

sComm feels sense of security with new federal contract

BY JAMES DORNBROOK | STAFF WRITER

sComm signed a contract to supply U.S. Social Security Administration offices nationwide with its device to aid communication with people who are deaf or hard of hearing.

The Raytown company said April 24 that the contract for 1,274 of its UbiDuo devices is valued at \$2.4 million. It is, by far, the largest order for sComm. Company officials hope it will be a springboard for national and global sales.

The UbiDuo is a briefcase-size device that separates into two keyboards with split-screen monitors. It allows two peo-

ple to communicate by typing, with each able to see what the other is typing in real time.

Company founder Jason Curry patented the product in 2005. He said sComm has been shipping about 100 units a month.

The Social Security Administration is the culmination of a three-year pilot program with 17 SSA offices, Curry said.

"It was the best day ever, and I will never forget how the spirit at sComm just totally turned around that day," he



Curry

"It means we'll have the money to evolve our product with new technology, explore expansion opportunities and still maintain our status as a 100 percent family-owned company."

The company hired Greg Kirkman as vice president of sales and marketing. Kirkman formerly was Eastern U.S. regional sales manager for Pavestone Co.

"I left Pavestone to come here because I just really loved his passion," Kirkman said of Curry. "I like the potential that this product has, and I saw an opportunity to grow with a startup company."

Kirkman said sComm has marketed the UbiDuo primarily to government

agencies. His job is to expand the the customer base to banks, retailers, law enforcement agencies and schools.

Debbie Wenig, assistant to the principal at Parkview Elementary School in Sedalia, said the school bought an UbiDuo to help communicate with two deaf parents.

"Prior to having the device, we would hand-write notes back and forth," she said. "That can be very laborious, and it also doesn't seem very personal. ... We see those parents a lot more now because they are more comfortable coming into the building to talk to us, and that is great."

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Kansas rulings target debt settlement companies skirting law

BY PAUL KOEPP | STAFF WRITER

A pair of recent court decisions could crack down on the ability of debt settlement companies to skirt regulations in Kansas by posing as law firms.

Kansas law offers a safe harbor that exempts lawyers from regulation by the Office of the State Bank Commissioner. Critics say Maryland-based law firm Persels and Associates LLC exploits that loophole by contracting with Kansas attorneys who tell consumers Persels will represent them — even though its attorneys are not licensed in the state.

U.S. Bankruptcy Judge Robert Nugent ruled April 13 that Persels' failure to register with the State Bank Com-

missioner was a "deceptive act" and that the company is not exempt from the Kansas Credit Services Organization Act, which caps debt settlement companies' fees. In that case, a Salina man made more than \$1,000 in upfront payments to Persels that went to legal fees instead of creditors, who soon sued him.

Persels assigns each client to a licensed Kansas attorney, who receives a monthly fee. That "field attorney" offers advice but will not represent the client in court. Nugent wrote that the "success rate of Persels clients is dubious at best," noting that of 681 residents who enrolled from October 2008 to October 2009, 465 dropped out within a year.

The judge said Persels and its field attorneys hold themselves out as lawyers but are really credit services providers, subject to regulation. "If it walks like a duck and swims like a duck and quacks like a duck, it is a duck," Nugent wrote.

In another case, the Kansas Court of Appeals ruled March 23 that Persels and related firm Consumer Law Associates LLC were not exempt from the credit services act, under which the OSBC had fined them \$8 million for engaging in unregistered credit and debt management services. The company plans to appeal; its attorney at Stinson Morrison Hecker LLP, Jeffrey Befort, declined to comment.

Neil Sader of The Sader Law Firm in

Kansas City, a bankruptcy lawyer not involved in either case, said some companies are taking advantage of people who will try anything to avoid bankruptcy.



Sader

"Some debt settlement companies will negotiate with all your creditors all at once," Sader said. "That's pretty legitimate. But many of them will only work on one creditor at a time. It's hard to tell the difference between the two unless you're financially sophisticated."

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