

GUILTY

GDS* TECHNICIAN PLEADS GUILTY TO FELONIES

In a first for the garage door industry, a technician has been convicted of multiple felonies, all pertaining to nothing more than his garage door repair work. The case may have repercussions for garage door repair companies that charge high rates for garage door repair work.

On July 7, Tim Patterson, 44, former leading technician for GDS, pleaded guilty in Superior Court of San Diego County to four felony counts of “elder financial abuse.” In California, such a felony involves the theft of more than \$950 from someone over 65. By pleading guilty, Patterson avoided a jury trial and likely influenced a lesser sentence from the court.

After his guilty plea, Patterson told D+AS, “I have never entered a residence with the intent to steal. I have entered residences with one intention and one intention only, and that is to sell the job and repair the garage door in the manner in which I was trained to do it. I am not your story here; GDS is your story.

“If the business practices are considered unsavory, bear in mind they are not my business practices but GDS’s. That is why GDS should be the focus of your inquiries. I pled guilty because my family and I could not afford financially or emotionally to take this all the way to trial. Quite frankly, I’d like to just put all this behind me and wash my hands of GDS forever.”

The sentence

As part of his sentencing, Patterson was placed on three years’ probation and given a custodial sentence of one year in jail, but his jail time is suspended while he’s on probation. Now a convicted felon, Patterson has been given an opportunity to rebuild his life by moving himself and his family out of state. During his probation, he will report his address and employment information so that he can be monitored by the probation department.

His sentence also required Patterson to pay \$2,800 in restitution up front to victims. Paul Greenwood, prosecuting attorney, had originally presented testimony from nine victims. To secure the guilty pleas, Greenwood accepted a guilty plea from Patterson to four of the nine customers.

“This case doesn’t involve millions of dollars, but the conduct is reprehensible,” said Greenwood. He hopes that the attorneys general of other states will look at the overall business practices of GDS on a national level.

GDS responds

After Patterson pleaded guilty, D+AS contacted GDS for their response to his conviction. Jason Romaszewski, GDS general manager, said, “We were made aware of Timothy Patterson’s felony charges in December

2016 and, upon being made aware, ensured he was no longer an employee with our business.

“We have received complaints from former customers of Mr. Patterson’s, and in nearly all instances the business reached a satisfactory resolution. We encourage anyone who believes they were treated unfairly by Mr. Patterson to contact us so we can work towards resolving any complaints.”

Key factors

At Patterson’s preliminary hearing in March, Greenwood presented testimony from 16 witnesses along with 35 exhibits of invoices, photos, and complaint letters. The invoices included one for \$4,608.82 (to a 76-year-old female), \$4,274.74 (91-year-old widow), \$2,596.16 (80-year-old male), \$2,195 (73-year-old female), \$2,200 (80-year-old male), and \$1,460.11 (74-year-old male).

Greenwood feels that his case was strengthened by getting testimony from nine victims. Even though the nine didn’t know each other, they all testified to similar financial abuse. Additional testimony from other garage door dealers and former GDS technicians also helped the prosecution. Door + Access Systems’ fall 2015 article about GDS, “The Worst Garage Door Company in the Nation,” was submitted as an exhibit in the case and mentioned several times by the prosecution.

Several factors are likely to have lessened Patterson’s sentence, according to Greenwood. The mitigating factors are that Patterson is no longer with GDS, he pleaded guilty to four felony counts, and he has a supportive family. Greenwood believes that Patterson wanted to avoid a jury trial where the nine elderly victims would testify, as they did at the preliminary hearing in March.

Warning other seniors

In Greenwood’s role as the head of the Elder Abuse Prosecution Unit, he often speaks to groups of senior citizens about scams. “I warn them about garage door technicians,” he said, “and I warn them specifically about GDS because of what I have learned from prosecuting this case. I see this as part of my job.”

*GDS goes by many names, such as Neighborhood Garage Door Service, Yes Garage Door Service, Fox Overhead Garage Doors, Five Star Garage Door Repair, Global Development Strategies, and dozens more. "Garage Door Services of Houston" is a different company that has no connection with this GDS.

By Tom Wadsworth, CDDC
 Editor, Door + Access Systems newsmagazine



ON THE JOB: Tim Patterson, as photographed on Dec. 31, 2014, by one of his customers. (Photo by A.A. Galenes. Used by permission.) After Patterson pleaded guilty, Galenes told us, "The tragedy of this situation is that, although I'm pleased that one of the little fish was reeled in, the scam company apparently continues to roll deceitfully along."

TIMELINE

Dec. 8, 2016

Prosecuting attorney notifies Patterson of the charges. He resigns his job with GDS.

Jan. 12, 2017

Patterson is arraigned on the felony charges.

March 6, 2017

After a day-long preliminary hearing in San Diego Superior Court, Patterson is bound over for trial.

March 20, 2017

Trial date is set for July 13.

July 7, 2017

Patterson pleads guilty to four felony charges.

ON THE STAND*

Annemarie Stuebe, customer

Age: 76

Date of service: Dec. 10, 2014

Problem: Broken spring

GDS invoice: \$4,608.82

Note: The Stuebes had a Lexus in the garage.

"When everything was done, we asked for an invoice. And we were told that we would not get an invoice until the next day. ... He would not leave until we paid. And the next day we received the breakdown, and that's where I found that the labor cost was outrageously high.

"My husband immediately called the company the next day, and without any time spent on the phone, they immediately credited \$1,600 to our account, but he had to sign a disclaimer that he would not pursue this any further.

"So I pursued it and called our credit card company, and they blocked \$2,000 off the \$3,000 that we still paid and ... within two weeks they notified me that the garage door company had settled for that. And so in reality we were now down to \$1,000, which we thought was still high because we got other estimates after the fact."

After the repair, another door dealer inspected the Stuebes' door system. He said it was "dangerous" because of improper setting of the down force.

Patterson's response to D+AS: "GDS has set pricing; technicians are to follow these line items for pricing. This is GDS's pricing, not the technicians'. In my opinion, any competitor can find anything wrong with any job. I know that I did these jobs to the best of my ability, using the methods and techniques that I was trained to use. I was just doing my job. There were no crimes committed here."

continued on page 44

*This is a portion of the 245-page transcript of testimony presented at the preliminary hearing on March 6.

ON THE STAND*

Nina Dodson, customer

Age: 73

Date of service: March 2014

Problem: The top two sections
“started to separate”

GDS invoice: \$2,195

She said she was “shocked” at the \$2,195 invoice. “I remember clearly asking him (Patterson), ‘What would a new garage door cost?’ He didn’t give me a dollar amount, but he said it would be considerably more than the repair. . . . (Later) I one more time said, ‘This seems awfully expensive. . . . Are you sure I couldn’t have gotten a new door cheaper?’ And he once again assured me that I could not have.”

After he left, she called GDS and was given to a manager named Jason. “I explained that I had some concerns over the amount of money that I had been charged for the service . . . And without even asking me what my issues were, his first comment back was, ‘How much do you want me to reduce this by?’

“I foolishly said, ‘\$500’ . . . He explained to me that he could not give me \$500, but he could give me \$495. . . . I think I was just cheated. . . . I felt helpless because I needed it fixed. I live alone, didn’t want my garage door open all night long. I felt very, very vulnerable to have it wide open.”

Patterson’s response to D+AS: “The customer authorized the repair when the price was calculated. At that time, the customer could have turned down the job and called another company. The customer wanted the work done immediately. Due to the fact that there are several kinds of garage doors out there, it is impossible to give an exact price without knowing the exact make, model, and manufacturer of the desired door.”

ON THE STAND*

Alexander Galenes, customer

Age: 74

Date: Dec. 31, 2014

Problem: Broken spring

GDS Invoice: \$1,460.11

Patterson gave Galenes an estimate in excess of \$1,400. “My reaction was surprise because I told him that I had had springs replaced back in 2003 for — I believe it was \$224. . . . And he came back and said, ‘Well, that’s why they’re not in business,’ indicating that anybody that did springs for \$224 would run themselves out of business.”

Note: The company that charged \$224 (Escondido Overhead Garage Doors) is still alive and well; its owner testified at the hearing.

Patterson’s response to D+AS: “This estimate was for more than just a broken spring; it included multiple parts. Due to the overhead expenses of a large, reputable company, prices for garage door repairs would cost more than for a smaller, less reputable company.”

ON THE STAND*

Robert Stebbins, customer

Age: 83

Problem: Broken spring on double door

GDS quote: \$1,200 for new springs, cables, rollers, etc. Stebbins rejected the extra items and agreed on a price of \$600 for the spring change.

Stebbins canceled the first appointment with GDS because he went online and “found a bunch of information . . . indicating that GDS was running a garage door scam.” So, he Googled “garage door repair Encinitas” and contacted a company that he thought was local.

When Patterson arrived and did his work, Stebbins was suspicious and would not pay by credit card. Patterson told Stebbins to make the check out to “Jimmy’s Garage Door.” But Stebbins had never heard of Jimmy’s Garage Door. “He told me Jimmy’s Garage Door had bought Garage Door Services. At that point I just wanted to get him out of there.”

Stebbins later aggressively sought for relief. “I wanted to bring this whole thing into the sunlight so that this company . . . if it’s a scam, that they go out of business, because not only for elderly people, but for anybody. You don’t have to be . . . 83 years of age to be a victim of this type of an operation.”

Patterson’s response to D+AS: “The price was reduced due to removing some parts. This, in turn, would have given the customer less of a warranty per GDS policy.”



HONORED AT GDS: GDS has presented Patterson with many trophies and awards, including #1 Sales Representative of the Year (2013), Biggest Boss (3rd quarter 2013), #1 Salesman (1st quarter 2013), National Leader (1st quarter 2014), Exceptional Trainer (2014), Salesman Extraordinaire & Leader of the Quarter (2015), Most Knowledgeable (2015), and Leader of the Year (2015) (pictured).

**This is a portion of the 245-page transcript of testimony presented at the preliminary hearing on March 6.*

ON THE STAND*

Lawrence Cullen, customer

Age: 80

Service date: Dec. 10, 2014

Problem: "The gears wouldn't carry the door up."

GDS Invoice: \$2,200

Cullen's complaint letter, presented as evidence, began, "Scamming senior citizens is a despicable practice that preys on those in declining health and cognitive abilities."

He explained, "I think as we get older and I hear more and more about preying on the elderly because they see us as being somewhat befuddled or not having all of our cognitive abilities ... And people ... look at the house you live in, look at the type of car you drive, and so on, and they make a judgment decision: 'Well, I can charge that person more ... yeah, he's a sucker.'"

Patterson's response to D+AS: "None of this is ever the case with me. I sell the job the same to every customer. My pricing does not inflate based on the customer's age and/or their perceived means. As stated before, GDS has set pricing."

ON THE STAND*

Maile Williams, chief investigator

California Contractors State License Board (CSLB)

Williams testified that, as of October of 2014, GDS was not allowed to do new business in California. Yet, they continued to do so.

She testified about Terry Conroy, a former GDS technician from North Carolina, who indicated that GDS pushed a motto among its employees: "Leave your conscience at home." Conroy reportedly said that there was a "\$10,000-a-week club" at GDS, that they would try to get their technicians to be competitive against each other, and that Patterson was consistently in that club.

Williams said that the CSLB hired an independent contractor, Kippy Thomas, who went to three of the homes to inspect the work done by GDS. Williams said Thomas "was astonished at the dollar amounts and repeatedly ... (made) comments about the double charging and excessive, extremely inflated charging for the repairs."

Patterson's response to D+AS: "I've never been in competition with other technicians. I just did the job I was trained to do, in the manner in which I was trained to do it, to the best of my ability at each and every job."

ON THE STAND*

Jerome Regner, door dealer

AA-OK Garage Door Sales and Service,
Mira Mesa

Regner explained the tactics of some garage door repair companies. "They'll offer a price to get them in the door. Once they're in the door, they will proceed to not just fix or attempt to fix the problem that was called upon, but they'll attempt to sell them other parts — rollers, cables, bearings — so that they can inflate their service call."

Regner examined Patterson's work at a victim's garage. "I don't believe most of the work needed to be done ... I feel that what was done was extremely excessive." He also testified that Patterson re-used old parts but charged the victim for new parts. Such re-used parts included the 'J' arm, the door arm bracket, the header bracket, the wall button, and the wiring to the button.

In addition, Regner said that Patterson's work was substandard and that the opener was installed too high. Regner spent about an hour fixing the substandard work. He did not charge the victim, but she gave him a thank-you card, and he later found \$100 in it.

He said that he had come across perhaps 10 other customers who had prior bad experience with GDS. Their work, he said, has given his company a bad reputation. "The second you knock on the door, you're the bad guy. You're the one under suspicion. ... My job is to help the customer. What they (GDS) do makes us all the bad guy."

Patterson's response to D+AS: "I'd give customers the option to fix everything, a complete overhaul. If they didn't like that option, they could just fix the thing(s) that were in need of repair or replacement. I've never re-used old parts."

continued on page 46

**This is a portion of the 245-page transcript of testimony presented at the preliminary hearing on March 6.*

ON THE STAND*

Masood Bagheri, door dealer
Escondido Overhead Garage Doors

Bagheri testified about Patterson's \$4,608.82 invoice to the Stuebes. He said that he would've charged them a little over \$600 to fix her problem. "We never are the lowest price, but when you see high prices like this, it's just shocking. ... There's parts ... that cost less than \$10, and the owner ends up paying \$2,500."

Greenwood: "Have you ever heard it said that GDS had been able to do work for people when those people were thinking they were hiring somebody else?"

Bagheri: "All the time. All the time. It happens too often. A golfing friend from our church called and ... he was looking for our office phone number, and on the internet he got in touch with GDS. He asked for me, and they said I'm not there."

Patterson's response to D+AS: "The customer had the option to decline our services and call another company out."

ON THE STAND*

Dan LaRose, door dealer
Pacific Garage Door

Greenwood: "What negative opinions have you heard regarding the tactics that GDS uses?"

LaRose: "They overcharge, they put in wrong stuff, they totally take advantage of people. ... Excuse my French, but it pisses me off when this company does what they do to people, and especially to seniors. And it just ... makes my blood boil."

LaRose inspected Patterson's work for one particular customer (who was charged \$2,500) and said the work was "a joke." He said, "Any garage door guy who has been doing this for a couple of months would not have installed it that way." He also noted that Patterson installed a new operator but did not replace the old "doorbell" wall button.

LaRose also contended that a new motor was not needed, since the old one was probably only four years old. If he had been called out on the same call, he said, "At worst it would have been a service call, and my service calls are \$85."

Patterson's response to D+AS: "The job was done per industry standards."

CLOSING ARGUMENT*

Lindsey Mercer, defense attorney

I think it's been very clear from all of the witnesses that all of the work that was contracted for was performed, that price was discussed at the beginning. It was an agreed-upon contract. They may have had buyer's remorse afterwards, but ... the price was discussed from the outset, was negotiated. They agreed to it. The work was performed to industry standard, and they paid that.

"And I think it's a slippery slope argument here ... when do we set an arbitrary line that a price is illegal when it's been agreed upon by both parties? If you take a car to be serviced and you go to the local dealer versus the dealership, you're often going to get charged a different price.

"And in all of these cases, ... if they didn't agree with the work or the proposed estimate, they could cancel the service and pay, in some instances, a \$39 service fee. ... These were all educated, informed people that spoke with the repairmen at length and then made the decision to proceed with the work or negotiated a different price that they felt more comfortable with.

"And so ... I don't see what has been stolen from these individuals. ... But in terms of ... residential burglary and in terms of theft, I don't believe the People have met their burden of proof that the actual theft occurred or there was an intent to steal."



TOP PERFORMER: Patterson's many awards at GDS include being the "#1 Sales Representative of the Year" for 2013.

continued on page 48

*This is a portion of the 245-page transcript of testimony presented at the preliminary hearing on March 6.

Smart Phone Connectivity Just Got Smarter!



Schedule specific hour and minute to close door and/or notify.



Set door to automatically close and/or notify after a set length of time.



Give virtual key access to friend, relative, or service person.



Allows for multiple individual user accounts.

ALADDIN CONNECT™



ALWAYS AT YOUR COMMAND

www.geniecompany.com

The Genie Company | One Door Drive | Mt. Hope, OH 44660 | 800.354.3643



CLOSING ARGUMENT*

Paul Greenwood, prosecuting attorney

“Where you ... go over the line is when you look at the big picture here ... of a company that had its license suspended. You then look at the individual technician, Timothy Patterson, who was not registered to sell these services or parts until November of 2015, and you put those two together with the testimony (from) another ex-technician who says that the focus was on sales ... and doing the right thing for customers was secondary to that, ‘leaving your conscience at home,’ driven by commission. And you add to that the very clear testimony of several of these victims who ... said consistently, ‘I was duped,’ ‘I was ripped off,’ ‘I was conned.’

“And it’s remarkable how many of them knew it but felt trapped and not able to get out of the obligation and how easy it was for them in some cases to get reimbursements from the company as soon as they made the complaint. To suddenly get a reduction of \$1,000 ... indicates that the company knew it was criminal, that the technician, Mr. Patterson, knew it was criminal, and ultimately they do it until and unless somebody complains.

“So I believe with all of that, your Honor, the threshold (for burglary) has been met, because every time Mr. Patterson entered this garage, he did so with one aim in mind: to sell the individuals as much as he could get away with. And in some of those cases you heard it was like \$4,000, in another case two-and-a-half thousand dollars. Clearly, way, way above what is considered acceptable and the norm. So that’s where it takes us into the criminal realm, your Honor.

“And burglary itself, the elements are fairly clear and simple to understand. If somebody enters the residence of another person with the intent to take permanently, steal from them, then that’s burglary. And we believe that the evidence today has shown, for the standards that are required for a preliminary hearing, that that burden has been met.”

Patterson’s response to D+AS: “I sold the customers what they needed and what they asked for. There was no burglary, no theft, no crime of any kind committed.”

FINAL RULING*

Judge Laura W. Halgren

“I think that, as Mr. Greenwood has argued, when you take everything collectively, all of it, it does rather shock the conscience that these prices were charged in a way that seems way out of norm as to what would be appropriate. ... I think even the ones who were told ahead of time, they were taken advantage of in that they had no idea what the price should be and they agreed, but they really needed their garage door opened. They had to get their car out. They were older, a lot of them. ... I think it is a situation, particularly when people are elders, that they can be taken advantage of in that way.

“I’ve learned so much today about garage doors. But they (the three garage door experts) were all uniform in their belief that there was no way in a million years that there could be this price, and I think that established at least to a probable cause level that this did amount to a theft when it was so much above what would be expected or reasonable in the industry.

“And particularly — and it wouldn’t be the finding if it was just one person or even two — ... when there’s so many, and then combined with the refunds that were given so quickly, and the issues with licensing, and all of those other issues. So for that reason, the Court is going to hold Mr. Patterson to answer on most of the charges and allegations.”

**This is a portion of the 245-page transcript of testimony presented at the preliminary hearing on March 6. ■*

To comment on this story, send an email to the editor at trw@tomwadsworth.com.