back and think, 'OK, well, am I doing something that at least one court thinks violates the FDCPA?'"

...

But Troutman Pepper's Anthony said consumers will arguably not be better off if Hunstein gains traction. By calling into question the outsourcing that underpins many collectors' business models, the decision stands to make contacting consumers costlier or riskier or both, chilling the kind of communication that can resolve debts without having to resort to legal action, according to Anthony.

"It's less transparency and less opportunity to allow people to work things out," he said. "At the end of the day, communication with consumers is a good thing. It's in everybody's best interest to do it, but if that is under attack, then the likelihood is that such communication will diminish."

"The irony is that it may be easier and safer for a debt collector to simply sue a consumer rather than communicate with her short of litigation," he added.

RELATED INDUSTRIES + PRACTICES

- [Consumer Financial Services](#)
- [Fair Debt Collection Practices Act \(FDCPA\)](#)