

The complaint

Mr J complains American Express Services Europe Limited (“AESEL”) sent communications to contact details which weren’t his.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them here. Instead, I will focus on the reasons for my decision.

What I’ve decided – and why

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

Mr J had a credit card account with AESEL. It had an outstanding balance, and it wasn’t being paid, so AESEL undertook debt recovery activities. This included using third parties to identify contact details for Mr J. The third parties identified two phone numbers. This activity - a trace - is common practice and I find it was fair and reasonable for AESEL to undertake it.

Over the following months AESEL (or its agents) called or text messaged the two phone numbers. AESEL accepts it ought to have stopped doing so as soon as it became apparent the phone numbers belonged to Mr J’s father and not him. However, various oversights meant contact continued when it shouldn’t have. AESEL let Mr J down here.

Mr J is also concerned letter(s) were sent to an address which wasn’t his. My understanding, however, is that the address in dispute was the address Mr J used to apply for the account and was the registered address until recently. So while Mr J might not have wanted letters sent there, I find it was fair and reasonable for AESEL to attempted to contact him there.

Mr J considers AESEL breached data protection legislation. It’s not within my powers to enforce data protection laws or to fine AESEL for its mistakes. But I can make an award for the distress and inconvenience AESEL caused Mr J by continuing to contact him using phone numbers it knew weren’t his.

While there were calls with Mr J’s father, no information was disclosed other than AESEL was calling for Mr J. And the text messages contained very limited information. But, Mr J’s balance was disclosed. This was distressing for Mr J. And Mr J had the hassle of needing to contact AESEL (and its agents) several times to stop his father being contacted.

Compensation is appropriate here. Mr J asks for his debt with AESEL (about £800) to be cancelled. And to be paid £12,000, because of the impact he says this matter had on his company. While I sympathise with Mr J, I don’t find I can fairly and reasonably require AESEL to compensate him in the way he asks. I’ll explain why.

Mr J says his family finding out about this debt caused him shame and the withdrawal of investment in his company. I have seen no strong evidence to support this. Further, the debt

wasn't that large, and Mr J has said he wasn't paying it because of an unrelated dispute, rather than an inability to do so. I'm not satisfied the impact is as has been described.

In any case, if I were to be satisfied the impact is as Mr J says, I'd need to also be satisfied AESEL could reasonably have foreseen it. I'm not. I say this because attempting to contact a personal customer in the way it did wouldn't ordinarily lead to the sorts of consequences Mr J has described. Instead, it would lead to some modest distress and inconvenience.

As I've said, compensation is appropriate here as AESEL did let Mr J down. To put things right it has offered to reduce his debt by £200. Having thought about the frustration Mr J has been caused by this matter, and the need to contact multiple parties to rectify things, I consider that a fair and reasonable resolution to this complaint.

My final decision

I uphold this complaint and require American Express Services Europe Limited (AESEL) to reduce Mr J's outstanding balance by £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 2 June 2023.

James Langford
Ombudsman