

FILED

MAR 17 2022

CONSUMER PROTECTION DIVISION
OFFICE OF THE ATTORNEY GENERAL
STATE OF MARYLAND
200 St. Paul Place, 16th Floor
Baltimore, Maryland 21202,

Proponent,

v.

PATRICK MICHAEL SAVAGE d/b/a
Extreme Backyard's
1 Comanche Court
Middle River, Maryland 21221,

Respondent.

* IN THE ADMINISTRATIVE HEARING PROCESS

* CONSUMER PROTECTION

* DIVISION

* OFFICE OF THE

* ATTORNEY GENERAL

* CPD Case No.: 22-001-349559

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STATEMENT OF CHARGES

The Office of the Attorney General, Consumer Protection Division, institutes this proceeding to enjoin the Respondent from engaging in unfair and deceptive trade practices in the course of selling and offering consumer goods and services, and to obtain relief for consumers harmed by unfair and deceptive trade practices. Respondent is engaging in a pattern and practice of entering into contracts to perform home improvement services without possessing a statutorily-required home improvement contractor's license. Before commencing work, Respondent generally requires a payment that exceeds the limit for such deposits under Maryland law. Respondent either fails to begin the work, or begins preliminary work, including demolition, and then abandons the project. After abandoning the project, Respondent refuses to return consumers' payments. Selling consumer goods and services without the required license, collecting excessive deposits, and failing to deliver promised goods or services or returning consumers' deposits are unfair and deceptive trade practices that violate the Maryland Consumer Protection Act.

PARTIES

1. The Proponent in this proceeding is the Consumer Protection Division of the Office of the Attorney General of Maryland (the “Division”). This proceeding is brought by the Division to redress past violations and to prevent future violations of Maryland’s Consumer Protection Act, Md. Code Ann., Com. Law §§ 13-101 through 13-501 (“CPA”).

2. The Respondent, Patrick Michael Savage doing business as Extreme Backyard’s, resides at 1 Comanche Court, Middle River, Maryland 21221 in Baltimore County, Maryland, has entered into contracts to perform home improvement services for consumers residing in Maryland.

STATEMENT OF FACTS

3. Respondent operates an unlicensed home improvement business based in Baltimore County, Maryland known as Extreme Backyard’s. Respondent has never held a license to perform home improvement work in Maryland as required by Md. Code Ann., Bus. Reg. § 8-301, a fact that Respondent does not disclose to consumers.

4. Respondent falsely presents himself, either implicitly or explicitly, as a licensed home-improvement contractor to potential consumers.

5. Respondent enters into contracts to perform home improvement work, such as the installation of above-ground swimming pools.

6. Respondent collects a deposit from consumers pursuant to these contracts before beginning work, often in excess of one-third of the contract price, in violation of the Maryland Home Improvement Law, Md. Code Ann., Bus. Reg., §8-617. Respondent also collects additional payments after the initial deposit or payment from consumers. Respondent then either fails to begin the work, or begins preliminary work, including demolition, before abandoning the

project altogether.

7. Respondent's failure to complete work leaves consumers' properties in disarray, in some cases with holes in the ground and demolished above-ground pools.

8. Consumers routinely make multiple attempts to contact Respondent to complete the agreed upon work to no avail. As a result of Respondent's unfinished or abandoned work, consumers are forced to engage additional contractors, at significant expense, to complete the home improvement goods and services not provided by Respondent.

9. Respondent refuses to return any money he accepted from consumers under the home improvement contracts.

10. Under Maryland law, consumers injured by unworkmanlike, inadequate, or incomplete home improvement goods or services provided by a licensed home improvement contractor can make claims for their actual losses against the Maryland Home Improvement Commission Guaranty Fund, Md. Code Ann., Bus. Reg. § 8-405. Because the Respondent offered and sold his home improvement goods and services without the required license, injured consumers cannot make claims against the Home Improvement Commission Guaranty Fund.

11. Respondent's false and misleading statements to consumers about his licensing status, the deposits he collected, and his willingness or ability to provide home improvement services has the capacity, tendency or effect of misleading consumers and, in fact, has misled consumers.

12. Respondent's lack of a home improvement license, his unwillingness and/or inability to provide the promised home improvement services, such as pool installation, and his refusal to pay refunds are material facts, because if known to consumers, these facts likely would be important to consumers when deciding whether to hire the Respondent. Respondent's failure

to disclose these facts tends to deceive and, in fact, did deceive consumers.

13. Respondent's representations that he is a licensed contractor, has the ability to install pools, that he is willing to complete pool installations, his failure to complete promised pool installations, and his refusal to provide refunds to consumers cause substantial injuries to consumers. Consumers do not receive the agreed upon goods and services and are deprived of the full use and enjoyment of their property after Respondent performs preliminary work but then abandons the project, if he ever started at all. Consumers cannot reasonably avoid the injuries caused by the Respondent, including his lack of a home improvement license when he represents he can perform the work, or his failure to provide services after taking substantial payment which he refuses to return — none of which provide any benefit to consumers or competition.

VIOLATIONS OF THE CONSUMER PROTECTION ACT

14. The Division incorporates paragraphs 1 through 13 as if they were fully alleged herein.

15. Respondent's practices, as set forth above, constitute unfair and deceptive trade practices in the sale and offer for sale of consumer goods and services that violate the Consumer Protection Act.

16. The home improvement goods and services that Respondent offers and sells to consumers are consumer goods and services pursuant to §13-101(d)(1) of the CPA because they are used for personal, family, or household purposes.

17. Respondent is a merchant as defined by §13-101(g)(1) of the CPA.

18. Respondent engages in unfair and deceptive trade practices in connection with the offer or sale of consumer goods and services that are generally prohibited by §13-303(1), (2) and

(3) of the CPA.

Deceptive Trade Practices

19. Respondent's false and misleading statements, as set forth above, that have the capacity, tendency, or effect of deceiving or misleading consumers, are deceptive trade practices prohibited by § 13-303 of the CPA, as defined in § 13-301(1) of the CPA.

20. Respondent misrepresents his status when he falsely holds himself out as a licensed home-improvement contractor, which constitutes a deceptive trade practice prohibited by § 13-303 of the Consumer Protection Act, as defined in § 13-301(2)(ii) of the Consumer Protection Act.

21. The Respondent fails to state material facts, as set forth above, the omission of which deceive or tend to deceive consumers, and are deceptive trade practices prohibited by § 13-303 of the CPA, as defined in § 13-301(3) of the CPA.

Unfair Trade Practices

22. In his offer and sale of home improvement goods and services to consumers, Respondent engages in unfair trade practices.

23. The Respondent's practice of collecting deposits in excess of the statutory limit, demolishing parts of consumers' property, and abandoning home improvement projects, has caused and is likely to continue to cause substantial injury to consumers.

24. Consumers who purchase the Respondent's good and services could not have known that the Respondent would take their payments and not provide the promised goods and services, and therefore could not reasonably avoid their injuries.

25. The injuries that consumers have suffered as a result of Respondent's actions are not offset by any benefit to consumers or to competition, and are unfair trade practices that

violate § 13-303 of CPA.

CLAIM FOR RELIEF

WHEREFORE, the Proponent respectfully requests that the Consumer Protection Division issue an Order:

1. requiring Respondent to cease and desist from engaging in unfair or deceptive trade practices in violation of the Maryland Consumer Protection Act;
2. requiring Respondent to take affirmative action, including the restitution to consumers of all moneys Respondent collected for goods or services in connection with his unfair or deceptive practices;
3. requiring Respondent to pay the costs of this proceeding, including all costs of investigation;
4. requiring Respondent to pay a suitable civil penalty pursuant to §13-410 of the Consumer Protection Act; and
5. granting such other and further relief as is appropriate and necessary.

Respectfully submitted,



Pilar Rodarte, Bar No. 2111290003
Staff Attorney
Office of the Attorney General
Consumer Protection Division
200 St. Paul Place, 16th Floor
Baltimore, MD 21202
410-576-7054
prodarte@oag.state.md.us
Attorney for Proponent



Niknaz McCormally, Bar No. 090616011

Assistant Attorney General

Office of the Attorney General

Consumer Protection Division

200 St. Paul Place, 16th Floor

Baltimore, MD 21202

410-576-6366

nmccormally@oag.state.md.us

Attorney for Proponent