

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In re Application of

DOLLY, INC.

**For a Permit to Operate as a Motor Carrier
of Household Goods and a Permit to
Operate as a Motor Freight Common
Carrier**

Docket No: TV-180605

**CROSS EXAMINATION EXHIBIT
TO TESTIMONY OF**

Susie Paul

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Email string between staff, WMC, and United Moving

December 13, 2018

Barnett, Donna L. (BEL)

From: Banks, Megan (UTC)
Sent: Monday, November 02, 2015 5:01 PM
To: Wallace, Sharon (UTC)
Subject: RE: Ghostruck - DRAFT

Hi Sharon – Here is the draft email to Jim. I have not run this by Susie yet but I would be happy to... I just didn't want to add more to her plate right now ☺. Please also let me know if I need to add more information. I wasn't sure if at the end we should refer him to someone else (Dave Pratt?) regarding requesting a rulemaking. The rules just say it needs to be sent to the "rules coordinator of the agency" so I wasn't sure to whom to refer Jim. Thanks! Megan

Hello Jim,

Thank you for your email and your concerns. As you are aware, we first contacted Ghostruck in July 2014 and provided one-on-one training in September 2014. Megan is continuing to investigate Ghostruck to ensure that the company is following the technical assistance we have provided. Ghostruck is aware of the HHG rules and that all permitted carriers must follow the rules. We have made it very clear to Ghostruck what is required of all HHG carriers, and have provided copies of Tariff 15-C and WAC 480-15.

In addition, as you know, the commission does not currently have regulation over household goods brokers or "information providers." The next step, under [RCW 34.05.330](#), [WAC 480-07-240](#), and [WAC 82-05](#), would be to petition the commission and request a rulemaking to add commission regulation over HHG brokers. For more information about the rulemaking process, please refer to our [website](#).

Thank you.

Megan Banks, Compliance Investigator
Consumer Protection and Communications
Washington Utilities and Transportation Commission
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mbanks@utc.wa.gov

From: Jim Tutton [mailto:jim@watrucking.org]
Sent: Friday, October 23, 2015 12:53 PM
To: Banks, Megan (UTC) <mbanks@utc.wa.gov>
Cc: Wallace, Sharon (UTC) <swallace@utc.wa.gov>; Paul, Susie (UTC) <spaul@utc.wa.gov>; Kopta, Gregory (UTC) <gkopta@utc.wa.gov>; King, Steve (UTC) <sking@utc.wa.gov>; Lewis, Jason (UTC) <jlewis@utc.wa.gov>; 'swashburn@united-moving.com' <swashburn@united-moving.com>
Subject: RE: Ghostruck

Good Afternoon Megan –

Thank you for your response today.

I know the Commission takes the stance in Docket: TV-150185, that companies like Ghostruck (<http://ghostruck.com/>) and Dolly (<https://dolly.com/apartment-move>) are perceived as "Information

Providers". Unfortunately they are not and Docket: TV-150185 may not be applicable to today's discussion. When an entity secures a load from a customer, including payment, and then sells that load to another company to make the haul, less a handling fee, as described by Ghostruck in their web site - they are a broker!

In the case of small shipments, the Broker, in this case Ghostruck, may actually consolidate and sell several shipments to one carrier. As mentioned in my previous e-mail, Ghostruck apparently has a "Load Board" from which carriers can peruse and select shipments to haul.

So in typical fashion here in Washington State, a household goods broker (Information Provider) arranges transportation by connecting people that need a household item found at a garage sale or larger pieces of their household goods transported between their old residence to their new one with movers that are capable and willing to transport the shipment for compensation. This is done by way of a cell phone "App". The broker does not operate the truck, or handle the shipment but does receive direct payment from the customer for making all the arrangements for the truck and labor to load and unload the shipment for yet another fee from the hauling carrier.

Again, in this case, the company is definitely not a mover but a HHG Broker! Simply put, HHG Brokers do not have the operational and logistic capabilities moving companies have. They do not have moving trucks, professional movers, proper moving equipment, and in a lot of cases not much moving experience. Moving brokers are sales teams that book HHG moves and sell them to an actual moving company. Sometimes the broker is not able to sell the job for various reasons - low estimates, availability, resources and the list goes on - in this case the customer can get stuck without a mover on the desired day of their move. As you are aware, many moving brokers are now popping up who conveniently operate via cell phone "Apps" with little opportunity for direct contact should the any customer problems arise.

There are a lot of reasons why the Commission should take steps to institute a HHG Broker Registration Program. First and foremost is consumer protection. Here are some issues of concern I have found from Ghostruck's web site:

1. Who are the movers?

They are professionally licensed and insured movers in your local area. (*My review uncovered some unlicensed moving companies on their web site.*)

2. How do I get a quote?

Unlike other moving companies we provide fixed prices, not estimates or quotes. Upload your job details in to our app to find out exactly how much your move will cost on the spot. (*Really, fixed prices - not estimates or quotes!*)

3. How much does it cost?

Price is determined by what's being moved (size), where it's being moved (distance), when you want it moved (time) and the complexity of moving your items. But don't worry! All you need to do is enter the details and the app will do the rest. (*I thought customers HHGs moved over the public roads and highways was economically regulated by the WUTC Tariff 15-C either by Hourly Rates or Mileage Rates.*)

4. How Does Payment Work?

All payment is handled in-app which is why a credit card is required before you can book a job. Once you book your move we will charge your credit card. Any changes made to your move that affect the final cost will be issued (charged or refunded) to your credit card after your move has been completed. (So if Ghostruck takes payment from the customer upfront, and then arranges after the fact with a HHG moving company to perform the haul – that's not brokerage?)

5. Will Ghostruck pack, assemble, or install my stuff?

We're really good at moving so that's what we stick to. (*Really, I thought they weren't movers?*)

6. Is there a cancellation fee?

No fee will be charged as long as you cancel your move at least 24 hours prior to the start of your pickup window. Moves cancelled with less than 24 hours' notice will be charged a \$50 cancellation fee. (*I can foresee several consumer issues with this!*)

7. Is there anything Ghostruck won't move?

We'll move anything as long as it's not alive, illegal or dangerous. Okay, there are a couple other exceptions:

- No commercial equipment
- No organic material
- No dirty items that could leave a mess in the truck
- No items without photos
- No items that have not been added to the job in our system

(*Do they warn the customer about including –*

- ◆ *Coins, currency, deeds, notes, postage stamps, letters, drafts or valuable papers of any kind.*
- ◆ *Jewelry, precious stones, or precious metals.*
- ◆ *Items of extraordinary value.*
- ◆ *Items requiring temperature control.*
- ◆ *Household pets.*
- ◆ *Live plants.*
- ◆ *Perishable items.*
- ◆ *Furniture or other items made of pressboard, particle board or similar pressed material)*

I offer to you the following web link to review from the Federal Motor Carrier Safety Administration - <http://www.fmcsa.dot.gov/protect-your-move/how-to/fags#What%20is%20the%20difference%20between%20a%20Broker%20and%20a%20Mover?> These folks have constant issues with **interstate** HHG Moving Brokers.

For consumer protection at the **intrastate** level, if the Commission is all about Consumer Protection, I would think they would provide consumer protections to all levels of household goods movements.

Reputable and legal HHG moving companies, who have taken the necessary steps to obtain a HHG Operating Authority as required to do so to legally conduct their regulated HHG moving businesses in Washington, are being economically harmed by these “cellphone App companies” conducting HHG Broker and/or HHG moving business without any oversight.

Does the Commission actually realize they are allowing these “cellphone App companies”, like Ghostruck and Dolly, so called “Information Providers”, to ask licensed, permitted and regulated HHG moving companies to perform regulated HHG moving work at less than legal regulated standards and at rates outside of the governing HHG Tariff No. 15-C?

Thank you.

Jim Tutton, Exec. Dir.
WMC

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Proudly Serving the Moving Industry Since 1913!

Have you checked out the WMC web site at www.wcmovers.com ?

From: Banks, Megan (UTC) [<mailto:mbanks@utc.wa.gov>]
Sent: Friday, October 23, 2015 9:20 AM
To: Jim Tutton; Wallace, Sharon (UTC)
Cc: Paul, Susie (UTC)
Subject: RE: Ghostruck

Hi Jim,

Thank you for providing this information. We are continuing to monitor Ghostruck as a potential non-permitted HHG carrier; however, per Order 01 in Docket TV-150185, we do not have any regulation over “information providers.”

We are also working to ensure that the regulated HHG companies that contract with Ghostruck to provide HHG moves are in compliance with the rules.

Thank you again,
Megan

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From: Jim Tutton [<mailto:jim@watrucking.org>]
Sent: Tuesday, October 20, 2015 2:58 PM
To: Wallace, Sharon (UTC) <swallace@utc.wa.gov>; Banks, Megan (UTC) <mbanks@utc.wa.gov>
Subject: Ghostruck

Good Afternoon –

Ghostruck has struck again. This time they have called on a regulated moving company offering them a load to haul.

My member has called me to say they were contacted by a representative from Ghostruck and offered an opportunity to do a haul for them.

The scenario goes like this –

Ghostruck, through their cell phone app, obtains a haul from a customer. The customer pays Ghostruck for the haul.

Ghostruck then puts the customer's haul on their "Load Board" with a price they have developed through an algorithm and Ghostruck calls a moving company and offers the moving company to take a look at their "Load Board" and pick that shipment or any other shipment on their "Load Board". Ghostruck will then pay the moving company for hauling the load(s) handled less Ghostruck's fee.

I know I have been told otherwise by the Commission's Administrative Law Judge, but it sure looks to me like Ghostruck is operating as a broker, in this case as a HHG Broker!

Oh, and the Ghostruck representative told my member they have banks of attorneys telling them the WUTC can't do anything to them because they are not doing anything wrong.

Checkout their Facebook page at <https://www.facebook.com/Ghostruck-267485206706354/> . You might find some more illegal moving companies.

The following link is to a *Seattle Times* article dated September 1, 2015. <http://www.seattletimes.com/business/technology/on-demand-mover-ghostruck-moves-into-markets-beyond-seattle/>

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Have you checked out the WMC web site at www.wmcmovers.com ?