

**WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

**STAFF AUDIT REPORT
OF THE BUSINESS PRACTICES OF**

**ALL MY SONS MOVING AND STORAGE
OF SEATTLE, INC.**

TV-050537

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PURPOSE, SCOPE and AUTHORITY

Purpose

All My Sons Moving and Storage of Seattle, Inc. (All My Sons), holds common carrier authority, including transportation of household goods, within the state of Washington. The purpose of this audit is to determine the company's compliance with Washington State statutes and the Washington Utilities and Transportation Commission (WUTC or Commission) rules.

Scope

The scope of the audit focuses on transportation of household goods in Washington intrastate commerce by All My Sons and the company's compliance with Washington State statutes and Commission economic and consumer protection rules.

Authority

Staff conducts this investigation under the authority of the Revised Code of Washington (RCW) 81.04.070, RCW 81.80.130, and RCW 81.80.330; and Washington Administrative Code (WAC) 480-15-010, which gives the Washington Utilities and Transportation Commission regulatory authority over companies that transport household goods within the state of Washington.

Copies of the laws and rules are included in Appendix A.

Staff

M. Carlene Hughes, Compliance Program Coordinator, Business Practices Investigations

EXECUTIVE SUMMARY

Commission Staff has investigated numerous complaints into the economic compliance and business practices of All My Sons since it received its operating authority in March of 1998. During these investigations Commission Staff has given All My Sons ongoing training and technical assistance in an effort to help the company obtain compliance with state statutes and Commission rules.

While Staff began this audit to determine the type of additional assistance All My Sons needed to more effectively address its economic compliance and consumer complaint issues, Staff found that All My Sons has been given sufficient direction in the past to correct its conduct. Staff finds that All My Sons continues to make business decisions that indicate the company is either unwilling or unable to comply with the household goods laws and rules.

This audit of All My Sons' economic records and business practices finds the company in violation of the following state statutes, Commission rules, and Household Goods Tariff 15-A Items:

1. RCW 81.80.357 and WAC 480-15-610, which requires household goods carriers to list their permit numbers in every means of advertisement and correspondence showing the carrier's name and address.
2. WAC 480-15-490(5), which requires that household goods carriers charge the rates and charges contained in Tariff 15-A unless the Commission has approved deviations from the tariff.
3. WAC 480-15-650(2)(b), which requires the name, company affiliation, title, and telephone number of the person preparing a written estimate.
4. WAC 480-15-650(2)(d), which requires the complete physical address of the origin, destination, and any intermediate stops of the proposed shipment be listed on the written estimate.
5. WAC 480-15-660, which requires a supplemental estimate be issued if the circumstances surrounding the move changes to cause the estimated charges to increase.
6. WAC 480-15-670(1)(b), which, if the actual charges exceed the estimated charges, requires the household goods carrier to release the shipment of goods upon payment of one hundred and ten percent of the estimated charges.

7. WAC 480-15-670(2), which, if the actual charges exceed the estimated charges and the shipper pays one hundred and ten percent of the estimated charges, requires the household goods carrier to allow the shipper at least thirty days to pay the remaining balance.
8. WAC 480-15-680, which requires household goods carriers to provide an accurate estimate.
9. WAC 480-15-690, which states household goods carriers may not charge more than twenty-five percent above the written non-binding estimate for an hourly-rated move, nor more than fifteen percent above the non-binding estimate for a mileage-rated move.
10. WAC 480-15-720, which requires household goods carriers to issue a bill of lading for each shipment of household goods transported.
11. WAC 480-15-730, which requires household goods carriers to use the bill of lading format shown in the published tariff.
12. WAC 480-15-740, which requires household goods carriers to list specific information on the bills of lading.
13. WAC 480-15-750, which requires household goods carriers to maintain copies of weight tickets with the bills of lading for which the weight tickets were required.
14. WAC 480-15-810(1), which requires that household goods carriers notify customers, in writing, within ten working days of the receipt of the customers' loss or damage claim.
15. WAC 480-15-810(2), which requires that household goods carriers investigate customers' claims or complaints quickly.
16. WAC 480-15-810(3), which requires household goods carriers to advise customers of the resolution of the claim or complaint.
17. WAC 480-15-810(4), which requires that, if there is a loss or damage claim, the household goods carrier must pay the claim, refuse the claim, or make a compromise offer within 120 days.
18. WAC 480-15-820, which requires that, if a household goods carrier cannot resolve a loss or damage claim within 120 days, the carrier must, for each 60-day period until the claim is settled, inform the shipper in writing of the reason for the carrier's failure to resolve the claim or clearly state the carrier's final offer or denial and close the claim.
19. WAC 480-15-840, which requires that all claims must be numbered consecutively and that the household goods carrier must maintain a claim register.

20. WAC 480-15-860, which describes the information that must be included, at a minimum, in the claim record.
21. WAC 480-15-890, which requires the household goods carrier to respond to a Commission-referred complaint within ten business days.
22. Tariff 15-A, Item 80, Payment of Charges, which requires a household goods company to release a shipment upon payment of one hundred and ten percent of the original estimate.
23. Tariff 15-A, Item 80, Payment of Charges, which limits the amount the customer may be billed above the amount shown on the non-binding estimate.
24. Tariff 15-A, Item 80, Payment of Charges, which requires the household goods carrier to allow customer 30 additional days to pay any amounts in excess of the original estimate.
25. Tariff 15-A, Item 85, Estimates, which requires that a supplemental estimate be issued if the cost of the move increased from the original estimate.
26. Tariff 15-A, Item 85, Estimates, which requires specific information on the estimate and supplemental estimate forms.
27. Tariff 15-A, Item 90(5), which requires that a carrier must not load the customer's goods until such time as the customer selects a valuation option and makes the appropriate notation on the bill of lading.
28. Tariff 15-A, Item 95(1)(b), which requires that carriers must use a bill of lading that contains all of the information required in Item 95.
29. Tariff 15-A, Item 95(1)(o), which requires a notation that the customer was provided a copy of the Rights and Responsibilities brochure or that the customer refused a copy when it was offered.
30. Tariff 15-A, Item 95(2)(c), which requires the exact name, address, and telephone number of the consignee.
31. Tariff 15-A, Item 95(2)(d), which requires the exact location of the origin pickup point, any split pickups, stops to partially load or unload, and the final destination point of the shipment, be listed on the bill of lading.
32. Tariff 15-A, Item 95(2)(g), which requires a declaration of the type of estimate (binding or non-binding) under which the shipment is moving on the bill of lading.
33. Tariff 15-A, Item 95(2)(h), which requires a section on the bill of lading where a customer must select the type of valuation coverage under which the shipment is moving.

34. Tariff 15-A, Item 95(3), which requires that specific terms and conditions that govern the transportation of household goods be printed on the back of the bill of lading.
35. Tariff 15-A, Item 100, which requires the household goods carrier to charge specific rates for goods placed into storage-in-transit.
36. Tariff 15-A, Item 101, which requires the household goods carrier to charge specific rates and follow specific rules for placing goods into storage-in-vehicle.
37. Tariff 15-A, Item 110(2), which requires carriers to use the Rand McNally Mileage Guide to determine the correct mileage for a mileage-rated move.
38. Tariff 15-A, Item 155(3), which requires that customers be charged for each stop-in-transit during a move.
39. Tariff 15-A, Item 175(a), which requires a carrier to pass through to the customer the actual cost of ferry fares and fees.
40. Tariff 15-A, Item 200, which requires that mileage rates be applied on all shipments moving more than 35 miles.
41. Tariff 15-A, Item 220, which specifies when the household goods carrier may charge overtime rates for hourly-rated moves.
42. Tariff 15-A, Item 230(4), which requires that on hourly-rated moves, time must be recorded to the nearest increment of 15 minutes and the carrier must require its employees to record breaks and interruptions.
43. Tariff 15-A, Item 230(5), which requires that the minimum charge for a shipment moving under hourly rates is one hour.

While this audit gives All My Sons clear and comprehensive technical assistance to comply with state law and Commission rules, Staff recommends that where All My Sons has previously been given technical assistance and the company has continued to violate that same law or rule, a penalty for continuing non-compliance be issued.

The following are Staff recommendations for the issuance of penalties:

Estimates

1. Staff recommends a \$100 penalty each for seven violations of WAC 480-15-650(a) for failure of All My Sons to show its correct name, address, and telephone number on its estimate form. Total recommended penalty = \$700.00.

2. Staff recommends a \$100 penalty each for nine violations of WAC 480-15-650(c), for failure to include on its estimate form the name of the receiver of the household goods (consignee). Total recommended penalty = \$900.00.
3. Staff recommends a \$100 penalty for one violation of WAC 480-15-650(d) for failure to show the required destination address on the estimate. Total recommended penalty = \$100.00.
4. Staff recommends a \$100 penalty for nine violations of WAC 480-15-650(e) for failure to show the total mileage, including intermediate stops, on the estimate. Total recommended penalty = \$900.00.
5. Staff recommends a \$100 penalty each for nine violations of WAC 480-15-650(l) for failure to include the correct "Important Notice" language on its estimate form. Total recommended penalty = \$900.00.

Supplemental Estimates

6. Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to include on the supplemental estimate form the company name, address, phone number, telefacsimile number (if any), and e-mail address (if any) of the company making the supplemental estimate. Total recommended penalty = \$100.00.
7. Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to clearly identify whether the supplemental estimate is binding or non-binding. Total recommended penalty = \$100.00.
8. Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to identify the customer's phone number, address, origin of shipment, destination of shipment and contact person on a supplemental estimate. Total recommended penalty = \$100.00.
9. Staff recommends a \$100 penalty each for seven violations of Tariff 15-A – Item 85, failure to include for (1) hourly-rated shipments, the number of carrier personnel and carrier vans (or trucks) that will be used, and the number of hours each will be involved in the move; (2) for mileage-rated shipments, the mileage between origin and destination, the estimated weight of the shipment, and the total transportation cost; (3) overtime;

- (4) services to be provided (stairs, long carry, third party, etc.); (5) valuation charges; (6) storage (storage-in-transit, storage-in-vehicle, permanent storage, etc.); and, (7) packing, unpacking, and containers. Total recommended penalty = \$700.00.
10. Staff recommends a \$100 penalty for violation of Tariff 15-A, Item 85, failure to include a summary of charges on the supplemental estimate form. Total recommended penalty = \$100.00.
 11. Staff recommends a \$100 penalty each for seven violations of WAC 480-15-660, failure to issue supplemental estimates when circumstances surrounding the moves change in a way to cause the rate for service or the estimated charges to increase. Total recommended penalty = \$700.00.
 12. Staff recommends a \$100 penalty each for five violations of WAC 480-15-670, failure to release the customer's goods upon payment of 110% of the estimated charges and allow the customer to pay the balance within 30 days. Total recommended penalty = \$500.00.
 13. Staff recommends a \$100 penalty each for five violations of WAC 480-15-680 for failure to issue an accurate estimate to the shipper. Total recommended penalty = \$500.00.
 14. Staff recommends a \$100 penalty for one violation of WAC 480-15-690 for charging the customer more than twenty-five percent above the written nonbinding estimate for an hourly-rated move. Total recommended penalty = \$100.00.¹

Bill of Lading Completion

15. Staff recommends a \$100 penalty each for fourteen violations of WAC 480-15-710 for failure to issue a bill of lading for each shipment of household goods a company transports. Total recommended penalty = \$1,400.00.

¹ Of the nine estimates, seven resulted in charges that exceeded the estimate but only one exceeded the estimate by more than 25%.

16. Staff recommends a \$100 penalty each for three violations of WAC 480-15-740, for failure to require the customer initial the correct type of estimate he or she received. Total recommended penalty = \$300.00
17. Staff recommends \$100 penalty each for six violations of WAC 480-15-740(3) for failure to show on the bill of lading the exact address at which the shipment, or any part of that shipment, was loaded or unloaded. Total recommended penalty = \$600.00.
18. Staff recommends \$100 penalty each for six violations of WAC 480-15-740(3) for failure to include the customer and consignee's telephone number on the bill of lading. Total recommended penalty = \$600.00.
19. Staff recommends a \$100 penalty each for three violations of Tariff 15-A, Item 95, for failure to ensure the customer initials his or her choice of storage options. Total recommended penalty = \$300.00.
20. Staff recommends a \$100 penalty each for three violations of WAC 480-15-740, for failure to require a customer initial the bill of lading acknowledging he or she had been offered or had refused a copy of the Rights and Responsibilities Guide. Total recommended penalty = \$300.00.
21. Staff recommends a \$100 penalty each for forty-two violations of Tariff 15-A, Item 95, for failure to ensure that a customer indicates his or her payment choice by initialing the appropriate item on the bill of lading. Total recommended penalty = \$4,200.00.

Claims and Complaints – Consumer

22. Staff recommends a \$100 penalty each for three violations of WAC 480-15-810 for failure to respond to a consumer damage claim within the 10 days required by rule. Total recommended penalty = \$300.00.
23. Staff recommends a \$100 penalty each for two violations of WAC 480-15-820 for failure to inform a claimant, in writing, of the final offer, denial or closure of claim, or the reason for failure to resolve a claim within each 60-day period the claim was not resolved. Total recommended penalty = \$200.00.

24. Staff recommends a \$100 penalty each for seventy-two violations of WAC 480-15-840 for All My Sons' failure to number its claims and complaints consecutively. Total recommended penalty = \$7,200.00.
25. Staff recommends a \$100 penalty each for thirty-seven violations of WAC 480-15-860, failure to record all required information in the company's claims and complaints files. Total recommended penalty = \$3,700.00

Commission-Referred Complaint Requirements

26. Staff recommends a \$100 penalty each for four hundred and thirty-five violations of WAC 480-15-890, failure to respond to Commission-Referred complaints within ten days. Total recommended penalty = \$43,500.00.

Rates and Charges

27. Staff recommends a \$100 penalty each for thirty-six violations of the Tariff 15-A Fuel Charge Supplement No. 2000-1, for failure to correctly calculate the fuel surcharge at no more than 2% of the fuel consuming rates and charges. Total recommended penalty = \$3,600.00.
28. Staff recommends a penalty of \$100 each for twelve violations of WAC 480-15-740, for failure to record the start time, stop time, and any interruptions for each person involved in or on a shipment rated under hourly rates, or in lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a carrier may maintain a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges. Total recommended penalty = \$1,200.00.
29. Staff recommends a \$100 penalty each for sixty-two violations of WAC 480-15-740(7), failure of a carrier to be able to identify, through payroll records, each person involved in a move and provide that information to commission staff on request. Totally recommended penalty = \$6,200.00.
30. Staff recommends a \$100 penalty each for seven violations of WAC 480-15-740(7)(c) for failure to record on the bill of lading the start time and stop time of any hourly rated move and any interruptions in service. Total recommended penalty = \$700.00.

31. Staff recommends a \$100 penalty each for twenty-six violations of WAC 480-15-740, failure to record on the bill of lading the start time and stop time of any hourly rated move and any interruptions in service (failure to record meal or rest periods). Total recommended penalty = \$2,600.00.
32. Staff recommends a \$100 penalty each for three violations of Tariff 15-A, Item 220, for failure to provide the customer with a written estimate of the total overtime charges and obtain the customer's written consent before providing overtime service. Total recommended penalty = \$300.00.
33. Staff recommends a \$100 penalty each for fourteen violations of WAC 480-15-740, for failure to accurately complete a bill of lading. Total recommended penalty = \$1,400.00.
34. Staff recommends a \$100 penalty each for six violations of Tariff 15-A, Item 95, for failure to identify the type of charges listed on the bill of lading. Total recommended penalty = \$600.00.
35. Staff recommends a \$100 penalty for one violation of WAC 480-15-750, for failure to maintain a copy of the weight tickets with the bill of lading for the shipment. Total recommended penalty = \$100.00.
36. Staff recommends a \$100 penalty for one violation of Tariff Item 110, for failure to properly calculate the mileage on a household goods move using the Rand McNally Mileage Guide. Total recommended penalty = \$100.00.
37. Staff recommends a \$100 penalty for one violation of Tariff Item 175, for failure to pass through commercial ferry costs to its customer. Total recommended penalty = \$100.00.
38. Staff recommends a \$100 penalty for one violation of Tariff Item 200, Mileage Rates, for failure to properly calculate the mileage rate. Total recommended penalty = \$100.00.

39. Staff recommends a \$100 penalty for one violation of Fuel Surcharge Supplement 2000-1, which states the fuel surcharge must be calculated at not more than 2% of the transportation charge. Total recommended penalty = \$100.00.

Total recommended penalty = \$86,100.00

In addition to the rule and statute violations, Staff finds the following recommendations for changes to All My Sons' general business practices and for which previous technical assistance has not been given:

General Business Rules

1. All My Sons must conduct all operations under the name shown on its household goods permit in compliance with WAC 480-15-390.
2. All My Sons must file its annual report and pay its regulatory fee by no later than May 1 of the year following the calendar year for which it is reporting in compliance with WAC 480-15-480.
3. All My Sons must include its permit number on vehicles, equipment, and in telephone books, internet, contracts, correspondence, cards, signs, posters, newspapers, and any documents which show the company's name and address in compliance with WAC 480-15-610.

Estimates

4. All My Sons must continue to ensure that it does not give verbal estimates to its potential customers.
5. All My Sons must include the title of the estimator and the company affiliation of the estimator on its estimate forms.
6. All My Sons must ensure that when providing an estimate to its customers, it includes the rates for all charges that will be charged during the move.
7. All My Sons must ensure that when providing an estimate to its customers, it include the rates for all accessorial charges.

8. All My Sons must delete or rewrite the following paragraph currently shown on its Supplemental Estimate form. This statement is untrue.

“Based upon the above information your move will take approximately _____ more hours to complete and require _____ in packing material. You are aware that by WUTC rules that you are required to pay 125% of the amount of the original estimate and of this supplemental estimate.”

9. Staff recommends that an administrative action, as listed in WAC 480-15-690, be taken against All My Sons if the company continues to underestimate the cost of household goods moves.

Bill of Lading Format

10. All My Sons must begin using a bill of lading that has a format that is in compliance with Tariff 15-A within 30 days of its receipt of this report.

Bill of Lading Completion

11. All My Sons must immediately begin completing the “Consigned To²”, portion of its bill of lading with the name of the consignee.

Claims and Complaints - Consumer

12. All My Sons must revise its Forms B through F to accurately state the company’s liability and valuation options.
13. All My Sons must investigate claims or complaints quickly; advise the shipper of the resolution; and, if it is a loss or damage claim, pay the claim, refuse the claim, or make a compromise offer within one hundred twenty days.
14. All My Sons must advise any shipper that is not satisfied with All My Sons resolution to a complaint or claim of the availability of the Commission for further review. All My Sons must provide the shipper with the Commission’s toll-free number and mailing address.

² “Consigned To” may also be shown as “Customer” or “Consignee”.

15. All My Sons must respond to all written correspondence. Staff suggests that the company maintain a correspondence file as evidence that all correspondence has been responded to and in a timely manner.

Rates and Charges

16. All My Sons must conduct an inventory of a customer's household goods, if those goods will be placed in storage, to comply with Tariff 15-A, Item 100.
17. All My Sons must charge storage-in-transit rates and charges based on the weight, or constructive weight, of the shipment to comply with Item 100 of Tariff 15-A.
18. All My Sons must charge for bulky articles only as described in Item 140 of Tariff 15-A. All My Sons may not apply storage charges for "oversized" items in storage, or charge for "oversized" items during an hourly-rated move.
19. All My Sons must comply with Tariff 15-A, Item 101, which prescribes the rates, charges, and rules for Storage-In-Vehicle.

Business Practices

20. All My Sons must clearly define its deposit or prepayment of services policy and apply it to all moves and move reservations on a consistent basis.
21. All My Sons must rewrite its print advertisements to include only those statements that are truthful and can be substantiated.
22. All My Sons must, if an estimate has been given to a customer, and the use of additional personnel will increase the cost of the move, give the customer a supplemental estimate. If the customer did not request an estimate, All My Sons should ensure that the customer is aware the additional personnel on the move may increase the cost.
23. All My Sons must cease its practice of verbally quoting rates or charges that are not authorized by Tariff 15-A.

24. All My Sons must cease its practice of telling and/or charging customers a minimum of three hours for any hourly-rated move that takes place during regular work hours.
25. All My Sons must cease its practices of refusing to issue, or delaying the issuance of, appropriate credits or refunds to its customers.
26. All My Sons must develop a form to give to its customers that explains the different valuation options and have the customer sign the bill of lading or the estimate, acknowledging the receipt and understanding of this valuation option form.

BACKGROUND

Company Information

All My Sons Moving and Storage of Seattle, Inc. is a Delaware corporation located at 8637 South 212th Street, Kent, Washington, 98031. Kermit Escribano is President and owns forty percent of the corporate shares. Robert Peterson is listed on the company's 2003 WUTC Household Goods Annual Report as Vice-President and Spero Georgedakis is listed as Treasurer. Mr. Peterson and Mr. Georgedakis own 50 and 10 percent of the shares respectively.

Kermit Escribano was granted common carrier operating authority (permit) as an individual proprietorship in March 1998. In January of 1999, the permit was converted from a common carrier permit to Household Goods permit HG-58846. Effective July 2002, the company was reissued its permit as a corporation under the name of All My Sons Moving and Storage of Seattle, Inc.³.

All My Sons Washington intrastate revenue for the year 2001 was \$1,478,037.00; 2002 revenue was \$1,401,844.00; and for 2003, revenue was reported at \$1,307,382.00. All My Sons has only one terminal located in Kent, Washington.

Background

All My Sons was identified as a possible audit candidate when Business Practices Investigations Section prepared an audit targeting system for identifying household goods companies that had been issued alleged rule violations during the investigation of customer complaints. Staff reviewed the consumer complaints for 2003 and found that All My Sons ranked number two on the list with eleven complaints and thirty-two violations of laws or rules for \$1,307,382 in revenue.

All My Sons has maintained a high level of consumer complaints and alleged violations over the past 5 years in comparison to other companies of similar size:

³ The company incorporated in April 1998 but failed to notify the Commission of the change in business structure.

All My Sons Complaints and Violations

Company	Revenue in millions	Number of complaints 2000-2004	Violations
Company #1	\$2.0	4	3
Company #2	\$1.8	3	1
Company #3	\$1.7	24	19
All My Sons	\$1.3	39	101 ⁴

In spite of on-going assistance from Commission Staff, All My Sons customer complaint violations have continued to increase in the last three years.

All My Sons Violation Totals by Year	
2002	15
2003	32
2004	46

⁴ 2001-8; 2002-15; 2003-32; and 2004-46.

AUDIT

Contacts with Company

Consumer Affairs Section Staff contacted All My Sons numerous times while investigating the thirty-nine consumer complaints filed against All My Sons from 2000 through 2004. In each complaint Staff provided technical assistance to the company and notified the company if it were in violation of state law, Commission rules, or Tariff 15-A.

Pages 25 through 131 of this report identify how and when the company was given technical assistance for each statute or Commission rule.

Compliance Audits

The company received its first technical assistance visit from the Commission's Compliance Investigator Bob Johnston on September 7, 1999. Mr. Escribano, President, and the company's Operations Manager at that time, Jim Bergstrom, were present during this contact.

Compliance Staff Investigator Leon Macomber then conducted a complete safety and economic audit of the company's entire operation on November 6, 7, and 8, 2001. In reviewing the company's records, Investigator Macomber noted, in addition to other violations, that the company failed to properly record information on bills of lading; did not always provide rights and responsibilities guides to its customers; and rated three shipments as hourly moves rather than long distance (mileage-rated) moves. At the end of the audit Investigator Macomber discussed his findings with Mr. Escribano, and Mr. Escribano signed the "Household Goods Technical Assistance and Records Review Checklist" acknowledging that he received the review checklist and understood its findings.

A copy of Investigator Macomber's Compliance Review Memorandum and Economic Checklist is included in Appendix B.

On February 14, 2003, Investigator Macomber conducted a terminal safety Compliance Review, which resulted in the company receiving a satisfactory safety rating.

Data Requests

On June 3, 2004, Staff sent All My Sons a data request asking for company records and information about the company's policies or processes.

The data request stated, in part:

"Under Washington State law (RCW 81.04.070), the Commission has the right to inspect the accounts, books, papers, and documents of any household goods moving company doing business in this state.

Accordingly, please provide the following information and/or documents:

1. The number of intrastate residential moves performed within Washington State during the last twelve months.
2. For every intrastate residential move performed between April 23, 2004 and May 8, 2004, please provide all supporting documents related to each customer's move, including, but not limited to, the bill of lading, estimate, supplemental estimate, certified scale weight slips, any record that documents the constructive weight of the shipment, inventory records, commercial ferry receipts, and all documents related to storage-in-transit of the goods.
3. A copy of the company's cargo certificate of insurance.
4. A complete list of all company vehicles including vehicle type, license plate number or vehicle identification number, and gross weight.
5. A detailed description of the company's policy on releasing goods when the actual charges exceed the estimated charges.
6. A description of the company's policy on deposits or prepayment for services.
7. A description of the company's policy on credit or debit card payments (i.e., does the company place a 'hold' on the card for the estimated cost of the move?).

8. A detailed description of the company's policy on responding to customers' complaints and claims, including complaints and claims that cannot be settled. Include examples of correspondence or other documentation related to complaint or claim policies.
9. A copy of the company's complaint and claims register, listing all complaints and claims recorded during February, March, and April 2004, including all documents related to each complaint and claim.
10. A statement from the company that indicates how long complaint and claim records are retained.
11. A detailed description of the company's policy on responding to Commission-referred customer complaints.
12. Copies of the company's advertising (i.e., yellow page ad, newspaper ad, "Little Nickel" ad).
13. The name of the mileage guide used for mileage-rated moves.

Please respond with the requested documents, papers, and information no later than July 2, 2004."

A copy of Staff's Data Request is included in Appendix C.

The company did not respond to Staff's request by July 2, 2004. On July 5, 2004, Ms. Laurie Baca, Office Manager for All My Sons, sent Staff the following email request:

"Ms. Hughes,
We recieved [sic] your letter outlining the information required by July 2.
Due to the overwhelming business in the month of June, we were unable to
get all information compiled in time. We would very much appreciate an
extension until the 12th if possible. Please let me know if this is agreeable.
Laurie
Office Manager"

On July 6, 2004, Staff informed Ms. Baca that the extension was granted.

On July 12, 2004, Staff received the requested documents and information.

Staff used the documents and information furnished from this data request and consumer complaints filed against All My Sons to conduct this audit of the company's operations.

GENERAL BUSINESS RULES

- Use of Permitted Name
- Annual Report and Regulatory Fees
- Permit Number in Advertising

USE OF PERMITTED NAME

WAC 480-15-390 requires a company to conduct operations under the name shown on its household goods permit. If the company does business under a trade or assumed name, that name must also appear on the permit.

Audit

All My Sons is registered under the corporate name of All My Sons Moving and Storage of Seattle, Inc. This is the name that must be used when conducting all household goods moving operations. All My Sons has not registered a “doing business as” (d/b/a), trade, or assumed name with the Commission.

The company’s website, letterhead and bills of lading use the name “All My Sons Moving and Storage”. The 2004 Dex Directory advertisement uses both the name “All My Sons Moving & Storage” and All My Sons Moving & Storage Co.”. The company’s name on its estimate form is listed as “All My Sons Moving of Seattle”.

Copies of All My Sons’ bill of lading, letterhead, advertisement, website page, and a complete version of WAC 480-15-390 are included in Appendix D. The estimate form is included in Appendix I.

Findings

Staff finds that All My Sons conducts operations under different names than the name shown on its household goods permit in violation of WAC 480-15-390. Staff considers this audit as the company’s technical assistance for WAC 480-15-390. If future violations are found, penalties or other sanctions may be imposed.

Recommendation

All My Sons must conduct all operations under the name shown on its household goods permit in compliance with WAC 480-15-390.

ANNUAL REPORT AND REGULATORY FEES

WAC 480-15-480 requires a household goods company to file its annual report and pay its regulatory fee by May 1st of the year following the calendar year on which the company is reporting.

A complete version of WAC 480-15-480 is included in Appendix E.

Audit

The following table shows the dates All My Sons paid its regulatory fees and filed its annual reports for the last three years:

Regulatory Year	Date Filed	Revenue Declared
2003	5-4-2004	\$1,307,382
2002	5-2-2003	\$1,401,844
2001	5-1-2002	\$1,478,037

Findings

Staff finds that All My Sons failed to file its annual report by the required due date in two out of the last three years in violation of WAC 480-15-480. Staff considers this audit as the company's technical assistance for WAC 480-15-480. If future violations are found, penalties or other sanctions may be imposed.

Recommendation

All My Sons must file its annual report and pay its regulatory fee by no later than May 1 of the year following the calendar year for which it is reporting in compliance with WAC 480-15-480.

USE OF PERMIT NUMBER IN ADVERTISING

WAC 480-15-610 requires a household goods company include its permit number in any advertising of its moving services. Advertising includes, but is not limited to, reference to services on vehicles, equipment, and in telephone books, internet, contracts, correspondence, cards, signs, posters, newspapers, and documents which show the name and address of the company

A complete version of WAC 480-15-610 is included in Appendix F.

Audit

Staff finds the company includes its permit number on its bill of lading and in its Dex Directory advertising, however, it does not show its permit number on its correspondence, letterhead, or on its website.

Findings

Staff finds All My Sons is not in compliance with WAC 480-15-610. Staff considers this audit as the company's technical assistance for WAC 480-15-610. If future violations are found, penalties or other sanctions may be imposed.

Recommendation

All My Sons must include its permit number on vehicles, equipment, and in telephone books, internet, contracts, correspondence, cards, signs, posters, newspapers, and any documents which show the company's name and address in compliance with WAC 480-15-610.

ESTIMATES

- Estimates – Verbal Estimates
- Estimates - Inventory Required
- Estimates – Completion of Form
- Supplemental Estimate - Format
- Supplemental Estimates
- Cost Exceeds Estimate – Release of Goods
- Accurate Estimates
- Charges When Move is Underestimated

ESTIMATES VERBAL ESTIMATES

WAC 480-15-630 - *An estimate is a written approximation of the probable cost of a move prepared in compliance with the provisions of the household goods tariff. Estimates are based on factors such as the van space required, the weight of the household goods, the amount of time needed to complete the move, and the type of special services provided. A household goods company may provide its customer with either of two basic types of estimates, binding or non-binding.*

WAC 480-15-640 *states that verbal estimates are not allowed. Household goods companies must provide all estimates to prospective shippers in writing.*

Complete versions of WAC 480-15-630 and WAC 480-15-640 are included in Appendix G.

Audit

In consumer complaint 85423, Commission Staff issued a violation of 480-15-640(2) on December 23, 2003, for failure to provide only the hourly rate for a local move. In addition to the hourly rate, the company provided the shipper an idea of how much time the move would take. The company is aware that it may not provide more information than the hourly rate for a van and one person for an hourly rated move. Staff considers this violation All My Sons' technical assistance for this rule.

Findings

Staff finds that All My Sons is aware that it may not give verbal estimates for the cost of a move. Staff found no additional violations of this rule during this audit.

Recommendation

All My Sons must continue to ensure that it does not give verbal estimates to its potential customers.

ESTIMATE – INVENTORY REQUIRED

WAC 480-15-650 requires that when a customer requests an estimate, a company must provide a written estimate only after it has visually inspected the goods to be shipped.

Audit

Staff found that the All My Sons' estimates included completed inventory forms. All My Sons visually inspects the goods to be moved prior to writing an estimate.

Findings

Staff finds that All My Sons is in general compliance with this rule. It appears that All My Sons completes an inventory of the customer's goods prior to completing the estimate form.

ESTIMATES – COMPLETION OF FORM

WAC 480-15-650 requires a household goods company provide specific information on the written estimate form. This includes such information as the name of the company, name of the customer, mileage from origin to destination, and all rates and charges that may be included in the cost of the move. The form must also include how much above the estimate the company can ultimately charge and when a supplemental estimate is required.

A complete version of WAC 480-15-650 is included in Appendix H.

Technical Assistance

In November 2001, Investigator Macomber audited All My Sons records and noted the following in his audit memorandum:

“WAC480.15.630-690

Carrier does issue written estimates, non-binding only, and these estimates are based on a written inventory cube sheet.

Written estimates appear to be handled appropriately. I did handout binding and non-binding estimates and supplemental estimates to assist their salesmen.”

Staff finds that as of November 2001, All My Sons has been given technical assistance for the estimate form requirements. Staff also finds that All My Sons was given the WUTC-approved estimate and supplemental estimate forms that contain all of the required information. Where All My Sons chose to use a different form or chose not to comply with this rule, Staff recommends a penalty be issued.

Audit

WAC 480-15-650 states that estimates must include specific information. Staff reviewed the nine estimates that All My Sons submitted as part of the Commission’s data request.

An example of All My Sons’ Estimate and Supplemental Estimate forms are included in Appendix I.

The following shows All My Sons' compliance with each of the required items that must be included on an estimate form:

- (a) The name, address and telephone number of the household goods carrier who will perform the service.

Findings

Seven of nine of the estimates Staff reviewed do not have the company's correct address on the estimate. All My Sons moved from 1108 Industry Drive in Tukwila to its new location at 8637 South 212th in Kent, in June 2001. If some of the forms have a correct address, it appears the company is aware that the correct address must be shown on the form. Technical assistance was provided for this rule by Leon Macomber in November of 2001.

Recommendation

Staff recommends a \$100 penalty each for seven violations of WAC 480-15-650(a) for failure of All My Sons to show its correct name, address, and telephone number on its estimate form. Total recommended penalty of \$700.00.

- (b) The name, company affiliation, title and telephone number of the person preparing the estimate.

Findings

None of the nine estimates show a company affiliation of the estimator and one does not show the title of the estimator. Staff will not recommend a penalty for the failure to show the title of the estimator as it appears to have happened only once, nor for failure to include the estimator's company affiliation as the Commission's sample estimate form does not include this requirement. Staff considers this audit the company's technical assistance for this rule. If future violations are found, penalties or other sanctions may be imposed.

Recommendation

All My Sons must include the title of the estimator and the company affiliation of the estimator on its estimate forms.

- (c) The name of the customer and the receiver of the goods.

Findings

There is no place on All My Sons' estimate form to indicate the name of the consignee (the receiver of the goods). The WUTC sample form shows a blank for the "Shipper's Destination Contact Person". Technical assistance was provided for this rule by Leon Macomber in November of 2001.

Recommendation

Staff recommends a \$100 penalty each for nine violations of WAC 480-15-650(c), for failure to include on its estimate form the name of the receiver of the household goods (consignee). Total recommended penalty = \$900.00.

- (d) The complete physical address of the origin, destination, and any intermediate stops of the proposed movement.

Findings

The estimate form has a place for each of the origin, destination, and stops for the move. Staff found in one of the nine estimates the destination was listed as "shipper will advise". A company can not provide an estimate where no destination address is listed as it would be impossible to correctly estimate the cost of the move. Technical assistance was provided for this rule by Leon Macomber in November 2001.

Recommendation

Staff recommends a \$100 penalty for one violation of WAC 480-15-650(d) for failure to show the destination address on the estimate. Total recommended penalty of \$100.00.

- (e) The total mileage between the origin and destination, including any intermediate stops.

Findings

None of the estimates Staff included the total mileage, or stops. Technical assistance was given for this rule by Leon Macomber in November of 2001.

Recommendation

Staff recommends a \$100 penalty for nine violations of WAC 480-15-650(e) for failure to show the total mileage, including intermediate stops, on the estimate. Total recommended penalty = \$900.00.

- (f) The rates on which the estimated charges will be based.

Findings

All My Sons' estimates include the hourly rates and fuel surcharge. A few estimates include container charges, but no estimates included valuation, storage, or miscellaneous charges such as piano carries, or bridge or ferry tolls. Staff assumes the moves the estimates were based on did not have any accessorial charges.

Recommendation

All My Sons must ensure that when providing an estimate to its customers, it includes the rates for all services that will be provided during the move.

- (g)(h)(i) A list of the articles upon which the estimate is based (inventory); (h) The estimated cubic footage for each article; and, (i) The estimated total weight of the shipment, based upon a formula of not less than seven pounds per cubic foot (example: A box one foot by one foot by one foot = seven pounds).

Findings

Each estimate Staff reviewed included an attached table of measurements and the estimated weight of the shipment. All My Sons appears to be in compliance with this item.

- (j) An itemized statement of all known accessorial services to be performed, articles supplied, and their charges.

Findings

Staff found that All My Sons lists packing materials on its estimates, but found no other accessorial services listed. Staff assumes the moves the estimates were based on did not have any accessorial charges.

Recommendation

All My Sons must ensure that when providing an estimate to its customers, it includes the rates for all accessorial charges.

- (k) An estimate of the total charges, including transportation and accessorial charges.

Findings

All My Sons' estimate form provides for the total estimated charges for the move. All My Sons is in compliance with this item.

- A printed statement on the first page of a nonbinding estimate, in contrasting lettering, and not less than eight-point bold or full-faced type, as follows:

IMPORTANT NOTICE

This nonbinding estimate covers only the articles and services listed. It is not a warranty or representation that the actual charges will not exceed the amount of the estimate. If you request additional services to complete the move or add articles to the inventory attached to this estimate, the household goods mover must prepare a supplemental estimate which will change the amount of the original estimate and may change the rate on which these new charges are based.

Household goods carriers are required by law to collect transportation and other incidental charges computed on the basis of rates shown in their lawfully published tariffs, except as provided below:

(1) A household goods carrier may not charge more than twenty-five percent more than its written nonbinding estimate for time charges for a local hourly rated move nor can the household goods carrier charge more than fifteen percent more than the written nonbinding estimate for accessorial and other services not related to time, unless the household goods carrier prepares and the shipper signs a supplemental estimate.

(2) A household goods carrier may not charge more than fifteen percent above your written nonbinding estimate for a long-distance-rated move, unless the household goods carrier prepares and the customer signs a supplemental estimate.

Findings

All My Sons has the following incorrect notice on its Estimate form. All My Sons' Estimate form states:

“Important Notice: This estimate covers only the articles and services listed. It is not a warranty or representation that the actual charge will not exceed the amount of the estimate. Common carriers are required by law to collect transportation and other incidental charges computed on the basis of rates shown in their lawfully published tariffs, regardless of prior rate quotations, or estimates made by the carrier or its agents. Transportation charges are based upon the weight of the goods transported, and such charges may not generally be determined prior to the time the goods are loaded on the van and weighed.

No guarantee can be made as to the specific dates of pickup or delivery of your shipment, unless you make special arrangements with the carrier for expedited service, for which an additional charge will normally be made.”

All My Sons is not in compliance with this requirement. Technical assistance was provided for this rule by Leon Macomber in November 2001. All nine estimate forms reviewed by Staff included the incorrect notice.

Recommendation

Staff recommends a \$100 penalty each for nine violations of WAC 480-15-650(1) for failure to include the correct “Important Notice” language on its estimate form. Total recommended penalty of \$900.00.

WAC 480-15-650 requires the customer to sign the written estimate.

Findings

On August 30, 2004, in complaint 87073, Staff issued a violation of WAC 480-15-650(3) for failure to obtain a customer's signature on a written estimate dated December 10, 2003. That violation is considered the company's technical assistance for this rule. Staff found no other violations of this rule. The customers signed all nine estimates that Staff reviewed.

WAC 480-15-650 requires a household goods company keep its written estimates on file for at least two years after the move is conducted.

Findings

Staff has no evidence to believe All My Sons is not in compliance with this rule.

WAC 480-15-650 requires that if a customer requests a written estimate and the household goods company refuses to provide one, it may not conduct that move by agreeing to meet or beat another company's estimate.

Findings

Staff has no evidence to believe All My Sons is not in compliance with this rule.

SUPPLEMENTAL ESTIMATE - FORMAT

Tariff 15-A – Item 85, states that a household goods company may design its own estimate and supplemental estimate form, but the form must contain specific criteria listed in this item. Those criteria include such information as company name, customer name, hourly rates, mileage rates, valuation, packing and storage charges, and a summary of the total charges.

A complete version of the Tariff 15-A, Item 85, is included in Appendix J.

All My Sons' Supplemental Estimate Form is not in compliance with Tariff 15-A, Item 85. While the tariff states that companies may design their own supplemental forms, All My Sons' supplemental estimates do not include the criteria listed in this Tariff item.

Technical Assistance

In November 2001, Investigator Macomber audited All My Sons' records and noted the following in his audit memorandum:

“WAC 480.15.630-690

Carrier does issue written estimates, non-binding only, and these estimates are based on a written inventory cube sheet.

Written estimates appear to be handled appropriately. I did handout binding and non-binding estimates and supplemental estimates to assist their salesmen.”

Staff finds that as of November 2001, All My Sons has been given technical assistance for the supplemental estimate form requirements. Staff also finds that All My Sons was given the WUTC-approved estimate and supplemental estimate forms that contain all of the required information. Where All My Sons chose to use a different form or chose not to comply with this rule, Staff recommends a penalty be issued.

Audit

Staff found only one instance where a supplemental estimate was given. The supplemental estimate form used by All My Sons is not in compliance with the tariff requirements. This supplemental was written on March 25, 2002 (less than five months after Investigator Macomber gave All My Sons technical assistance and a sample of a proper supplemental estimate form). Upon review of the form Staff found non-compliance with the following tariff requirements:

7.c. [estimate or supplemental estimate must] Contain information that identifies the company name, address, phone number, telefacsimile number (if any), and e-mail address (if any) of the company making the estimate or supplemental estimate.

Findings

All My Sons' name, address, phone number, fax or e-mail address were not on the supplemental estimate. Technical assistance was provided for this rule by Leon Macomber in November 2001.

Recommendation

Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to include company name, address, phone number, telefacsimile number (if any), and e-mail address (if any) of the company making the estimate or supplemental estimate. Total recommended penalty of \$100.00.

7.d. [estimate or supplemental estimate must] Contain information that clearly identifies whether the estimate or supplemental estimate is binding or non-binding.

Findings

The supplemental estimate did not identify whether it was binding or non-binding. Technical assistance was provided for this rule by Leon Macomber in November 2001.

Recommendation

Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to clearly identify whether the estimate or supplemental estimate is binding or non-binding. Total recommended penalty of \$100.00.

7.e. [estimate or supplemental estimate must] Contain clearly captioned sections that provide adequate information to the customer so that the customer may make informed choices regarding transportation needs. At a minimum the form must contain the following sections:

Identification of customer – name, phone number, address of shipper, origin of shipment, destination of shipment, shipper’s contact person (if other than customer).

Findings

All My Sons’ supplemental form does not identify the customer’s phone number, address, origin of shipment, destination of shipment, or contact person, if required. The form does have a space on it for the customer’s name. Technical assistance was provided for this rule by Leon Macomber in November 2001.

Recommendation

Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to identify the customer’s phone number, address, origin or shipment, destination of shipment, or contact person on a supplemental estimate. Total recommended penalty of \$100.00.

- i. For hourly-rated shipments, the number of carrier personnel and carrier vans (or trucks) that will be used, and the number of hours each will be involved in the move.
- ii. For mileage-rated shipments, the mileage between origin and destination, the estimated weight of the shipment, and the total transportation cost. Note: If the customer requests additional stops be made, mileage must be figured through those stopping points.
- iii. Overtime.
- iv. Services to be provided (stairs, long carry, third party, etc.)
- v. Valuation charges.
- vi Storage. (Storage-in-transit, storage-in-vehicle, permanent storage, etc.)
- vii. Packing, unpacking, and containers.

Findings

The All My Sons supplemental estimate form does not contain specific areas for completion of sections “x” through “xvi”. The form does contain a box that is titled “Explanation of Changes on Original Estimate”. On the form Staff reviewed, this box included the extra packing, materials, and moving services. The form was not clear how the charges were calculated or if only portions of the supplemental were actual services performed. Technical assistance was provided for this rule by Leon Macomber in November 2001.

Recommendation

Staff recommends a \$100 penalty each for seven violations of Tariff 15-A – Item 85, failure to include for (1) hourly-rated shipments, the number of carrier personnel and carrier vans (or trucks) that will be used and the number of hours each will be involved in the move, or (2) for mileage-rated shipments, the mileage between origin and destination, the estimated weight of the shipment, and the total transportation cost; (3) overtime; (4) services to be provided (stairs, long carry, third party, etc.); (5) valuation charges; (6) storage (storage-in-transit, storage-in-vehicle, permanent storage, etc.); and, (7) packing, unpacking, and containers. Total recommended penalty of \$700.00.

[estimate or supplemental estimate must] A summary of charges. The summary must be printed in the right lower quadrant of the form and must be set off by being placed in a box as shown in the following sample:

Summary of Charges	
Moving	\$ _____
Storage.....	\$ _____
Packing/ Unpacking....	\$ _____
Containers.....	\$ _____
Services.....	\$ _____
Valuation.....	\$ _____
Other.....	\$ _____
Total Est. Cost	\$ _____

Findings

The All My Sons supplemental estimate does not contain a summary of charges, whether in a summary box or a summary list of the charges. Technical assistance was provided for this rule by Leon Macomber in November 2001.

Recommendation

Staff recommends a \$100 penalty for violation of Tariff 15-A, Item 85, failure to include a summary of charges on the supplemental estimate form. Total recommended penalty of \$100.00.

The All My Sons' supplemental estimate also states:

"Based upon the above information your move will take approximately _____ more hours to complete and require _____ in packing material. You are aware that by WUTC rules that you are required to pay 125% of the amount of the original estimate and of this supplemental estimate."

This is not an accurate statement and must be rewritten or removed from the supplemental estimate. The Commission rules do not require a customer to pay 125% more than the estimates. Staff considers this audit as the company's technical assistance for this requirement. If future violations are found, penalties or other sanctions may be imposed.

Recommendation

Staff recommends that All My Sons delete or rewrite the following paragraph currently shown on its Supplemental Estimate form. This statement is untrue.

"Based upon the above information your move will take approximately _____ more hours to complete and require _____ in packing material. You are aware that by WUTC rules that you are required to pay 125% of the amount of the original estimate and of this supplemental estimate."

SUPPLEMENTAL ESTIMATES

WAC 480-15-660 requires that supplemental estimates be provided if the company has given the customer a written estimate and the circumstances surrounding the move change in any way to cause the rate for service or the estimated charges to increase. The company can apply a new or higher rate to the new services only not services from the original estimate. Customers **MUST** sign the supplemental estimate or the additional work cannot be performed.

A complete version of WAC 480-15-660 is included in Appendix K.

Audit and Technical Assistance

In December of 2001, Staff issued a violation of WAC 480-15-660 in complaint 70398.

On December 14, 2001, Staff noted in the consumer complaint:

“VIOLATION: 480-15-660 for failing to write a supplemental estimate when the company believed the customer was adding additional work over and above that of the original estimate. The company attempted to void the original written estimate by writing that it was voided on the bill of lading. The customer wrote "not agree" and signed the bill of lading in the margin of the paper.

COMPLAINT DISPOSITION: The company was advised that it may not, in the future, attempt to void a written estimate. A supplemental written estimate must be written and signed by the customer to increase the cost of the move to the customer. The company understands this and has obtained a supplemental estimate form from the Commission.”⁵

On December 17, 2001, Staff indicated in the complaint that Staff spoke with Jim Bergstrom of All My Sons. The following was recorded in the complaint:

...”called Jim - Went over each of the violations with Jim and quoted the RCW and WAC numbers as shown in violation activities in the above activities:

⁵ In November of 2001, Motor Carrier Safety Investigator Leon Macomber gave All My Sons employees both the estimate and supplemental estimate forms.

...3) failing to write a supplement estimate. He understands in the future that he, nor his crew, may void a written estimate by writing it in the margin of the bill of lading. Jim said that Leon provided him a copy of a supplemental estimate form..."

Staff believes this is sufficient technical assistance for All My Sons to understand the requirement that if the cost of the move increases in any way, a supplemental estimate is required.

- On December 18, 2003, in complaint 86643, Staff asked All My Sons why a supplemental estimate was not written when the estimate for the move was \$2,331.88 and the eventual cost of the move totaled \$3,009.28. The company responded:

"The overage occurred when the customer made the decision (AFTER the estimate was given) to have the items stored on the truck for 2 days at \$100.00/day. It does not appear that the crew had a supplemental signed for this service."

A violation was issued for WAC 480-15-660 on January 15, 2004.

- For a move dated April 30, 2004, in complaint 89035, Staff once again informed All My Sons on May 25, 2004, of a violation for failure to provide a supplemental estimate when the original estimate was for \$592.80, and the customer was eventually charged \$745.40 for the move. The company objected to this violation because the customer requested additional packing after the estimate was written.

The company's response was:

"Company's original estimate for **labor** was \$585.00 and actual **labor** charges were \$720.00 which falls WELL within the 25% cap allowed by the tariff. We are back to the "apples to apples" scenario. The customer requested some packing materials, which amounted to \$14.40, which is what put the totals over the 25%. **I am objecting to this violation.**"

Of the nine estimates Staff reviewed⁶, in seven moves the actual costs exceeded the estimates. All of these moves occurred between April 23, and May 8, 2004.

Date/BL #	Estimate	Actual Charge	% of change	What changed?
4-29-04	\$592.89	\$745.40⁷	+26%	Estimate 6.5 hours, actual 8. Estimate no packing materials, actual materials charged, fuel surcharge increased.
4-26 10463	\$448.80	\$445.94	-.01%	Fuel surcharge \$5.94 instead of \$8.80
4-26 10474	\$1332.00	\$1665.00	+.25	Estimate 8 hours, actual 13.25 hours
4-29 10497	\$478.80	\$466.99	-.02%	Estimated packing materials \$30, actual \$21.05, estimated fuel surcharge \$8.80, actual \$5.94.
4-30 10405	\$1111.30	\$1284.00	+.16%	Estimated hourly charge of \$129, actual \$156.
5-5 10577	\$379.49	\$451.33	+.19%	Estimated 4 hours, actual 4.75. Estimated packing and fuel \$14.61 and 4.86, actual 18.06 and 5.77.
5-6 10567	\$729.72	\$736.xx⁸	+.01%	(bill of lading does not show all charges)
5-7 10537	\$915.19	\$1045.93	+.14%	Estimated 7 hours, actual 8 hours.
5-7 10566	\$1176.67	\$1221.67	+.04%	No packing materials on estimate, actual \$45.00 for shrinkwrap.

Findings

All My Sons did not submit any evidence that supplemental estimates were issued for any of the seven moves where the actual charges exceeded the estimate.

⁶ Staff reviewed sixty-two bills of lading submitted by All My Sons as part of Staff's data request. Nine of the bills of lading had an estimate attached.

⁷ A violation was issued in complaint 89035 on May 25, 2004 for exceeding the cost of an estimate by more than 25% and not issuing a supplemental estimate.

⁸ Last two numbers were illegible on the bill of lading.

Staff finds that All My Sons is clearly aware of the estimate and supplemental estimate rule, however, in spite of continuing technical assistance, chooses not to issue supplemental estimates.

Recommendation

Staff recommends a \$100 penalty each for seven violations of WAC 480-15-660, failure to issue supplemental estimates when circumstances surrounding the moves change in a way to cause the rate for service or the estimated charges to increase. Total recommended penalty of \$700.00.

COST EXCEEDS ESTIMATE - RELEASE OF GOODS

WAC 480-15-670 requires that if the actual charges exceed the estimated charges, the household goods company must:

- (a) Inform the shipper of this rule as soon as possible; and*
- (b) Release the shipment when the shipper pays one hundred ten percent of the estimated charges.*

WAC 480-15-670 also requires the company to allow the shipper at least thirty days to pay the remaining balance when the shipper has paid one hundred ten percent of the estimated charges, you must allow the shipper at least thirty days to pay the remaining balance.

Technical Assistance

In December of 2001, Consumer Affairs Staff issued violations to All My Sons in complaint 70398. The complaint on December 17, 2001, states in part:

“called Jim - Went over each of the violations with Jim and quoted the RCW and WAC numbers as shown in violation activities in the above activities:
“...4) failing to allow the customer to pay only 110% of the estimated cost of the move at the end of the move. Jim said that he and his crew know they must do this and they always do offer this. I said that it doesn't appear from the customer's statements that they were offered this, but instead were told they must pay it all and when she didn't the crew left with the goods and she had to call him (Jim) and agree to the entire amount before he would dispatch to the crew to go back and unload. He said it is the customer's word against the company's and he probably can't prove his word, but he does challenge this violation.

5) failing to allow the customer to make payment arrangements over the next 30 days for the charges over the estimated amount. Again, Jim said he is aware of this rule and that he would normally offer this, but again he has no proof that he did because it is he said/she said. He therefore, challenges this violation also.”

Staff finds that the issuance of these violations constitutes the company's technical assistance for WAC 480-15-670.

Findings

Of the five estimated moves where the final cost exceeded the estimate by at least 110%⁹, there is no evidence that All My Sons released the goods to the shipper upon payment of one hundred ten percent of the estimated charges or even offered this option. In all cases Staff reviewed, it appears the shipper paid the full cost of the move at the time of delivery.

Recommendation

Staff recommends a \$100 penalty each for five violations of failure to release the customer's goods upon payment of 110% of the estimated charges and allow the customer to pay the balance within 30 days. Total recommended penalty of \$500.00.

⁹ Staff reviewed nine estimates. In seven instances the costs of the move exceeded the estimate, but only five exceeded the estimate by at least 110%.

ACCURATE ESTIMATES

WAC 480-15-680 states it is the household goods company's responsibility to issue an accurate estimate to the shipper. Shippers must be able to base their moving decisions on accurate information. This cannot occur unless the company provides an accurate estimate.

Audit

Of the nine estimates Staff reviewed for moves that occurred between April 23, and May 8, 2004, seven of the moves were underestimated and five of the moves cost more than 10% above of the estimated charges.

Date/BL #	Estimate	Actual Charge	% of change	What changed?
April 29, 2004	\$592.89	\$745.40 ¹⁰	+26%	Estimate 6.5 hours, actual 8. Estimate no packing materials, actual materials charged, fuel surcharge increased.
April 26 10463	\$448.80	\$445.94	-.01%	Fuel surcharge \$5.94 instead of \$8.80
April 26 10474	\$1332.00	\$1665.00	+.25	Estimate 8 hours, actual 13.25 hours
April 29 10497	\$478.80	\$466.99	-.02%	Estimated packing materials \$30, actual \$21.05, estimated fuel surcharge \$8.80, actual \$5.94.
April 30 10405	\$1111.30	\$1284.00	+.16%	Estimated hourly charge of \$129, actual \$156.
May 5 10577	\$379.49	\$451.33	+.19%	Estimated 4 hours, actual 4.75. Estimated packing and fuel \$14.61 and 4.86, actual 18.06 and 5.77.
May 6 10567	\$729.72	\$736.xx ¹¹	+.01%	(bill of lading does not show all charges)
May 7 10537	\$915.19	\$1045.93	+.14%	Estimated 7 hours, actual 8 hours.
May 7 10566	\$1176.67	\$1221.67	+.04%	No packing materials on estimate, actual \$45.00 for shrinkwrap.

¹⁰ A violation was issued in complaint 89035 on May 25, 2004 for exceeding the cost of an estimate by more than 25% and not issuing a supplemental estimate.

¹¹ Last two numbers are illegible on the bill of lading.

Even when Staff excludes the two moves for which All My Sons only underestimated by one and four percent, All My Sons still underestimated the cost of moves for a two-week period more than 55% of the time.

Findings

Staff finds that All My Sons does not provide accurate estimates. Staff also finds the high percentage of underestimates unacceptable.

Underestimating household goods moves is something the Commission takes very seriously. The Washington State Legislature specifically addressed this issue in 1993 when it wrote RCW 81.80.132, which states:

*Common carriers – Estimate of charges for household goods – penalty.
When a common carrier gives an estimate of charges for services in carrying household goods, the carrier will endeavor to accurately reflect the actual charges. The carrier is subject to a monetary penalty not to exceed one thousand dollars per violation when the actual charges exceed the percentages allowed by the Commission.
[1993 c 392 § 1.]*

The Commission's rules also show how seriously the Commission takes the issue of underestimating the cost of a move by specifically listing the actions the Commission may take against companies who fail to provide accurate estimates.

WAC 480-15-690(3) states, in part:

"We [Commission] may take administrative action against household goods carriers who fail to provide accurate estimates. Administrative actions may include, but are not limited to:

- (a) Assessing penalties of up to one thousand dollars, per incident, under RCW 81.80.132;*
 - (b) Suspending your permit;*
 - (c) Initiating a proceeding to cancel your permit;*
 - (d) Denying permanent authority if you are operating under temporary authority;*
- or*
- (e) Limiting collection of excess charges.*

The complete texts of WAC 480-15-670, 680 and 690 are included in Appendix L.

Recommendation

Staff recommends a \$100 penalty each for five violations of WAC 480-15-680 for failure to issue an accurate estimate to the shipper. Total recommended penalty of \$500.00.

Staff recommends that an administrative action, as listed in WAC 480-15-690, be taken against All My Sons if the company continues to underestimate the cost of household goods moves.

CHARGES WHEN MOVE IS UNDERESTIMATED

WAC 480-15-690 states a household goods company may not charge more than twenty-five percent above its written nonbinding estimate for time charges for a local hourly rated move nor can it charge more than fifteen percent above its written nonbinding estimate for accessorial and other services not related to time, unless the shipper signs a supplemental estimate. The household goods company may not charge more than fifteen percent above your written nonbinding estimate for a long distance-rated move, unless it obtains a shipper-signed supplemental estimate.

Technical Assistance

On September 12, 2002, Staff issued a violation of 480-15-690(1) in complaint 76701. Staff noted in the complaint:

“Carrier may not charge more than twenty-five percent above its written nonbinding estimate for an hourly rated move nor fifteen percent above its written nonbinding estimate for accessorial services. Company attempted to charge substantially more than this rule allows. Company has been notified of the violation.”

On February 19, 2003, in complaint 81462, Staff again issued a violation of WAC 480-15-690(1) to All My Sons for charging a customer more than 25% above the written estimate without issuing a supplemental estimate. The company stated it did not know the customer had an estimate, however, when the customer complained, the company took no action to correct the error. The written estimate was for \$885.60. On the day of the move, the cost went up to approximately \$1600.00, but after the customer stated she had an estimate the cost was lowered to approx \$1400.00. When Commission Staff intervened, the company again recalculated the costs to \$1050.30 and issued a refund.

Staff finds that All My Sons has been given sufficient technical assistance to understand how to comply with WAC 480-15-690(1).

Audit

Staff found that in the nine moves where estimates were provided, All My Sons' actual charges exceeded the estimates in seven of the moves.

However, in only one instance did the cost exceed the estimate by more than 25% for an hourly-rated move.¹² In that move the customer paid for the total cost of the move and All My Sons was issued a violation of WAC 480-15-690. All My Sons was aware of this rule at the time it provided this move in April 2004.

Recommendation

Staff recommends a \$100 penalty for one violation of WAC 480-15-690 for charging the customer more than twenty-five percent above the written nonbinding estimate for an hourly-rated move. Total recommended penalty = \$100.00.

¹² Consumer complaint #89035.

BILLS OF LADING – FORMAT

- Bills of Lading
- Bills of Lading - Format

BILLS OF LADING

WAC 480-15-710 *A bill of lading is a shipping document issued by the household goods carrier, signed by both the shipper and the household goods carrier, that establishes the legal contract terms and conditions for the shipment of household goods.*

All household goods carriers must use an approved bill of lading format and complete the bill of lading in a manner that shows all information necessary to determine the proper tariff rates and charges. Any element that is used to determine charges must be clearly shown on the bill of lading.

All My Sons is neither in compliance with the bill of lading format nor does it complete the bill in a manner that complies with Commission rules.

This report section describes why All My Sons' bills of lading are not in the correct format and what All My Sons must change on its bills to comply with WAC 480-15-710.

A copy of All My Sons' bill of lading is included in Appendix D. The complete text of WAC 480-15-710 through WAC 480-15-740 is included in Appendix M.

BILL OF LADING FORMAT

WAC 480-15-730 and the Commission's Tariff 15-A, Item 95, require a household company to use the bill of lading format shown in the Commission's published tariff.

The Commission's Tariff 15-A, Item 95, describes the format that must be used and the contract terms and conditions that must be included on the bill of lading.

A complete copy of Tariff 15-A, Item 95, is included in Appendix N.

Audit

The bill of lading used by All My Sons is not in compliance with the format shown in Tariff 15-A, Item 95, as required by WAC 480-15-730.

The format for the bill of lading changed in February 1, 2000, when Tariff 15-A was issued¹³. The bill of lading used by All My Sons is an outdated format and is not in compliance with the following format requirements:

Valuation - Tariff 15-A Tariff Item 95 2.h. The bill of lading must contain the following language regarding the shipper's choice of valuation.

VALUATION: *The customer must initial option selected:*

_____ **Basic value protection.** *I release this shipment to a value of 60 cents per pound per article, with no cost to me for the protection;*

or,

_____ **Depreciated value protection.** *I release this shipment to a value of \$2.00 per pound times the weight of the total shipment; or*

I declare a lump sum total dollar valuation on this entire shipment of:

\$_____ and select the following option:

_____ **Replacement Cost Coverage with a \$300 Deductible.**

Declared value must be at least \$3.50 times the weight of this Shipment.

_____ **Replacement Cost Coverage with no deductible.** *Declared value must be at least \$3.50 times the weight of this shipment.*

¹³ Tariff 15-A was issued by order under Docket No. TV-980092. The bill of lading format was changed again in February 2001.

The valuation box on All My Sons' bills of lading does not include the sentence "with no cost to me for the protection;" under the Basic Value Protection option.

Storage - Tariff 15-A, Item 95, 2.f. The bill of lading must contain a declaration of the length of time the shipper wishes property to be stored (permanent storage, storage in transit, or storage in a vehicle). The declaration must state:

STORAGE: *If shipment will be placed into storage, the customer must initial option selected:*

_____ *This shipment is to be placed in storage for a period of less than 90 days (storage in transit). I understand that on the 91st day of storage the shipment becomes permanent storage.*

_____ *This shipment is to be placed in storage for more than 90 days (permanent storage).*

_____ *This shipment is to be placed in storage-in-vehicle for a period of not more than _____ days.*

All My Sons' bills of lading include three options for storage all of which refer to 180 days as the transition point at which storage changes from temporary to permanent¹⁴. The definition for the time period for temporary storage changed to 90 days in February of 2000.

Estimate -Tariff 15-A, Item 95 2.g.

The tariff requires the bill to show if the customer chose to have an estimate of the cost of the move, and if so, whether it was a binding or non-binding estimate:

¹⁴ All My Sons bill of lading states the shipper's storage choices as:

- 1 – This shipment is to be placed in storage for a period of less than 180 days.
- 2 – This shipment is to be placed in storage for more than 180 days.
- 3 – This shipment is to be placed in storage in transit for an unknown period of time. I understand that on the 180th day of storage the shipment becomes permanent storage.

The tariff states the following information must be shown on the bill:

ESTIMATES: *The customer must initial option selected:*

- I did not request a written estimate on this shipment and understand I will be required to pay charges shown on this contract.*
- I understand this shipment is moving under a binding estimate and that I will be required to pay the amount shown on that estimate.*
- I understand this shipment is moving under a non-binding estimate. NOTE: If the charges shown on this bill exceed the charges on the non-binding estimate given me by the carrier, the carrier must release the shipment to me upon payment of no more than 110 percent of the estimated charges and will extend credit for 30 days in which I must pay the remainder due. In no case will I be required to pay more than 115 percent of the estimate (plus any supplements) for mileage-rated shipments, nor more than 125 percent of the estimate plus supplements for hourly-rated shipments.*

The estimate portion of All My Sons' bill of lading is not in compliance with Item 95 2.g. All My Sons bill states the customer must select one of three options:

- I did not request a written estimate on this shipment and understand I will be required to pay charges shown on this contract.
- I understand this shipment is moving under a binding estimate and that I will be required to pay the amount shown on that estimate.
- I understand this shipment is moving under a non-binding estimate.

Information That Must be Included on the Back of the Bill of Lading – Tariff 15-A, Item 95(3).

The back of the bill of lading must contain the contract terms and conditions for the shipment of the household goods.

Findings

The All My Sons bill of lading does not contain the same contract language as required by the Tariff. The following shows the difference between the language in All My Sons bill and the approved bill language (approved language shown in bold or with strikethrough):

SECTION 1. (A) **THE CARRIER IS LIABLE** for physical loss of, or damage to, any article from external cause while being **packed, unpacked, loaded,** carried or held in storage-in-transit (**including storage-in-vehicle**), including breakage, if articles are packed by the carrier and/or if the breakage results from negligence of the carrier. The carrier's liability is subject to the limitations described in Section 2.

(B) **THE CARRIER IS NOT LIABLE** for loss of, or damage to, any article from external cause while being carried or held in storage-in-transit, for the following circumstances:

- (1) Breakage, when articles are packed by the customer or the customer's representative unless it can be proven that the breakage resulted from negligence by the carrier in handling the article(s).
- (2) Change in the condition or flavor of perishable articles.
- (3) **Loss or damage from insects, moths or vermin.**
- (4) Loss or damage to documents, bank bills, notes, currency, money, postage stamps, letters, or valuable papers of any kind.
- (5) Loss or damage to jewelry, watches, precious stones, or precious metals.
- (6) An act, omission, or order of the customer, or loss or damage resulting from the customer's inclusion in the shipment such articles as explosives, dangerous articles or dangerous goods.
- (7) Defective design of an article, including susceptibility to damage because of atmospheric conditions such as temperature, ~~rain,~~ and humidity changes.
- (8) Hostile or warlike action or use of any weapon of war (in time of peace or war); terrorism; insurrection; rebellion; revolution; civil war, usurped power; and action taken in hindering, combating or defending against such occurrences: (a) by any government or sovereign power, or by authority maintaining or using military forces; or (b) by military forces; or (c) by an agent of any such government, power, authority or forces.
- (9) Seizure, confiscation, or destruction under quarantine by order of any government or public authority.

(10) Strikes, lockouts, labor disturbances, riots, civil commotions or the acts of any person or persons taking part in any such occurrence or disorder.

(11) Acts of God.

SECTION 2. The carrier's maximum liability shall be determined based on the valuation option selected by the customer on the face of this contract.

(A) If the customer selected Basic Value Protection, the carrier's maximum liability shall be the actual loss or damage not exceeding \$.60 per pound of any lost or damaged article(s).

(B) If the customer selected Depreciated Value Protection, the carrier's maximum liability shall be the amount of the actual loss or damage not exceeding \$2.00 times the actual weight (in pounds) of the shipment. **This option is the default option if customer fails to indicate a choice on the face of this contract. (Customer will be liable for charges applying for this option if customer fails to indicate a choice and the shipment valuation therefore defaults to this protection level.)**

(C) If the customer selected Replacement Cost Coverage with a deductible, the carrier's maximum liability shall be the amount of the actual loss or damage less a \$300 deductible not exceeding \$3.50 times the weight of the shipment, or the lump sum declared value, whichever is greater.

(D) If the customer selected Replacement Cost Coverage, the carrier's maximum liability shall be the amount of the actual loss or damage not exceeding \$3.50 times the weight of the shipment, or the lump sum declared value, whichever is greater.

SECTION 3. Unless specific arrangements have been authorized by this contract, the carrier is not required to transport the customer's goods by any particular schedule, means, or vehicle and is not liable for delays resulting from causes other than negligence of the carrier. Further, in case of unforeseen circumstances which prevent the carrier from completing delivery, the carrier has the right to forward the customer's property with another carrier.

SECTION 4. (A) The customer must pay all legal charges.

(B) If the carrier is required to refer this contract to an attorney for collection of charges due, the customer agrees to pay reasonable attorney fees and collection costs.

(C) If this contract is referred to court for resolution, the non-prevailing party shall be responsible for payment of reasonable attorney fees and court costs.

(D) The customer shall indemnify the carrier against loss or damage caused by inclusion in the shipment of explosives, dangerous articles, or dangerous goods.

SECTION 5.

(A) The carrier may place a shipment into storage at the public warehouse nearest the point of destination if the carrier is unable to make delivery because:

- (1) The carrier was unable to locate a customer at the address given or the correct address; or
- (2) The customer refused or was unable to accept delivery; or
- (3) On a shipment moving under a non-binding estimate, the customer was unable or refused to pay up to 110 percent of the amount of the original estimate.

The carrier's liability as a common carrier ends with delivery to the warehouse and the shipment becomes subject to the warehouse's liability, terms and conditions. The carrier must mail or deliver a written notice to the destination address advising that it was unable to make delivery.

(B) The carrier may sell the property in a shipment if:

- (1) The customer refuses the shipment at destination;
- (2) The customer fails to receive or claim the shipment within 15 days after the carrier has mailed a written notice to the customer to the addresses shown on face of this Bill of Lading; or
- (3) If the customer fails or has refused to pay the lawful charges in accordance with the carrier's tariff and Commission rules.

(C) The carrier may sell the property at its option:

- (1) Upon notice in the manner authorized by law, or
- (2) To the highest bidder at a public auction held at a time and place named by the carrier. The carrier must give the customer at least 30 days' written notice of the sale and must publish a notice containing a description of the property (as described in the Bill of Lading) and the name of the customer at least once a week for two consecutive weeks in a newspaper of general circulation at or near the place of sale. The proceeds of any sale will be applied toward payment of the lawful charges due for the shipment and toward expenses for the notice, advertising and sale, and storing, caring for and maintaining the property before the sale.

The balance, if any, shall be paid to the owner of the property. However, the carrier may sell any perishable articles in the shipment at a public or private sale without the notices described above, if, in the opinion of the carrier, the sale is necessary to prevent deterioration or further deterioration.

SECTION 6. Any controversy or claim arising out of or relating to this contract, the breach there of, or the goods effected thereby whether such claims be founded in torte or contract shall be settled by arbitration under the arbitration law of the carrier state and under the rules of the American Arbitration Association provided, however, that upon any such arbitration the arbitrator or arbitrators may not vary or modify any of the foregoing provisions.

SECTION 7. (A) To receive compensation for a claim for loss, damage, overcharge, injury or delay, the customer must file a written claim with the carrier within nine months after a reasonable time for delivery has elapsed. In the case of failure to make delivery, the claim must be filed within nine months after a reasonable time for delivery has elapsed. **Claims must contain sufficient information to identify the property involved. A copy of the original paid transportation bill, bill of lading contract, or shipping receipt must accompany the written claim.** (B) A suite against the carrier for loss, damage, overcharge, injury or delay must be instituted within two years and one day from the date the carrier notifies the customer that the carrier has disallowed the customer's claim made under the provision of paragraph (A).

Findings

Staff finds All My Sons' bill of lading form is not in compliance with WAC 480-15-730 which requires companies to use the bill of lading format shown in the Commission's Tariff 15-A. Staff considers this audit to be the company's technical assistance to correct its bill of lading. If future violations are found, penalties or other sanctions may be imposed.

Recommendation

All My Sons must begin using a bill of lading that has a format that is in compliance with Tariff 15-A within 30 days of its receipt of this report.

BILL OF LADING – COMPLETION

- Bill of Lading Required for each Shipment
- Bill of Lading Information Required
 - Estimate Section
 - Names, Addresses, Phone Numbers
 - Storage Section
 - Rights and Responsibilities Guide
 - Payment Method

BILL OF LADING – COMPLETION

WAC 480-15-720 and WAC 480-15-740 require household goods companies to issue a bill of lading for each shipment of household goods they transport and to list on the bill of lading all information necessary to determine tariff rates and charges. Any element that is used in determining transportation charges must be clearly shown on the bill of lading.

A bill of lading must be properly completed to ensure that it shows all information necessary to determine proper tariff rates and charges. All My Sons does not issue a bill for each move and does not complete the bill of lading correctly.

Bill of Lading Required for Each Shipment

Companies must issue a bill of lading for each shipment of household goods it moves. In response to the Commission's data request, All My Sons sent its bills of lading for the period of April 23, 2004, through May 8, 2004. This totaled sixty-two bills of lading.

In response to Staff's request that All My Sons furnish the payroll records for employees that worked during the April 23 through May 8 timeframe¹⁵, All My Sons sent Staff "Daily Sheets" which it describes as computer generated timesheets to keep track of the employees time on the various jobs.

When Staff compared the Daily Sheets to the bills of lading, Staff found a number of Daily Sheets for which there were no bills of lading. Clearly, there were moves conducted for which All My Sons had no bills of lading.

All My Sons is required to issue a bill of lading for each move conducted. The following chart shows moves where a Daily Sheet was completed, but Staff received no corresponding bill of lading.

¹⁵ WAC 480-15-740 requires that a carrier must be able to identify, through payroll records, each person involved in a move and provide that information to Commission Staff on request.

Date of Daily Sheet	Customer	Charges	Employees
April 24	LaRosh	\$517.50	Duane, Kenneth
April 24	Hogan	\$264.00	Will, Aaron
April 27	Legary	\$638.00	Charlie, Steve
April 29	Langston	\$550.00	M., Ryan, Josh
April 30	Solberg	\$495.00	Charlie, Arlo
April 30	Werner	\$none shown	Linc, Phil
May 1	Hart	\$720.00	Neil, Aaron, Will
May 1	Diers	\$1,443.75	Stacey, Terrence, Arlo
May 2	Pease	\$270.00	Neil, Collin
May 3	Murray	\$550.00	Dean, John
May 4	Gottlieb	\$450.00	Dean, JT
May 4	Hansen	\$1,144.00	Rudy, Thomas
May 6	Tuell	\$550.00	Will, Bill
May 6	Thomas	\$450.00	Rudy, Thomas

Technical Assistance

In complaint 76701, Staff found that All My Sons did not issue a bill of lading and on September 12, 2002, Staff recorded one violation of WAC 480-15-710 for failure to issue a bill of lading. The company was notified of the violation. Staff considers this violation and notification as the company’s technical assistance for the requirements that a bill of lading must be issued for each household goods shipment.

Findings

All My Sons conducts household goods moves for which Daily Sheet records are kept, but bills of lading are not completed as required by WAC 480-15-720.

Recommendation

Staff recommends a \$100 penalty each for fourteen violations of WAC 480-15-720 for failure to issue a bill of lading for each shipment of household goods a company transports. Total recommended penalty of \$1,400.00.

BILL OF LADING – INFORMATION REQUIRED

Requirements on Bill of lading

A bill of lading must be issued for every household goods move and it must be properly completed to ensure that it shows all information necessary to determine proper tariff rates and charges. All My Sons does not complete the bill of lading correctly.

The requirements for what must be shown on the bill of lading are listed in both WAC 480-15-740 and in Tariff 15-A, Item 95. WAC 480-15-740 lists the type of information that must be shown on the bill, e.g. the date of shipment; number and size of packing containers; the start, stop, and interruption times for the move; and, any special services performed during the move.

All My Sons does not complete its bills of lading in compliance with Commission rules or Tariff 15-A. In spite of repeated technical assistance from Commission Staff, All My Sons has shown a pattern of failing to accurately complete its bills and show all the information necessary on the bill to determine the proper tariff rates and charges.

Technical Assistance

Commission Investigator Leon Macomber first gave All My Sons technical assistance on Commission rules and tariff requirements on November 6, 7, and 8, 2001. Investigator Macomber contacted Mr. Kermitt Escribano, owner of All My Sons at the time, regarding a complete economic and terminal safety carrier review (CR) of his household goods moving company operations. During that audit, Investigator Macomber discussed WAC 480-15-740 with Mr. Escribano. Investigator Macomber's audit memorandum states, in part:

“We did discuss the fact that all rates and total charges must be shown for rating purposes and for consumer protection.”

Mr. Escribano signed the economic audit form indicating that he was aware of the rules, statutes, and Tariff 15-A requirements for the completion of the bill of lading.

Staff of the Consumer Affairs Section has also given technical assistance to Mr. Escribano and other employees of All My Sons on an on-going basis as part of the investigation of the consumer complaints filed against All My Sons.

For this audit, Staff reviewed the bills of lading submitted as part of the consumer complaints filed against All My Sons and the sixty-two bills of lading sent as part of Staff's data request for moves conducted between April 23, 2004 and May 8, 2004. The following are the results of the audit by each section on the bill of lading.

Estimate Section – Tariff 15-A, Item 95

A bill of lading must include the following box that requires the customer to indicate (by initialing the form) the type of estimate he or she received prior to the move:

ESTIMATES: The customer must initial option selected:

- I did not request a written estimate on this shipment and understand I will be required to pay charges shown on this contract.
 - I understand this shipment is moving under a binding estimate and that I will be required to pay the amount shown on that estimate.
 - I understand this shipment is moving under a non-binding estimate.
- NOTE: If the charges shown on this bill exceed the charges on the non-binding estimate given me by the carrier, the carrier must release the shipment to me upon payment of no more than 110 percent of the estimated charges and will extend credit for 30 days in which I must pay the remainder due. In no case will I be required to pay more than 115 percent of the estimate (plus any supplements) for mileage-rated shipments, nor more than 125 percent of the estimate plus supplements for hourly-rated shipments.

The company must ensure that the bill of lading is complete and accurately shows the type of estimate given to the customer. On August 8, 2003, in complaint 82961, Staff notified All My Sons of a violation of this tariff item. In that complaint, the customer initialled that she understood the shipment was moving under a non-binding estimate when, in fact, no estimate was given.

Staff stated at the time it notified the company of the violation that the company must ensure the bill of lading shows accurate estimate information. The complaint states, in part:

“Accepted the 2 violations. 1. The Bill of Lading shows that the consumer initialled that she understood that the shipment was moving under a non-binding estimate. All non-binding estimates must be made in writing. You indicated that you did not provide a written estimate. This would be a violation of WAC 480-15-630 (an estimate is a written approximation of the probable cost of a move). A nonbinding estimate is based on an inventory of the customer’s goods and provides the customer with a pricing guideline.”

Staff considers the August 8, 2003, notice of violation as the company’s technical assistance for completion of the estimate section.

Of the remaining bills of lading Staff reviewed, the following had incorrect information listed in the Estimate Section of the bills:

Date of Move	Customer Signed	Results
4-23-04	Moving under a non-binding estimate.	No estimate attached.
4-26-04	Moving under a binding estimate.	Non-binding estimate attached.
5-8-04	Customer did not initial a choice.	Estimate box incomplete.

Findings

Investigator Macomber provided technical assistance to All My Sons in November of 2001 and August of 2003, and All My Sons failed to ensure customer made the proper choices on the bills of lading. Staff finds these three bills violations of the rule after receiving technical assistance and warrant penalties.

Recommendation

Staff recommends a \$100 penalty each for three violations of WAC 480-15-740, for failure to require the customer initial the correct type of estimate he or she received. Total recommended penalty of \$300.00.

Names, Addresses, Phone Numbers

WAC 480-15-740 and Tariff Item 95 require the company to include the customer's name, address, and phone number and the consignee's¹⁶ name, address, and phone number on the bill of lading. The bill must also include any additional pickup point of the goods, any split pickup or delivery addresses, and the destination address.

Names

In violation of WAC 480-15-740 and Tariff Item 95, All My Sons does not complete the name of the consignee on the "consigned to" line on its bills of lading. Staff considers this audit to be All My Sons technical assistance for WAC 480-15-740 and Tariff Item 95.

Addresses - Technical Assistance

On October 13, 2003, in consumer complaint 85500, Staff issued All My Sons a violation of 480-15-740(3) for failure to complete the bill of lading. Specifically, the delivery address on the bill of lading was not filled out. On that date Staff noted in the complaint "the Co is aware of violations". Staff considers this notification as the company's technical assistance.

On October 31, 2003, Staff again told All My Sons that it was in violation of WAC 480-15-740(3) in complaint 85981, for failure to complete the destination address on the bill of lading.

On January 14, 2004, Staff yet again notified All My Sons in complaint 84644 that it was in violation of WAC 480-15-740(3), as addresses on bill of lading were not complete¹⁷.

¹⁶ A "consignee" is the person who accepts delivery of the goods at the destination point of the shipment.

¹⁷ The moves for which these violations were issued were conducted in October 2002 and August 2003, prior to the first technical assistance in October of 2003.

In the sixty-two bills of lading sent to Staff as part of the Commission's data request, Staff found four with incomplete addresses:

Move Date	Address
April 23, 2004	Evergreen Storage
April 23, 2004	Shipper Will advise
April 26, 2004	Public Storage Military Road ¹⁸
May 8, 2004	East Lake Samm Pk Way

As Staff had given technical assistance to All My Sons on October 13, 2003, and had issued violations for failure to complete the address portion of the bill, Staff finds the bills issued on October 31, 2003, and January 14, 2004, and the four bills listed above, issued between April 23 and May 8, 2004, warrant penalties for continuing non-compliance with WAC 480-15-740.

Telephone Numbers

In consumer complaint 85641, on October 8, 2003, Staff issued a violation of Tariff 15-A, Item 95, and WAC 480-15-730¹⁹, for failure to list the shipper's telephone number on the bill of lading. Staff noted in the complaint that "Co is aware of WAC and violation". Staff considers this violation as the company's technical assistance for listing the shipper's telephone number on the bill of lading.

Again on May 13, 2004, in consumer complaint 88979, Staff informed Laurie Baca of All My Sons that Staff would issue a violation of Tariff 15-A, Item 95, for failure to provide the customer's telephone number on the bill of lading.

On May 21, 2004, in response to Staff issuing the violation, Laurie Baca stated:

"Customer's phone number not on the Bill of Lading. Our computer system does not print the customer's phone number on the Bill of Lading and NEVER has. I have NEVER had a violation noted for this before. I am objecting to this violation as well."

¹⁸ Split pickup & Delivery location.

¹⁹ WAC 480-15-730 requires that carriers use the bill of lading format shown in the published tariff.

On November 5, 2004, Laurie once again admitted to Staff the company's on-going non-compliance:

“Sorry about the phone numbers not being on the BL. Our computer does not print it directly on the BL and sometimes there are just too many jobs to sit and manually put the phone numbers on every BL. Laurie”

While the company was repeatedly notified of the violation, All My Sons did not change its practices. Staff reviewed sixteen bills of lading that were submitted as a part of consumer complaints investigations and none of those sixteen bills had a shipper's phone number on it, including six that were issued after the company was told of the requirement in October of 2003²⁰.

All My Sons did, however, add the phone number to each of the bills of lading sent to Staff as part of this audit's data request. The shipper's phone number was handwritten on every bill on an otherwise computer-generated and printed form.

Recommendations

All My Sons must immediately begin completing the “Consigned To²¹”, portion of its bill of lading with the name of the consignee.

Staff recommends \$100 penalty each for six violations of WAC 480-15-740(3) for failure to show on the bill of lading the exact address at which the shipment, or any part of that shipment, was loaded or unloaded. Total recommended penalty of \$600.00.

Staff recommends \$100 penalty each for six violations of WAC 480-15-740(3) for failure to include the customer and consignee's telephone number on the bill of lading. Total recommended penalty of \$600.00.

²⁰ Complaint 87073 bill date of December 2003; Complaint 88066 December 2003; Complaint 88979 April 2004 (2); Complaint 89035, April 2004; and, Complaint 89874, June 2004.

²¹ “Consigned To” may also be shown as “Customer” or “Consignee”.

Storage Section

Tariff 15-A, Item 95 and Item 100 require that a customer initial the type of storage option to be used if the customer is placing his or her goods into either storage in transit (SIT) or permanent storage. The carrier must ensure the customer indicates the type of storage by signing or initialing the storage section on the billing of lading.

The bill of lading must include the following information:

STORAGE: If shipment will be placed into storage, the customer must initial option selected.

_____ This shipment is to be placed in storage for a period of less than 90 days (storage in transit). I understand that on the 91st day of storage the shipment becomes permanent storage.

_____ This shipment is to be placed in storage for more than 90 days (permanent storage).

_____ This shipment is to be placed in storage-in-vehicle for a period of not more than _____ days.

Technical Assistance

On October 8, 2003, Staff issued a violation in complaint 85641 (moves dated August and November 2002) for failure to require the customer initial the storage section on the bill of lading. The bill clearly stated the destination address for the goods as "AMS Storage Kent, WA".

On October 13, 2003, Staff notified All My Sons in complaint 85500 (move took place in August 2003) that it was in violation of the rules and tariff for failure to have the customer initial the storage section on the bill of lading. Staff noted in the consumer complaint:

- "#4 Item 95 Storage section not filled out
 - #5 Item 95 no signature in receipt of goods.
- Co is aware of violations."

On October 23, 2003, in complaint 85981 (for a move that took place on August 25 and 26, 2003), Staff again informed All My Sons that the storage portion of the bill of lading was not initialed, again a violation of Item 100 in Tariff 15-A.

In January 2004, Staff again issued a violation in complaint 86643 (for a move that took place in January 2003), for failure to get the customer's initials on the bill of lading indicating the customer chose to place the goods into storage in transit.

Staff has given All My Sons sufficient technical assistance for the company to be aware of the storage requirement on the bill of lading. The following three bills of lading show that in April and May 2004, the company continues to disregard this rule.

- On the April 23, 2004, Bill of Lading 10446, the customer did not initial the storage portion of the bill of lading in spite of the destination being listed as Evergreen Storage, Monroe, WA.
- Bill of Lading 10497, dated April 29, 2004, shows the destination address as "8637 S. 212th St." in Kent, the address of All My Sons' office and storage facility. This indicates the goods are going into storage, but the storage section of the bill of lading is not initialed.
- Bill of Lading 10567, dated May 6, 2004, does not show any storage options initialed, but the estimate signed by the company representative and the customer show the goods are being moved into storage.

Recommendation

Staff recommends a \$100 penalty each for three violations of Tariff 15-A, Item 95, failure to ensure the customer initials his or her choice of storage options. Total recommended penalty of \$300.00.

Rights And Responsibilities Guide

WAC 480-15-740 states that on any shipment where the customer did not receive a written estimate, the household goods moving company must make a notation on the bill of lading that the customer was given a copy of the brochure *Your Rights and Responsibilities as a Moving Company Customer*. The customer must initial on or near the company's notation on the bill of lading, acknowledging receipt of the information.

Technical Assistance

As early as October 10, 2000, in complaint 63190, All My Sons was issued a violation for failure to have a customer initial the bill of lading acknowledging that a Rights and Responsibilities Guide was offered or it was offered and refused by the customer. The company acknowledged the violation by stating the customer was offered the "Rights and Responsibilities", but refused to sign the form.

The company was aware of the requirement of WAC 480-15-740 in October 2000.

Audit

In complaint 77464, on August 14, 2002, Staff issued a violation of WAC 480-15-490(5)²². The violation stated, in part:

"1 violation of the tariff for failing to provide and/or have the customer initial for a copy of the rights and responsibility brochure. The customer says the company did not provide it. The company says it did provide it but failed to have the customer initial the bill of lading."

In complaint 84644, All My Sons was issued a violation of 480-15-740(8), for failure to require the customer sign for the Rights and Responsibilities Guide. The company was notified of the violation on September 11, 2003.

In complaint 87073, on August 30, 2004, All My Sons was again issued a violation for failure to get the customer's initials on the bill of lading that he or she had been given, or had refused a copy of the Rights and Responsibilities Guide. This bill of lading was dated December 30, 2003.

²² WAC 480-15-490(5) states "Who must charges rates contained in the tariff? All household goods carriers must charge the rates and charges, and comply with the rules contained, in the tariff unless the commission has approved, in writing, deviations from the tariff."

Recommendation

Staff recommends a \$100 penalty each for three violations of WAC 480-15-740, for failure to require a customer initial the bill of lading acknowledging he or she had been offered or had refused a copy of the Rights and Responsibilities Guide. Total recommended penalty of \$300.00.

Payment Method

Tariff 15-A, Item 95(p) requires that the method of payment be shown on the bill of lading. The customer must indicate his or her choice of payment type by initialing that choice on the bill of lading. This ensures that both the customer and the company understand how the customer intends to pay for the move prior to the beginning of the move.

The bill of lading example in Tariff 15-A shows what the payment option box on the bill must include:

<p>Note: The customer must indicate choices made on the items shown below by initialing the appropriate line.</p>
<p>PAYMENT: The customer and carrier agree that payment, at time of delivery, will be made by</p> <p>___ cash ___ money order ___ certified check ___ credit card ___ business check ___ Other: _____</p> <p>If credit arrangements are made, bill to:</p> <p>NAME: _____</p> <p>ADDRESS: _____</p>

All My Sons' bill of lading states "NOTE: The customer must indicate choices made on the items shown below by initialing the appropriate items." All My Sons' statement is in sufficient compliance with this requirement.

All My Sons is clearly aware of this requirement as approximately one-third of the company's bills of lading have the customer's initials next to the payment choice. However, forty-two of the sixty-two bills of lading reviewed by Staff did not have any customer initials indicating his or her choice of payment options.

Of the forty-two bills reviewed, some bills were marked by All My Sons with a ✓ or an X, indicating the part of the form the customer is required to initial, and some bills were simply blank.

Findings

Staff finds that All My Sons is aware of the requirement for ensuring that the customer indicate a payment choice on the bill of lading by placing his or her initials next to the payment choice, but fails to do.

Recommendation

Staff recommends a \$100 penalty each for forty-two violations of Tariff 15-A, Item 95, for failure to ensure that a customer indicates his or her payment choice by initialing the appropriate item on the bill of lading. Total recommended penalty of \$4,200.00.

CLAIMS AND COMPLAINTS – CONSUMER

- Shipper Complaint or Claim
- Receipt of Complaint or Claim
- Claim Resolution within 120 Days
- Complaint and Claim Records
- Order of Complaint and Claim Records
- Commission Referrals
- Response to Written Correspondence, Complaints and Claims

CLAIMS AND COMPLAINTS - CONSUMER

Household Goods companies must respond to claims and two types of complaints, those filed by consumers directly with the company and those complaints that are filed with the Commission's Consumer Affairs Section and referred to the companies for response. Commission rules have very specific requirements for how consumer complaints or claims must be processed and how companies must respond to Commission-referred complaints.

For purposes of this audit, the consumer complaint rules will be addressed separately from the Commission-referred complaint rules.

WAC 480-15-800 through WAC 480-15-880 specify the rules companies must follow when processing consumer complaints that are sent directly to the company:

WAC 480-15-800 requires a household goods company to allow a shipper to speak with someone at the company if he or she is not satisfied with the company's service. The company must provide all the information and forms necessary to file a claim or complaint with the company. The company must allow the customer up to nine months to file a claim.

WAC 480-15-810 requires the company, upon receipt of a complaint or claim, to notify the customer within ten days that the complaint or claim has been received. The company must investigate the complaints or claims quickly, advise the shipper of the resolution, and pay, refuse the claim, or make a compromise offer within one hundred and twenty days of the date of the claim.

WAC 480-15-820 requires the company to inform the shipper every sixty days why the claim hasn't been resolved, if the claim is not resolved within the first one hundred and twenty days.

WAC 480-15-830 states that companies must keep all claim records for six years and complaint records for three years after resolution.

WAC 480-15-840 informs the company that all complaints and claims must be consecutively numbered and are subject to Commission review.

WAC 480-15-860²³ informs the company what information must be maintained in the complaint or claims records. That information includes: the date the claim or complaint was received; the name, address, and telephone number of the shipper; detailed information about the disputed details of any action you have taken in response to the claim or complaint; and the date the claim or complaint was resolved and a description of the final disposition.

WAC 480-15-870 tells the company that if it is unable to satisfy the shipper's dispute, it must advise the shipper of the availability of the commission for further review of the complaint or claim.

WAC 480-15-880 simply tells the company that it must acknowledge all of its customers' correspondence.

Tariff 15-A, the Household Goods Tariff, also lists specific rules regarding the processing of claims in Item 75.

The complete texts of WAC 480-15-800 through WAC 480-15-880, and Tariff 15-A, Item 75, are included in Appendix O.

Data Request

On June 3, 2004, Staff sent All My Sons a data request asking for company records and information about the company's policies or processes regarding consumer complaints and damage claims. Staff asked the company to provide:

- "A detailed description of the company's policy on responding to customers' complaints and claims, including complaints and claims that cannot be settled. Include examples of correspondence or other documentation related to complaint or claim policies."

In response All My Sons stated:

"All My Sons policy on complaints and claims:

- a. Notify the customer within 10 days of receipt of claim/complaint (SEE ENCLOSED LETTER OF RECEIPT)
- b. Review the complaint and/or process the claim in a quick and efficient manner.

²³ WAC 480-15-850 states how to process claims when more than one carrier is involved.

- c. Advise the customer of the outcome – paying or denying the claim, resolution of the complaint.”
- “A copy of the company’s complaint and claims register, listing all complaints and claims recorded during February, March, and April 2004, including all documents related to each complaint and claim.”

In response All My Sons stated:

“Enclosed – no claims or complaints in February ’04. No claims filed in March. April logs attached.”

Copies of All My Sons’ Complaint and Claims Registers are included in Appendix P.

- “A statement from the company that indicates how long complaint and claim records are retained.”

In response All My Sons stated:

“Complaint records are maintained for at least 3 years after the date of delivery and/or resolution and Claim records are maintained for at least 6 years.”

- On October 5, 2004, Staff requested All My Sons send additional claim registers for the months September 2003 through September 2004.

In response, All My Sons stated on October 6, 2004, “My Claims Manager is currently on vacation. She is the only one with access to the information you are requesting. She will be back in the office this Saturday, October 9, and I will have her fax those to you first thing Monday morning. Thank you in advance for your understanding. Laurie”

When Staff asked Laurie who the Claims Manager was and to have that person or Mr. Escribano call Staff on Monday, October 11, 2004, Laurie called and stated that “Dee” had quit and she was the only one who did complaints. Laurie stated that Dee had “sole authority over claims”. The claim registers were faxed to Staff on October 11, 2004.

Audit

To determine if All My Sons complies with WAC rules 480-15-800 through 480-15-880 and Tariff 15-A, Item 75, Staff reviewed All My Sons data request responses, the claim files All My Sons sent to Staff, and the consumer complaints received in the Commission's Consumer Affairs Section.

The Commission's role in consumer complaints or damage claims is not to determine whether a claim is legitimate or justified, but only to ensure companies follow the claim process according to the Commission's rules. Staff found that All My Sons, in general, misleads its customers regarding claims by giving the customer information before the move takes place that appears to lessen the company's liability for damaged or lost goods. When a complaint or claim is filed, All My Sons does not appear to make a good faith effort to resolve the complaint.

Before the Move

At the beginning of a move, All My Sons asks the customer to sign a number of forms (six plus the bill of lading), most of which attempt to limit the company's responsibility or liability during the move. Staff finds these forms at the least deceptive and misleading, and in some cases, in violation of Commission rules.

For example, All My Sons Form B, which All My Sons requires the customer to sign, states, in part:

"We cannot be held liable for any water damage, electrical damage, or any other type of damage caused from the improper disconnection and/or reconnection of any or all of your appliances. Please note that we do not know the mechanical operating condition of any of your electronic equipment or that of any appliance. Therefore, we can not be held liable for the operating condition of these items."

If All My Sons damages electronic equipment or an appliance during the move, it can be held liable up to the limitation placed by the valuation option chosen by the customer. The carrier must assume the liability for the value of the goods it transports, and can not deny the customer's right to file a damage claim.

All My Sons Form C states that all “glass, lamps, fragiles²⁴, etc.” must be packed by the customer prior to the move”. Household goods moving companies assume no liability for items packed by a customer. Form C also state that at the customer’s option, the company will pack those goods, but will charge the customer for packing, materials, and labor. This form appears to encourage the customer to pack his or her own goods, but does not disclose that in doing so, the company is no longer liable for loss or damage.

This same form also states that by signing the form, the customer releases All My Sons from any and all liabilities resulting from the moving of any unpacked glass, lamps, or “fragiles”. All My Sons may not use this form to waive the valuation rules.

Additionally, the form asks the customer to choose whether the company should conduct an inventory of the household goods prior to the move. While a customer should choose to have an inventory done, this form appears to be presented at the time the company arrives to begin the actual move and the customer is aware that the company “is on the clock”. If the customer does not agree to an inventory, All My Sons uses the form as a way of denying liability for the move:

“I [customer] do not wish for All My Sons Moving & Storage to conduct an inventory of the items to be moved and understand that this refusal may result in a denial of claim should there be no proven negligence on the part of the carrier.”

In complaint 88066, All My Sons used this form to deny a claim. All My Sons wrote: “Ms. G. did send a claim form into the office, but it was denied after careful review. Ms. G. declined (signature on file) having an inventory done on her household goods, therefore her claim was denied because our office has no indication of the condition of her items prior to the move.”

In the case of household goods placed into storage, an inventory must be conducted. The use of this form for those shipments is in violation of the Tariff Item 100 that requires an inventory before goods are placed into warehouse storage.

²⁴ The term “fragiles” is not defined in either Tariff 15-A or in any of All My Sons’ documents received by Staff.

All My Sons Form D is yet another form that appears to again attempt to limit the liability of All My Sons. This form states:

“By my signature, I hereby release All My Sons Moving & Storage from any and all liabilities resulting from the moving or transportation of any items constructed or containing press-board, particle-board, or similar make that may result in damage or injury due to relocation.”

Again, this form is in violation of Tariff 15-A, as there is no waiver of liability for the items listed in this letter. All My Sons can not restrict its liability for damages based on this form.

The company’s Form E appears to encourage the customer to purchase additional insurance to protect his or her goods. All My Sons Form E states:

“Insurance Notice: All My Sons Moving & Storage advises you that the purchaser should obtain additional insurance to protect himself from loss and/or damage of goods. Many customers with homeowners may already be fully or partially covered for loss and/or damage. Please consult your insurance agent prior to purchasing insurance as the cost for this can not be refunded once the move has commenced.”

This form implies that the customer should buy extra insurance through his or her own insurance carrier. That, of course, could not happen if this form is presented to the customer at the time of the move. This form also fails to inform the customer that he or she has four options for valuation coverage provided by All My Sons as required by Commission rule.

And finally, All My Sons Form F places the responsibility for items left behind or not moved on the customer. All My Sons asks the customer to sign a form that states:

“All My Sons Moving & Storage cannot be held responsible for items left at residence after loading. It is your responsibility to make sure that nothing is left behind. Please make sure that you check closets, cabinets, drawers, attics, neighbor’s residence, basements, and outside areas before signing this document. Additionally, by signing below you acknowledge to have inspected the truck and have received all of the items relocated by All My Sons Moving & Storage.”

All My Sons has the responsibility to move all items contracted for during the household goods move.

Copies of All My Sons' forms B through F are included in Appendix Q.

Findings

While Staff understands that, within the constraints of laws and rules, a company has the right to limit its liability for damages that may occur during the household goods moves, the company cannot mislead or deceive its customers into believing it has less liability than the laws or rules allow.

Recommendation

Staff recommends that All My Sons revise its Forms A through F to accurately state the company's liability and valuation options.

WAC 480-15-800 and WAC 480-15-810 state that if a customer is not satisfied with the carrier's service, the carrier must allow the customer to speak with a representative of the company and must provide the customer with all information and forms necessary to file a complaint or claim. In addition, if the customer files a complaint or claim, the carrier must:

- (1) Notify the customer, in writing, within ten working days that you have received the claim or complaint;*
- (2) Investigate the claim or complaint quickly;*
- (3) Advise the customer of the resolution; and*
- (4) If it is a loss or damage claim, pay the claim, refuse the claim, or make a compromise offer within one hundred twenty days.*

Audit

Companies must acknowledge claims in writing within ten days of receipt of the claim. All My Sons is not in compliance with this rule in spite of repeated technical assistance from Commission staff and violations issued. The following four violations were taken from the sixteen complaints filed against All My Sons from December 2002 through May 2004.

In consumer complaint 80837, a consumer filed a written claim form with the company on October 7, 2002. The company did not respond to the claim and on December 20, 2002, the consumer filed a complaint with the Commission against All My Sons. The company's response to the complaint stated the company "did not open a damage claim for (customer) due to the fact the customer had already processed a claim through a private insurance company" and "a customer cannot be reimbursed twice for the same damage claim"²⁵.

All My Sons cannot deny a claim based on the customer's private insurance coverage.

On December 30, 2002, Consumer Affairs staff sent All My Sons a letter notifying it of four violations of WAC rules:

- WAC 480-15-810(1), Failure to notify customer, in writing, upon receipt of damage claim;
- WAC 480-15-810(2), Failure to investigate a claim quickly;
- WAC 480-15-810(3), Failure to advise the shipper of its resolution to the claim; and,
- WAC 480-15-810(4), Failure to pay the claim, refuse the claim, or make a compromise offer within one hundred twenty days.

On January 3, 2003, All My Sons changed its response and stated it did respond to the claim on October 14, 2002, and produced a copy of a settlement offer form. The company went on to say the "issue was resolved when (the customer) filed a claim through his homeowner's insurance so it was unnecessary for All My Sons to have any further contact with this shipper."

Copies of the Staff and All My Sons' letters are included in Appendix R.

Staff considers that All My Sons was given technical assistance for WAC 480-15-810 in December 2002. The following complaints show the company's continuing violations of these rules:

²⁵ All My Sons letter dated December 23, 2002, signed by Laurie Baca.

October 2003 – Complaint 85641

All My Sons received a damage claim approximately January 8, 2003. The company responded with a letter denying the claim on April 7, 2003. The company did not acknowledge the claim within 10 days. Commission Consumer Affairs staff notified the company of a violation of WAC 480-15-810 on October 8, 2003.

December 2003 – Complaint 86643

The company received the damage claim on February 27, 2003. The company responded to the claim on August 20, 2003. The company did not acknowledge the claim within 10 days. Commission Consumer Affairs staff notified All My Sons of a violation of WAC 480-15-810 on December 12, 2003.

Claims Register July 2004

Claim 19427 was received on August 4, 2004. The claims register indicates a response date of August 20, 2004. Company did not respond to claim within the required 10 days.

Recommendation

Staff recommends a \$100 penalty each for three violations of WAC 480-15-810 for failure to respond to a consumer damage claim within the 10 days required by rule. Total recommended penalty of \$300.00.

WAC 480-15-810, states that in addition to acknowledging the claim within ten days, the company must:

- (2) Investigate the claim or complaint quickly;
- (3) Advise the shipper of your resolution; and
- (4) If it is a loss or damage claim, pay the claim, refuse the claim, or make a compromise offer within one hundred twenty days.

Claim Processing

When a customer calls to file a complaint or claim, All My Sons sends the customer a Claim Form. This form is completed by the customer and returned to All My Sons.

The Claim Form states, in part:

“Items damaged and protected under the standard valuation which are considered in reasonable use may be given a visual allowance. Items which are damaged beyond reasonable use and receive a complete valuation settlement, whether standard or full coverage, may, at the discretion of All My Sons Moving & Storage, become the property of All My Sons Moving & Storage and should, at first request, subsequent to receipt of settlement, be surrendered.”

In Complaint 84644, All My Sons told a claimant: “We will not be paying the full 60 cents per pound because the dresser is not damaged beyond use. The damage is vvery [sic] minimal. As we do not have a reliable contractor at this time, it is impossible for us to send someone out to repair the item. It is our opinion that the amount of the settlement offer is fair and should be enough to cover the cost of repairing the items damaged by a person of Mr. XXXX’s choosing.”

There are no provisions in Tariff 15-A for payment based on a “visual allowance”. A visual allowance appears to be a partial compensation for damaged goods.

Tariff 15-A states that under Option 1, Basic Value Protection:

“This option provides coverage at \$.60 per pound, per article, in case of loss or damage...”.

The company may not pay less than \$.60 cents per pound per article based on its own determination of reasonable use.

And, while Tariff 15-A states a company may take possession of goods for which full valuation payment has been made²⁶, Staff did not find that All My Sons had acted on this option. Staff believes that both the “reasonable use” and the fact that damaged property may become the property of All My Sons are used as factors to discourage a customer from filing a claim.

²⁶ Item 90(7)(a), “If the carrier decides to reimburse for or replace a lost or damaged article, the lost or damaged article becomes the property of the carrier.”

Upon receipt of the Claim Form, it appears that All My Sons may send the customer a "Claim Response Letter". This form was sent to Staff as part of the data request documents, however, none of the four claim files All My Sons sent to Staff included a copy of this letter nor did any consumer mention this form in his or her complaint. If the company sends one, it does not put a copy in the claim file.

The Claim Response Letter states in part:

" This letter is to inform you that we received your claim form on [date]. The claims department at All My Sons strives to provide you with the best service possible, and will be processing your claim in a timely manner..."

Copies of the Claim Form and Claim Response letter are included in Appendix I.

While All My Sons did not send the following documents as part of the data request, Staff found in the Claim Record files two other letters associated with processing the customers' claims. The first one stated, in part:

Dear [Customer Name]

We have examined the claim you filed for damages arising from your recent move.

After carefully reviewing the claim you filed, considering the extent of our liability and your choice before you moved of standard insurance in the amount of sixty (\$0.60) per pound, per article, we are offering to settle this claim for

[\$Dollar Amount]

If you find this acceptable, please complete the attached statement, have it notarized and return it to us. We will then send you a check within twenty days.

This amount is based on a visual allowance due to the fact that the item in question were not damaged beyond use..."

This letter is not dated in any of the records.

The second form in the claim file is a completed statement, written by All My Sons in the name of the customer, releasing All My Sons from any further action on the claim. The form states, in part:

I, [name of customer], agree to the following:

I hereby release All My Sons Moving & Storage from all claims of any nature concerning my move on or about [date of move] in consideration for full payment of [same dollar amount as in Claim Response letter] from All My Sons Moving & Storage.

I have made this settlement with All My Sons Moving & Storage in good faith and without duress.

The acceptance of this settlement agreement is an acknowledgment of my complete satisfaction.

I now consider any matters of issues relative to this transaction between All My Sons Moving & Storage and I totally adjusted to my complete satisfaction.

I have read and fully understand this agreement and concur with the above settlement release amount, and hereby acknowledge receipt of this agreement.

I am aware that upon receipt of this signed and notarized agreement a check in the above amount will be mailed to me within twenty (20) days.

Signed _____ [signature of customer].

(Certificate of Notary included on form).

Copies of these four forms and letters are included in Appendix S.

Findings

Staff finds that by requiring the consumer sign a form stating that the customer is totally satisfied (“my complete satisfaction”) and that the customer, by signing the settlement, is releasing the company from any further claims, misleads the customer into believing that he or she is giving away all rights to further actions. Commission rules state a customer has up to nine months to find damages of the goods moved, and then file a claim.

Recommendation

All My Sons must investigate the claim or complaint quickly; advise the shipper of the resolution; and, if it is a loss or damage claim, pay the claim, refuse the claim, or make a compromise offer within one hundred twenty days.

WAC 480-15-820 states that if the company cannot resolve a loss or damage claim within one hundred twenty days, it must, for each sixty-day period until the claim is settled, inform your shipper, in writing, of the reason for the failure to resolve the claim or clearly state the final offer or denial and close the claim.

Neither All My Sons response to the Commission’s data request nor its Claims Registers explain its process for handling claims that are not settled within the first one hundred and twenty days. Staff reviewed All My Sons Claims Registers and found that All My Sons, in two instances, did not take action on claims that were open more than one hundred and twenty days.

November 2003 Register:

Claim 15143 was received on December 19, 2003, the company responded on December 19, 2003, and the status of the complaint is blank.

December 2003 Register:

Claim 16874 was received on December 29, 2003, the company responded on January 5, 2004, and the status of complaint is blank.

The Registers do not indicate that any further action was taken to resolve the claims.

Technical Assistance

Since Investigator Macomber noted in his November 2001 audit of the company's records that All My Sons at that time was in compliance with notifying claimants of the status of their claims, clearly the company is aware of the requirement.

Recommendation

Staff recommends a \$100 penalty each for two violations of WAC 480-15-820 for failure to inform a claimant, in writing, of the final offer, denial, or closure of claim, or the reason for failure to resolve a claim within each sixty-day period the claim was not resolved. Total recommended penalty of \$200.00.

WAC 480-15-830 requires the company to keep all papers relating to claim records for loss or damage, concealed or otherwise, for six years.

Findings

All My Sons states in its data request response that it maintains claim records for six years. Staff has no reason to believe this is not true.

WAC 480-15-840 states that complaint or claim records are subject to commission review. Companies must number all complaints and claims consecutively and maintain a complaints and claims register.

All My Sons, in response to the Commission's data request, sent copies of its March and April Complaint Registers and its Claims Register for April. The Complaint Register (for Commission-referred complaints only) uses the Commission-assigned complaint numbers as a reference number. It does not consecutively assign complaint numbers. The Claims Register uses the bill of lading number as the claim number. It does not consecutively assign numbers to its claims.

Technical Assistance

In November 2001, Investigator Leon Macomber conducted a complete economic audit of All My Sons. In his Audit Memorandum he states:

“Carrier does appear to be handling claims for loss and/or damage appropriately. The only problem I found was not consecutively numbering claims, which has now been changed.”

On page four of the Household Goods Technical Assistance and Records Review Checklist Investigator Macomber also noted that the complaints and claims were not numbered consecutively and wrote “now setting up numbering”. Kermit Escribano, owner of the company, signed this checklist form.

Findings

The company did not set up a consecutive numbering system after its technical assistance in November of 2001, and continues to be in violation of WAC 480-15-840.

Staff finds All My Sons in violation for each of the claim and complaint registers from November 2001, when All My Sons stated it was correcting its system and didn't, until October 2004, the most recent claim and complaint registers requested by Staff (thirty-six months x 2 = seventy-two registers).

Recommendation

Staff recommends a \$100 penalty each for seventy-two violations of WAC 480-15-840 for All My Sons' failure to number its claims and complaints consecutively. Total recommended penalty of \$7,200.00.

WAC 480-15-860²⁷ states that household goods companies must include the following information in a claim or complaint record:

- (1) The date the claim or complaint was received;*
- (2) The name, address, and telephone number of the shipper;*
- (3) Detailed information about the dispute;*
- (4) Details of any action taken in response to the claim or complaint; and*
- (5) The date the claim or complaint was resolved and a description of the final disposition.*

Audit

From the April 2004 Claims Register, the following is an example of the information All My Sons records in its registers.

²⁷ WAC 480-15-850 states how to process claims when more than one carrier is involved. Staff did not audit for compliance with this WAC since none of the moves made within the audit period involved any carrier other than All My Sons.

Claim #	Name and date form sent	Date Received	Date Responded	Status
17031	[customer name] 4-5-04	4-30-04	5-7-04	Sett. Offer sent
18165	[customer name] 4-12-04	4-17-04	4-19-04	Settled/closed
18504	[customer name] 4-28-04	7-7-04	7-7-04	Sett. Offer Sent
18384	[customer name] 4-27-04	N/A	N/A	N/A

From the documentation All My Sons submitted, All My Sons does not keep records on the following:

- (3) Detailed information about the dispute.
- (4) Details of any action taken in response to the claim or complaint.
- (5) The date the claim or complaint was resolved and a description of the final disposition.

Technical Assistance

In November 2001, Investigator Leon Macomber conducted a complete economic audit of All My Sons. On page 4 of the Household Goods Technical Assistance and Records Review Checklist, Investigator Macomber noted that All My Sons was in compliance with the rules for claims registers. On the checklist where asked if the registers included all of the required information, Investigator Macomber responded yes. The company is aware of the register requirements.

Findings

Staff finds that All My Sons is not in compliance with WAC 480-15-860. The company does not keep detailed information on the actions taken or claim resolution for each claim record. Both the claim registers and the claim files are incomplete. Staff finds that All My Sons failed to maintain complete claim records for January (4 claims), April (4 claims), May (6 claims), June (5 claims), July (8 claims), August (7 claims), and October (1 claim), 2004, and 2 complaint files (one each for March and April 2004).²⁸

²⁸ Staff only reviewed complaint and claim files for 2004 through October.

Recommendation

Staff recommends a \$100 penalty each for thirty-seven violations of WAC 480-15-860, failure to record all required information in the company's claims and complaints files. Total recommended penalty of \$3,700.00

WAC 480-15-870 states that if the company is unable to satisfy the shipper's dispute, it must advise the shipper of the availability of the commission for further review. The company must provide the shipper with the commission's toll-free number and mailing address.

Findings

All My Sons was asked as part of the Commission's data request to give a detailed description of the company's policy on responding to customers' complaints and claims, including complaints and claims that cannot be settled. All My Sons did not state that it referred customers to the Commission for complaint resolution. Staff considers this audit to be the company's technical assistance for WAC 480-15-870. If future violations are found, penalties or other sanctions may be imposed.

Recommendation

All My Sons must advise any shipper that is not satisfied with All My Sons resolution to a complaint or claim of the availability of the Commission for further review. All My Sons must provide the shipper with the Commission's toll-free number and mailing address.

WAC 480-15-880 states that companies must acknowledge and consider all written correspondence, complaints and claims.

Findings

In response to the Commission's data request, All My Sons stated that it notifies the customer within 10 days of receipt of claim/complaint. It did not state that it acknowledges all written correspondence, complaints and claims. Staff considers this audit to be the company's technical assistance for WAC 480-15-880. If future violations are found, penalties or other sanctions may be imposed.

Recommendation

All My Sons must respond to all written correspondence. Staff suggests that the company maintain a correspondence file as evidence that all correspondence has been responded to and in a timely manner.

COMMISSION-REFERRED COMPLAINT REQUIREMENTS

- Commission-REFERRED Complaints

COMMISSION REFERRED COMPLAINT REQUIREMENTS

WAC 480-15-890 states that if the Commission refers a customer complaint to a household goods company, it must:

(1) Respond with complete investigation results within five business days. However, small businesses, as defined in WAC 480-15-020, must respond within ten business days. In addition, any person may request and commission staff may grant, if warranted, an extension of time for a specific number of days;

(2) Respond to commission staff inquiries regarding the complaint; and

(3) Keep the commission currently informed of any progress made in resolving the complaint.

When a consumer files a complaint with the Commission about a household goods moving company, Staff forwards a summary of the complaint to the company for response. The company is obligated, by rule, to respond to Staff within ten business days²⁹ and to make a good faith effort to work with Commission Staff to resolve the complaint.

All My Sons is not in compliance with the rules for Commission-referred complaints. All My Sons consistently fails to respond to Staff within the required ten days, nor does it answer Staff's questions completely, accurately, or timely.

Audit

As part of the Commission's data request, All My Sons was asked to provide:

"A detailed description of the company's policy on responding to Commission-referred customer complaints."

All My Sons stated in its response:

"As a small business, All My Sons responds to Commission referred complaints within 10 working days of receipt. Complaint personnel responds to any and all inquiries made by WUTC staff."

This is not a true statement. All My Sons has been in violation of this rule throughout this audit period and continues to violate the rule in spite of repeated technical assistance from Commission Staff and receipt of on-going violations ³⁰.

²⁹ A company must respond within 5 days if the company has more than fifty employees.

³⁰ All My Sons was issued 11 violations of WAC 480-15-890 in 2003.

Staff finds that All My Sons even failed to respond to Staff more than once in the same complaint.

After review of the consumer complaints for this audit, Staff finds a total of four hundred and thirty-five violations for failure to respond to Commission-referred complaints within the time frame required by the rule. Staff used a ten-day time frame for response calculations whether the response was to the initial complaint information request, or in subsequent Staff requests for information³¹.

As early as August 30, 2000, Consumer Affairs Staff issued a violation to All My Sons for failure to respond to Commission-referred complaint 63190. Staff stated:

“I passed this complaint to All My Sons on 8-10. I have not received a response at this time. I am recording a violation of WAC 480 15 890. Please respond to this complaint.”

On May 23, 2003, Roger Kouchi, Consumer Affairs Staff, states in complaint 82961 that Laurie Baca of All My Sons “Received the complaint. Understands that she has 10 business days to respond.” Staff considers that statement an acknowledgement by the company that Commission-referred complaints must be responded to in a timely manner.

The following table indicates the violations found during this audit.

Complaint	Staff sent request for information to Company	Response Due	Response Received	Number of Violations
81793	April 3, 2003 <i>May 1³², May 8</i>	4-17-03	5-8-03	15
	December 30, 2003 <i>January 30, 2004</i>	1-14-04	12-14-04	234

³¹ WAC 480-15 does not include a specific timeframe in which the company must respond to follow-up questions from Staff, except that the company must respond.

³² The dates in italics are the dates that Staff again asked for the same information as the initial request (a reminder to the company that it still had not responded to the request for information).

82961	June 26, 2003 <i>July 21</i>	7-11-03	7-23-03	8
82552	April 7, 2003 <i>April 22</i>	4-21-03	4-22-03	1
84644	July 23 2003	8-6-03	8-15-04	7
	November 7, 2003 <i>November 14, November 18, November 21, November 24, December 1, December 3, December 4</i>	11-21	12-5	8
	December 12, 2003 <i>December 17, December 22, December 29,</i>	12-29	1-5	4
85981	October 31 2003, <i>November 7, November 14</i>	11-14	11-19	3
86606	December 5, 2003 <i>December 8, December 16, December 22, December 23, December 29, January 2, 2004³³, January 8, January 14</i>	12-19	1-14	16
	January 15, 2004 <i>January 20, January 26, February 5</i>	1-29	2-5	5
	February 10, 2004 <i>February 18, March 1</i>	2-24	3-3	6
	March 4, 2004 <i>March 8, March 12, March 19</i>	3-18	3-23	3
	March 31, 2004 <i>April 12, April 19, April 28, May 4, May 11, May 14 May 17, May 26, June 1, June 7, June 10, June 15, June 17, June 24</i>	4-14	6-24	50

³³ All My Sons gave a partial response on January 2, 2004.

87073	May 12, 2004	5-26	6-14	12
	September 1, 2004 <i>October 14</i>	9-16	No response	21 ³⁴
88066	March 26, 2004 <i>April 1, April 14, April 19</i>	4-9	4-20	7
89874	July 9 2004, <i>July 15, July 28, August 3, August 9, August 13</i>	7-23	8-13	15
	September 3, 2004 <i>September 10, September 17</i>	9-20	9-22	2
90700 Still open	October 28, 2004	11-11	12-9	18
Total Violations				435

Findings

Each of the response violations noted in the complaints were done with All My Sons’ full knowledge that not responding within the ten-day rule requirements would subject the company to violations. It does not appear that All My Sons has taken any measures to comply with this rule.

Staff finds All My Sons failed to comply with WAC 480-15-890 four hundred and thirty-five times during this audit period.

Recommendation

Staff recommends a \$100 penalty each for four hundred and thirty-five violations of WAC 480-15-890, failure to respond to Commission-Referred complaints within ten days. Total recommended penalty of \$43,500.00.

³⁴ Staff computed the violations from September 16, 2004, to October 14, 2004, the date Staff closed the complaint.

RATES and CHARGES

- Fuel Surcharge Supplement No. 2000-1
- Hourly Rates – Start Times, Stop Times and Interruptions
- Overtime
- Accurate Completion of Bills
- Determination of Total Charges
- Warehouse Storage
- Storage in Vehicle
- Mileage-Rated Moves

RATES AND CHARGES

Bills of lading must be complete and list all of the information necessary to determine the proper rates and charges for the move. If the information is incomplete, inaccurate, or not calculated correctly, the company cannot properly bill for the cost of the move.

There are a number of different rates and charges that make up the total bill for a household goods move. The following are specific tariffed rate or charge categories that must be accurately calculated on the bill of lading.

Staff finds All My Sons does not complete or properly calculate rates and charges on its bills of lading.

Fuel Surcharge Supplement No. 2000-1

Tariff 15-A includes a Fuel Surcharge Supplement that has been in effect since February 1, 2000³⁵. The Supplement states, in part:

“On and after the effective date of this tariff supplement, rates, and charges of this tariff may be increased by up to two percent (2%).

The Commission recognizes that:

- Fuel prices change rapidly and those changes may adversely impact the earnings of some household goods carriers;
- Fuel prices rise at different levels in various geographical areas of the state;
- Fuel-to-revenue ratios may be different for various companies; and
- The need for fuel surcharges may differ from company to company due to the various factors named.

As such the Commission authorizes individual household goods carriers to analyze their own fuel surcharge supplement needs, and then assess any surcharge amount, up to two percent (including 0%), based on the company’s operational needs.

In applying the increases provided for under this supplement, first determine the total charges otherwise applicable, then increase that amount by the chosen fuel surcharge amount.

Note: The provisions of this supplement do not apply on non-fuel consuming accessorial rates and charges such as extra labor, delay time and so on.”

Companies may choose to apply the fuel surcharge based on the rate the company charges for the truck and driver only.

Technical Assistance

On December 10, 2003, in complaint 85423 for a move in April 2003, Staff sent an email to Laurie Baca stating:

³⁵ Additional increases in the Supplement occurred in 2004 and 2005, but were not in effect at the time the bills of lading that Staff reviewed were issued.

“In reviewing the billing again, I found the company charged the fuel charge on the total amount of the labor charges.

The tariff only allows this charge to be based on anything that would consume fuel such as a truck. We generally apply it to the hourly charge for one driver + truck rate. If there was another truck involved, that would be included as well.

In this case, I believe the most the company could charge on the fuel charge would be based on the 59.43 maximum rate X 8.5 hours = 505.16. 2% of 505.16 is 10.10. The company charged 21.25. A refund of 11.15 is due to the customer. “

On December 15, 2003, Laurie Baca stated in response to Staff’s email:

“2. You are correct. The fuel surcharge was calculated incorrectly, and we will be refunding the customer \$11.15.”

A violation was issued on December 23, 2003. Staff finds that All My Sons was given technical assistance for the fuel supplement surcharge and its proper calculation effective December of 2003. All fuel surcharge amounts calculated incorrectly after this date are considered violations of the tariff.

Audit

The following are additional violations for failure to accurately calculate the fuel surcharge, issued as Staff investigated additional consumer complaints. All four of these moves took place after All My Sons had been given technical assistance in applying the correct fuel surcharge.

Complaint Number	Date of Move	Date Violation Issued
88066	12-29-03	4-21-04
87073	12-30-03	10-14-04
89035	4-30-04	5-25-04
89874	6-29-04	9-23-04

Of the sixty-two bills of lading dated from April 23, 2004, through May 8, 2004, Staff found thirty-two bills where All My Sons charged an incorrect fuel surcharge.

Bill of lading #	All My Sons Charge on bill of lading	Maximum allowable charge ³⁶
18295	11.40	7.85
18384	6.69	6.65
18432	6.85	4.23
18465	5.88	3.63
18217	11.55	6.65
18418	14.12	9.37
18210	5.22	3.63
18213	13.07	9.37
18377	7.04	4.84
18332	22.95	13.90
18385	6.75	4.84
18440	13.07	9.37
18282	8.43	6.05
18493	5.28	3.63
18507	7.29	7.26
18181	5.28	3.63
18443	8.80	8.76
18518	8.80	8.77
18079	5.36	3.63
18344	9.70	6.95
18536	10.63	9.07
18383	6.03	5.14
18531	5.28	3.63
18554	7.29	7.26
18563	5.28	3.63
18561	7.83	5.44
18541	8.10	5.44
18573	15.18	10.88
18577	5.77	5.74
18606	5.40	3.63

³⁶ Maximum allowable charge is calculated by multiplying the maximum vehicle and driver rate (\$60.46) times the hours listed for the move times the maximum 2% fuel surcharge.

18637	13.93	9.67
18595	8.40	4.84
TOTAL	\$282.65	\$207.38

Recommendation

Staff recommends a \$100 penalty each for thirty-six violations of the Tariff 15-A, Fuel Charge Supplement No. 2000-1, for failure to correctly calculate the fuel surcharge at no more than 2% of the fuel consuming rates and charges. Total recommended penalty of \$3,600.00.

Hourly Rates - Start Times, Stop Times And Interruptions

Household goods companies must record on the bill of lading the accurate number of hours the company took to move a customer's goods. The time begins when the company leaves its terminal (or previous move location) until the time it returns to its terminal (or is dispatched to another move), excluding all time when there is a break in the service (interruptions). An example of an interruption is an employee's meal break.

The bill of lading must show the start and stop times for the move as a whole, and any interruptions. The bill of lading must also show the start, stop, and interruption times for each employee who worked on the move. However, when it is not practical to record all the employees' times and breaks on the bill of lading, the company may keep the employee time and meal or rest period hours in a separate set of records.

The purpose of this rule is to ensure the customer is accurately billed for the correct number of hours the company worked.

WAC 480-15-740 states, in part:

"...Any element that you use in determining transportation charges must be shown on the bill of lading. This information includes, but is not limited to:

(7) The start time, stop time, and any interruptions for each person involved in or on a shipment rated under hourly rates:

(a) In lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a carrier may maintain a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges.

(b) A carrier must be able to identify, through payroll records, each person involved in a move and provide that information to commission staff on request.

(c) In all cases a carrier must record on the bill of lading the start time and stop time of any hourly rated move, and any interruptions in service;"

Staff finds:

- All My Sons' bills of lading do not include start times, stop times, and interruptions for the individual employees involved in a move;
- All My Sons' "Daily Sheets", which record employee work hours, are inaccurate and cannot be used to verify proper rates and charges;
- All My Sons does not have payroll records for each person involved in its moves; and,
- All My Sons does not record on the bill of lading the start and stop times and any interruptions of service for the move as a whole.

Employee Start Times, Stop Times, and Interruptions

Household goods carriers must record:

WAC 480-15-740(7) The start time, stop time, and any interruptions for each person involved in or on a shipment rated under hourly rates:

(a) In lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a carrier may maintain a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges.

Technical Assistance

On October 13, 2003, Staff notified All My Sons in complaint 85500, that it was in violation of 740(7). The start and stop times of each employee and any interruptions that may have occurred during the move were not filled in on the bill of lading. The bill of lading showed:

Crewman Number	Start Time	Stop Time
1 [customer's initials]	8:45	10:00
2		
3		
4		

While no employees were listed on the bill of lading, the bill of lading shows a notation the customer was charged for 11¼ hours labor, at \$129.00 per hour for a total of \$2,186.25.³⁷ The company acknowledged on September 18, 2003, during a discussion with Staff, that the bill of lading was inaccurate and incomplete. Staff noted in the complaint, “spoke to John at Co - he agreed that the bill of lading was inaccurate and incomplete.”

Staff considers the notice of violation of WAC 480-15-740 on October 13, 2003, to be the company’s technical assistance.

Audit

On January 14, 2004, Staff again notified All My Sons in complaint 84644 (for moves dated October 31 and November 11, 2002) that it was in violation of WAC 740(7)(c), because the information on bill of lading did not contain interruptions for breaks or lunch, nor did the bill list any employees that worked on the job.

This bill included the following information:

Crewman Number	Start Time	Stop Time
1	9:00	6:15
2		
3		
4		

The customer was billed 8 hours at \$125.00 per hour regular time and 1¼ hours overtime at \$159.00 per hour (bill shows \$156.00 per hour).

The original bill of lading faxed to Staff from All My Sons on August 30, 2003, did not list any employees. A second copy of the same bill of lading faxed to Staff on December 6, 2003, included three employee names written in the “Start Time” box (James H., Arturo H., and Jackie J.).

³⁷ This is incorrect. If the employees worked 11 ¼ hours the total would be \$1,451.25. If the company had billed the correct hours, 13 ¼ hours, the total would be \$1,709.25.

When Staff pursued the violation for failure to include employee names, hours worked, or interruptions, All My Sons sent Staff employee records called “Daily Sheets”. These records, referred to as “internal” documents by All My Sons, are described as records of moves, the hourly rates and charges for the move, the employees’ names, and the number of hours each employee worked on each move.

It appears that All My Sons sent the Daily Sheets to Staff as an attempt to show compliance with part (a) of the WAC that states:

(a) In lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a carrier may maintain a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges.

However, the hours recorded on the Daily Sheets do not always match the hours on the bill of lading. For example, All My Sons submitted a “Daily Sheet” form for the move in complaint 84644 discussed above. The employees listed on the October 31 Daily Sheet as working on this move are Al Frazier, 9.25 hours; Jim Hughes, 8.75 hours; and, Irma Castorena, 8.75 hours. These employees do not match those listed on the bill of lading, nor do the hours the employees worked match the bill of lading which was 9.25 hours for each of the three employees.³⁸.

Copies of the bills of lading and Daily Sheets for complaint 84644 are included in Appendix T.

When staff compared the bills of lading to the Daily Sheets that were submitted as part of the consumer complaint files, none of the hours listed on the Daily Sheets matched hours on the bills of lading. All of the daily sheets show .5 hours less time for each helper than what was shown on the bill of lading.

All My Sons continued to fail to record employee times on its bills even after technical assistance was given in October of 2003.

³⁸ Also, on the corrected copy of this bill of lading sent to Staff, All My Sons wrote in James H., Arturo H., and Jackie J. as the employees who worked on this move.

On July 14, 2004, in complaint 88979, All My Sons was again issued a violation of 480-15-740(7), for failure to show the start and stop times for workers on a move that was conducted on April 21, 2004.

And, on August 30, 2004, in complaint 87073, All My Sons was issued yet another violation of 480-15-740(7) for failure to show the start time, stop time, and interruptions for each person involved in the shipment. This move occurred on December 30, 2003.

On November 17, 2004, in complaint 89874, when Staff asked All My Sons to explain the discrepancy in employee hours between the bills of lading and the Daily Sheets, Staff summarized Laurie Baca's explanation as:

"The company considers the bill of lading as its time card. It pays the employees based on what is on the bill of lading and not the computer generated time sheet. Company only uses the computer generated timesheet to keep track of the employees time on the various jobs. Company says that the computer program was written years ago and they think that in another state they did not allow for all the drive time and automatically subtracted 1/2 hour from all the helpers. Only the driver got full drive time credit in the computer program."

On November 18, 2004 in complaint 89874, Staff again issued a violation of WAC 480-15-740:

"I am recording a violation of WAC 480-15-740(7)(a) because the computer timecard that you provided is not complete as required by WAC 480-15-704(7)(a). The rule states that if the bill of lading does NOT have each person's (by name) start time, stop time, and interruptions, a carrier may maintain a separate, but COMPLETE, record of each person's activities in sufficient detail to verify the proper rates and charges. I was unable to verify the proper rates and charges because you indicated that the times listed on the time cards were NOT accurate (i.e. that the computer simply deducted 1/2 hour for each of the helpers time for some unknown reason)."

Staff finds that since the names of the employees are not generally listed on the bills of lading, All My Sons couldn't use its bills as it employee time cards.

Findings

Staff compared the sixty-two bills of lading All My Sons submitted as part of Staff's data request against the seventy-two Daily Sheets for the same time period³⁹. Staff found the following discrepancies between the two records:

B/L #	Bill of Lading	Daily Sheet
18335	3 employees worked 3.5 hours	2 employees worked 3.5 hours, total hours 7.
18295	3 employees worked from 8:00 to 3:00, 7 hours	3 employees worked from 8:00 to 12:00 and 12:30 to 3:00, 6.5 hours
18418	Start time 10:15, stop time 5:30	Start time 9:45, stop time 5:30
18474	Start time 8:00, stop time 9:30.	Start 7:45 stop 4:30, start 5:00, stop 9:30.
18332	Start 8:00, stop 7:00.	Start 8:00 Finish 4:00 ⁴⁰
18493	Start 9:00, stop time 10:30	No employees shown on Daily Sheet (only name "Greene Ink Moving") 1.5 and "0" hours recorded on Daily Sheet
18412	Start 12:30, stop time 4:30	Start time 12:30, finish 5:00.
18561	Start 8:45 Stop time 12:45 2 crew, 4.5 hours \$580.50 (Incorrect hours)	2 employees start 8:15, finish 12:45 4.5 hours \$580.50
18537	Start 9:00 Stop time 6:00, 3 employees, billed for 8 hours	3 employees 9:00 Finish 12:00, Start 1:00 Finish 6:00 Charged 8 hours, \$1032.00

As stated in WAC 480-15-740(7), in lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a carrier may maintain a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges.

³⁹ Staff asked All My Sons to send the Daily Sheets for all moves that occurred between April 23 and May 8, 2004, the same time period for which Staff had copies of All My Sons' bills of lading.

⁴⁰ This bill of lading was for a mileage move between Langley and Seattle.

If the bill of lading and a separate record of each employee's activities, in this case the company's "Daily Sheet", are in conflict, then the records are not sufficient to properly bill the customer and the company is in violation of this rule.

Staff finds that for the three consumer complaints where Staff alleged a violation and the nine bills of lading noted above, All My Sons should receive penalties for continued violation of this rule.

Recommendation

Staff recommends a penalty of \$100 each for twelve violations of WAC 480-15-740, for failure to record the start time, stop time, and any interruptions for each person involved in or on a shipment rated under hourly rates, or in lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a carrier may maintain a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges. Total recommended penalty of \$1,200.00.

Payroll Records

WAC 480-15-740(7) states:

(b) A carrier must be able to identify, through payroll records, each person involved in a move and provide that information to commission staff on request.

To determine if All My Sons is in compliance with this rule, on November 18, 2004, Staff asked All My Sons for payroll records for the same time period as the bills of lading and Daily Sheets (April 23 through May 8, 2004). On December 2, 2004, Laurie Baca faxed more of the same Daily Sheet forms for this time period.

On December 2, 2004, Staff again emailed Laurie Baca and requested the payroll records, as the Daily Sheets do not include payroll information.

The next set of documents All My Sons sent to Staff (on December 10, 2004) were three documents listing nine employee names⁴¹, social security numbers, addresses, pay period dates and a total dollar amount.

⁴¹ Same nine employees listed on all three documents.

An example of the format of the documents:

Contractor Name	SSN	Address	Pay Period	Amount
S. Jones	XXX-XX-XXXX	XXXX 3 rd Ave. Sumner, WA	5/6-5/12/04	\$1,678.50

Copies of the “payroll” records are included in Appendix U.

On December 14, 2004, Kermit Escribano called Staff in response to the request for payroll records. Mr. Escribano stated that the company uses independent contractors, not employees, to perform the household goods moves. These contractors hire their own employees. The “payroll” lists sent to Staff were the names of its contractors and the amount of commission paid to the contractors for the time period Staff requested. Mr. Escribano stated that the contractors are paid a commission based on the total cost of the move.

Staff finds that to be an independent contractor, the contractor must meet basic business requirements such as obtaining a Unified Business Identifier Number (UBI); establish a business identity separate from the business for which he or she is working; pay his or her employees’ benefits, etc. All My Sons did not provide evidence that each of its employees was actually a separate business entity.

Findings

Staff finds, for purposes of this audit, that All My Sons must keep payroll records for each person involved in each household goods move. Staff asked for the payroll records for the employees who worked on the moves for which the sixty-two bills of lading under review were issued. All My Sons could not furnish payroll records for its employees for the time period requested.

Recommendation

Staff recommends a \$100 penalty each for sixty-two violations of WAC 480-15-740(7), failure of a carrier to be able to identify, through payroll records, each person involved in a move and provide that information to commission staff on request. Totally recommended penalty of \$6,200.00.

Start Times, Stop Times, and Interruptions for Move

WAC 480-15-740(7) states:

(c) In all cases a carrier must record on the bill of lading the start time and stop time of any hourly rated move, and any interruptions in service.

Audit

This rule requires the company to record the start and stop times and any interruptions for the move as a whole. While only one of the bills of lading reviewed by Staff included any interruption time,⁴² the “Daily Sheets” indicate different total hours and interruptions in hours seven times⁴³. Staff finds that for each occasion where the bill of lading and the Daily Sheets show different hours worked or interruptions noted, a violation of this rule has occurred.

The following chart shows the discrepancies between the bills of lading and the Daily Sheets for moves conducted between April 23 and May 8, 2004:

B/L #	Bill of Lading	Daily Sheet
18335	3 employees worked 3.5 hours	2 employees worked 3.5 hours, total hours 7.
18295	3 employees worked from 8:00 to 3:00, 7 hours	3 employees worked from 8:00 to 12:00 and 12:30 to 3:00, 6.5 hours
18418	Start time 10:15, stop time 5:30	Start time 9:45, stop time 5:30
18474	Start time 8:00, stop time 9:30.	Start 7:45 stop 4:30, start 5:00, stop 9:30.
18412	Start 12:30, stop time 4:30	Start time 12:30, finish 5:00.
18561	Start 8:45 Stop time 12:45 2 crew, 4.5 hours \$580.50	2 employees start 8:15, finish 12:45 4.5 hours \$580.50
18537	Start 9:00 Stop time 6:00, 3 employees, billed for 8 hours	3 employees Start 9:00 Finish 12:00, Start 1:00 Finish 6:00 Charged 8 hours, \$1032.00

⁴² One bill of lading (#18356) included an interruption of one-half hour. The hours for the move were listed as 7:30-12:30 and 1:00-3:00.

⁴³ This list is two fewer instances than for individual employee times in the chart on page 111 because one move was a mileage move for which hours are not required and the second move was listed with two differing employee times on the Daily Sheet.

Also, when Staff reviewed the sixty-two bills, Staff found that on twenty-six bills, even though All My Sons employees worked in excess of five hours straight, there were no meal periods or breaks shown. Washington State law requires an employer give breaks to employees for any time worked in excess of five hours⁴⁴. As Staff assumes that All My Sons employees took meal breaks as required by law, for each of the twenty-six bills where the hours worked exceed five hours, Staff finds All My Sons in violation of WAC 480-15-740, for failure to record interruption times on the bills of lading.

Findings

Staff finds that All My Sons does not accurately record start time, stop time, and interruptions on the bills of lading. Staff finds that in seven instances, the bill of lading and the company's Daily Sheets show different employee or total move times. Staff also finds that in the twenty-six instances where moves took longer than a total of five hours, the bills of lading did not include break or interruption times.

Recommendation

Staff recommends a \$100 penalty each for seven violations of WAC 480-15-740(7)(c) for failure to record on the bill of lading the start time and stop time of any hourly rated move and any interruptions in service. Total recommended penalty of \$700.00.

Staff recommends a \$100 penalty each for twenty-six violations of WAC 480-15-740, failure to record on the bill of lading the start time and stop time of any hourly rated move and any interruptions in service (failure to record meal or rest periods). Total recommended penalty of \$2,600.00.

⁴⁴ Department of Labor and Industries WAC 296-126-092 Meal periods -- Rest periods. "(1) Employees shall be allowed a meal period of at least 30 minutes which commences no less than two hours nor more than five hours from the beginning of the shift. Meal periods shall be on the employer's time when the employee is required by the employer to remain on duty on the premises or at a prescribed work site in the interest of the employer.

(2) No employee shall be required to work more than five consecutive hours without a meal period..."

[Order 76-15, § 296-126-092, filed 5/17/76.]

Overtime

Tariff 15-A, Item 220 states:

1. *Charges for overtime are not mandatory. If overtime charges are assessed, they will apply in addition to all other applicable rates and charges.*
2. *The carrier may bill the customer overtime charges for loading and unloading services performed:*
 - (a) *Monday through Friday -- after 5:00 PM and before 8:00 AM;*
 - (b) *Saturdays, Sundays and legal holidays -- any time; or*
 - (c) *Anytime after eight (8) consecutive hours of service.*

Exception: Carriers may not assess overtime charges if the overtime is provided for carrier's convenience. Carrier's convenience is defined as: The carrier is unable to provide service, due to lack of equipment, on a date requested by a customer, and instead can provide service only during hours defined above as overtime hours.
3. *Overtime will be performed only at the request of the customer and at the option of the carrier. The carrier must provide the customer with a written estimate of the total overtime charges and get the customer's written consent before providing overtime service.*

<i>Period in which loading and/or unloading service is provided</i>	<i>Rate</i>	
	<i>Per person, per hour</i>	
	<i>Minimum</i>	<i>Maximum</i>
<i>Monday through Friday, excluding holidays, after 5:00 p.m. and before 8:00 a.m.</i>	<i>\$8.70</i>	<i>\$14.51</i>
<i>Any hours on Saturday</i>		
<i>Any hours on Sundays or holidays</i>		

Technical Assistance

On June 25, 2003, in complaint 81793, Staff informed Laurie Baca that the company could not charge for overtime unless the customer is given a written estimate. This move occurred in December 2002.

The complaint states:

“Called Laurie;

“2) Company did not provide a written estimate for overtime. The company cannot charge for overtime without this. Can charge straight time. Laurie did not know about this. This is a violation. Item 220. “

On July 18, 2003, Staff issued a violations for WAC 480-15-490, failure to comply with tariff on file with the Commission and failure to provide written estimate of overtime charges per Tariff 15-A Item 220 (3). Staff considers this notice of violation the company’s technical assistance.

Findings

Staff found in two additional complaints that All My Sons charged for overtime without getting the customer’s written approval of the estimated charges for overtime.

On March 3, 2004, All My Sons explained in complaint 86606 (move in October 2003), why it did not complete a supplemental estimate for overtime. Laurie stated:

“All My Sons attaches to the Bof L a disclosure regarding overtime rates and when they start. (Form A that I faxed to you on 2/6/04.) At the point that the crew realizes the job will go into overtime, the customer is advised of the overtime rate and quoted how many hours the job will be running at overtime rates. This is all disclosed to the customer at the onset of the move and the rate put in writing on the bill of lading. In checking with management on this issue, it was my understanding that this was an appropriate way to address the overtime issue. If we need a supplemental in writing, please advise. We would be more than happy to attach a supplemental estimate form to any move that we think might run into overtime .”

On April 21, 2004, in complaint 88066, Staff again issued a violation for failure to provide a written estimate for overtime charges (move took place in December 2003). The complaint states:

“Company did not obtain signed estimate for overtime chartes [sic] per Item 190, Tariff 15-A. Overtime charges are not mandatory. Overtime will be performed only at the request of the customer and at the option of the carrier. The carrier must provide the customer with a written estimate of the total overtime charges and get the customer's written consent before providing overtime services.

Therefore, the company will need to rerate the overtime charges to straight time. Company charged \$264 overtime for 2 hours. 2 hours of straight time at \$88 per hour = \$176. Company will need to refund \$88 to the consumer.”

On April 20, 2004, Laurie Baca states in this same complaint:

“I apologize for the delay in my response. The season has hit quicker than we expected. With regard to this complaint, I have notified management that we need to refund this customer a total of \$101.67, which is \$88 for the OT and \$13.67 for the fuel. I will have this refund completed before the end of the week. I have reviewed the packet of paperwork you sent (Thank you!) and we are putting some new forms in place to help with the overtime and the release of goods issues.”

Even after continuing technical assistance, and the company's admitted awareness of the rule, Staff found on bill of lading 10405, dated April 30, 2004, shows 3 laborers worked from 6:00pm to 2:00am. The rate for the 3 employees is listed at \$156.00 per hour. This is an overtime rate. There is no supplemental estimate attached to the bill showing the customer approved the overtime rate. The estimate provided to this customer showed the estimate was based on 3 men at \$129.00 per hour for 8.5 hours.

Recommendation

Staff recommends a \$100 penalty each for three violations (complaints 86606 and 88066 and bill of lading 10405) of Tariff 15-A, Item 220, for failure to provide the customer with a written estimate of the total overtime charges and get the customer's written consent before providing overtime service. Total recommended penalty of \$300.00.

Accurate Completion of Bills

WAC 480-15-740, Information Required on a Bill of Lading, states, in part:

“You must list on the bill of lading all information necessary to determine tariff rates and charges. Any element that you use in determining transportation charges must be clearly shown on the bill of lading...”

Item 95 of Tariff 15-A, also states:

- k. The amount and type of any charges assessed. Each charge must be fully described. Example: the number of each type of packing cartons used, the charge per carton, and total charge for each type of carton must be shown.*
- l. Each accessorial service performed, and the charge for that service, must be shown as a separate line item on the bill of lading.*
- m. Each advance or third party billing charge must be shown on the bill of lading as a separate line item.*
- n. Any item, reason, or circumstance that entered into the determination of the final charges must be shown as a separate line item. Example: If the carrier was required to travel via other than the regular route between origin and destination due to road closure, this information must be shown on the bill of lading.*

The complete texts of WAC 480-15-740 and Item 95 of Tariff 15-A are included in Appendices M and N.

Audit

Staff found that in many cases, All My Sons’ total amount due from the customer (balance due) was not the same as the total of the individual charges listed on the bill. For example, bill of lading number 18335 listed the total hourly charges as \$437.50. The amount in the “Balance Due from Customer” box showed a total of \$443.41. No other charges were listed on the bill. Either All My Sons did not list all charges on the bill or it failed to copy the hourly charges to the balance due box correctly. Either way, Staff finds that All My Sons consistently fails to complete the bill of lading correctly or completely.

Staff reviewed sixty-two bills of lading that were submitted as part of Staff’s data request. Fourteen bills, or approximately 23%, showed a total balance due that did not match the individual charges assessed.

The following are the fourteen bills, the total of the individual line items listed on the bill, and the total charge for the move:

Bill of Lading No.	Total of Individual Charges	Balance Due from Customer (Total)
18335	437.50	443.41
18462	315.00	319.25
18021	460.00	466.21
18384	501.69	476.96
18474	1656.00	1665.00
18332	849.25	842.55
18531	269.28	256.08
18525	745.20	755.21
18541	416.55	396.30
18573	1164.53	936.09
18567	726.90	736.30
18566	1206.00	1221.67
18595	428.40	407.40
18631	460.00	466.21

Findings

All My Sons has been given notice for failure to accurately complete its bill of lading in violation of WAC 480-15-740. Staff stated in complaint 85500 in September of 2003,

“spoke to John at Co - he agreed that the bill of lading was inaccurate and incomplete.”

Staff issued a violation of WAC 480-15-740 in this complaint on October 13, 2003, for failure to accurately complete a bill of lading.

Recommendation

Staff recommends a \$100 penalty each for fourteen violations of WAC 480-15-740, for failure to accurately complete a bill of lading. Total recommended penalty of \$1,400.00.

Determination of Total Charges

Tariff 15-A, Item 95 states, in part, [Information that Must Be Included on Uniform Household Goods Bills of Lading]:

k. The amount and type of any charges assessed. Each charge must be fully described.

Audit

Staff found charges or credits on six bills of lading that were added to or subtracted from the total bill. For the bills listed below, an amount was added to or subtracted from the total charges without explanation or description of the charge.

Bill of Lading #	Amount of charge or credit
10377	7.04
10493	-26.40
10101	5.28
10412	4.86
10456	4.75
10400	2.43

Findings

All My Sons has been issued violations and given technical assistance on an on-going basis regarding the proper completion of its bills of lading.

Staff stated in complaint 85500 in September of 2003,

“spoke to John at Co - he agreed that the bill of lading was inaccurate and incomplete.”

Staff issued a violation of WAC 480-15-740 in this complaint in October 2003, for failure to accurately complete a bill of lading.

The six bills noted above show the company continues to fail to accurately describe the rates and charges listed on its bills.

Recommendation

Staff recommends a \$100 penalty each for six violations of Tariff 15-A, Item 95, for failure to identify the type of charges listed on the bill of lading. Total recommended penalty of \$600.00.

Warehouse Storage

Item 100 of Tariff 15-A states that a customer must indicate on the bill of lading if his or her goods are being placed into storage (temporary or permanent). The carrier must also maintain an inventory of the items placed into storage; charge the customer tariffed rates per each one hundred pounds of goods placed into storage for each thirty-day period; charge for valuation for the stored goods; and, charge for warehouse handling-in charges (optional).

Inventory Required

Item 100, Tariff 15-A, states, in part:

*“Inventory Required. Both the carrier and warehouse must maintain an inventory on any shipment placed in storage. The records must show:
(a) An itemized list of the items in the shipment and the number of the bill of lading under which the shipment is moving...”*

On October 8, 2003, in Complaint 85641 (damage complaint), Staff noted that All My Sons did not complete an inventory prior to placing the customer’s goods into storage.

All My Sons responded by sending Staff a copy of its Form C that requests the customer make a choice on whether he or she wants All My Sons to conduct an inventory of his or her household goods prior to the move. The customer in this complaint signed the form stating that he did not want All My Sons to conduct an inventory, therefore, All My Sons denied his claim for damages.

The Form C that All My Sons asks its customers to sign requires the customer to choose from two options:

I, _____, wish for All My Sons Moving & Storage to conduct an inventory of all items to be moved for the protection of both the shipper and the carrier.

Or,

I, _____, do not wish for All My Sons Moving & Storage to conduct an inventory of the items to be moved and understand that this refusal may result in a denial of claim should there be no proven negligence on the part of the carrier.

Findings

If the customer is placing his or her household goods into storage, All My Sons does not have a choice as to whether or not it completes an inventory of the customer’s goods. An inventory is required for shipments placed into storage. All My Sons is in violation of Tariff 15-A, Item 100, Warehouse Storage, by not completing an inventory of a customer’s goods when those goods are being shipped to a storage facility.

Recommendation

All My Sons must conduct an inventory of a customer’s household goods, if those goods will be placed in storage to comply with Tariff 15-A, Item 100. Staff considers this audit as the company’s technical assistance for WAC Tariff 15-A, Item 100. If future violations are found, penalties or other sanctions may be imposed.

Storage rates and charges

Storage rates and charges are stated in Item 100 of Tariff 15-A:

B. Charges for Storage-In-Transit

Service	Rate to be charged per 100 pounds stored		Minimum charge	
	Minimum	Maximum	Minimum	Maximum
For each 30-day period goods remain in storage	Ⓢ\$0.95	Ⓢ\$1.58	Ⓢ\$4.75	Ⓢ\$7.91
Warehouse handling in	Ⓢ\$0.86	Ⓢ\$1.43	Ⓢ\$4.28	Ⓢ\$7.14
Warehouse handling out	Ⓢ\$0.86	Ⓢ\$1.43	Ⓢ\$4.28	Ⓢ\$7.14

Storage charges must be shown as described in this item and calculated on a per 100 pound basis.

Findings

On bill of lading 11757 for complaint 85641, dated August 14, 2002, the section titled "Details of Packing and Packing Materials" shows a description of "7 volts [sic], 65, 455". As this move was placed into storage, Staff finds that this is the description of the quantity of the goods placed into storage (seven vaults) at \$65.00 per vault for a total of \$455.00.

In complaint 84644, on December 8, 2003, All My Sons responded to a Staff question about storage charges by stating:

"-Storage charges were calculated daily based on the monthly charge of \$55 per vault and \$45 per oversized storage item. (storage charge sheet included in the package I'm mailing to you) Items were in storage for 10 days."

On January 14, 2004, Staff issued a violation of Tariff 15-A, Item 100(1) in this complaint, specifically noting, "The carrier must charge rates within a specific range for storage-in-transit fees based on the weight of the customer's shipment. The carrier did not charge storage-in-transit fees based on the weight, or constructed weight, of the shipment."

In March of 2004, Laurie explained the company's charges for storage as:

"Storage - we base all hourly rated shipments coming into storage using "constructive weight" of 7 lbs per cubic foot 6 vaults measuring 7x7x6=294 cu ft x7lbs per cu ft = 2058lbs. We round this figure DOWN to 2,000lbs per vault. 2,000x6 = 12,000 lbs. 120 x 1.58 = \$189.60
warehouse handling in 1.43 per cwt = \$171.60
warehouse handling out 1.11 per cwt = \$133.20
Total for storage = \$494.40"

The bill of lading for this move simply shows the charge of "storage vaults \$65.00 ea". There are no weights, handling fees, or any other calculations on the bill. All My Sons cannot use the size of its storage vaults to calculate a constructive weight on which to base its storage charges.⁴⁵

⁴⁵ The definition of constructive weight in Tariff 15-A is: "a weight based on a formula of seven pounds per cubic foot of properly loaded van space occupied by the customer's goods."

Staff finds that All My Sons charges varied rates for its storage-in-transit and charges \$45.00 for oversized items in storage. Neither of these rates or charges is authorized in Tariff 15-A.

Recommendation

Staff recommends All My Sons charge storage-in-transit rates and charges based on the weight, or constructive weight, of the shipment per Item 100 of Tariff 15-A. This audit is considered All My Sons technical assistance for Item 100. If future violations are found, penalties or other sanctions may be imposed.

Staff recommends All My Sons charge for bulky articles only as described in Item 140 of Tariff 15-A. All My Sons may not apply storage charges for “oversized” items in storage, or charge for “oversized” items during an hourly-rated move. This audit is considered All My Sons technical assistance for the charges for oversized items in storage.

Storage-In-Vehicle

Tariff 15-A, Item 101, states that a customer's goods may be placed or remain in the company's vehicle instead of being placed in a warehouse for storage. Item 101 specifically states how this service must be provided, and the charges that apply.

A complete text of Item 101 is included in Appendix V.

Audit

In consumer complaint 86643, the customer placed his goods into storage-in-vehicle for two days. The bill of lading only listed a \$200 charge. There was no notation on the bill that indicated the customer authorized the storage-in-vehicle, or had agreed to this type of storage or its associated charges.

Findings

All My Sons is not in compliance with Item 101 of Tariff 15-A. All My Sons did not get the customer's written authorization prior to placing the household goods into vehicle storage.

Recommendation

All My Sons must ensure it complies with Tariff 15-A, Item 101, Storage-In-Vehicle. This audit is considered All My Sons' technical assistance for Item 101. If future violations are found, penalties or other sanctions may be imposed.

Mileage Rated Moves

Tariff 15-A describes the two types of household goods moves authorized in the state of Washington. Household goods that are moved 35 miles or less are charged hourly rates for the time it takes to transport the goods. If the household goods are moved more than 35 miles, the rates and charges are based on the miles of the move, the weight of the goods, and any accessorial charges that may apply. Section 2 of Tariff 15-A applies to mileage rated shipments. The Tariff Items in Section 2 include charges for such services as transporting bulky articles, exclusive use of the moving vehicle, piano and organ handling charges, and using commercial ferries during a mileage move, in addition to the basic mileage/weight charges.

Audit

Staff found only one mileage-rated move conducted by All My Sons during this audit. The bill of lading for this move was included in the bills All My Sons sent to Staff as part of the data request documents. Staff found the rates, charges, or calculations for this move to be in violation of Commission rules or tariff.⁴⁶

Copies of the bill of lading and other documents for this move are included in Appendix W.

The mileage move audited by Staff took place on April 27, 2004. The goods were moved from Langley (Whidbey Island), Washington, to Seattle, Washington. The bill of lading shows two laborers worked from 8:00 a.m. to 7:00 p.m. The gross weight of the shipment is shown on the bill of lading as 21,740, the tare weight of 18,080, resulting in a net weight of 3,660. Under "Details for Transportation, valuation & services provided", "Other Services", the number 50 and a charge in the total column of \$765.30. Under "Transportation" on the bill, the number 5075 was written, and in the total column the number 3660. The fuel surcharge for this shipment was calculated at \$22.95.

Attached to the bill of lading were two weight certificates dated April 29 and April 30, 2004. The two certificates showed a gross weight on one bill of 18,300 pounds and the second showed 21,060 pounds.

⁴⁶ Additionally, complaint 76767 filed in May 2002, is a consumer complaint for a March 2002 move that was rated under the hourly rates, when the move from Sammamish to Poulsbo should have been rated as a mileage move (Rand McNalley distance shows 37 miles). However, this complaint was not part of this audit as the complaint is still open.

While the name of the correct shipper was handwritten on the weight slips, these were not the correct slips for this move, and should not have been attached to this bill of lading.

Because the two weight slips did not match the bill of lading and it was unclear how the charges were calculated, Staff sent All My Sons the following email:

“July 13, 2004: This bill is for [customer] for a move on April 27, 2004. I'm having trouble understanding how All My Sons calculated the rates.

Questions:

- On the bill of lading, where did the weights for the shipment come from (gross 21740, tare 18080)?
- Why are there two weight slips attached to this bill when they are slips for different dates than the date of this move, and the weight amounts are different? The bottom slip on the copy has Mr. XXXX's name on it but the date of the weighing was April 29th. Can you explain?
- Under "Details for Transportation..." there is a charge of \$765.30. How was this arrived at?
- How many miles was this move based on? The bill of lading is unclear.
- How was the fuel surcharge calculated?”

All My Sons responded⁴⁷ that it had sent the wrong weight tickets for the move. In answer to the other questions, All My Sons stated:

“50 miles
.2091/lb x 3660lbs=\$765.30
3% fuel (based on trans Rate) = \$22.95”

Again Staff asked All My Sons to explain its calculations in the following email sent on August 3, 2004:

- How did you come up with 50 miles for a move from Langley to Seattle?
- How was the rate of \$.2091/lb determined?

⁴⁷ Staff sent email on July 13, 2004. All My Sons did not respond until July 28, 2004.

- Where did you find you could charge a 3% fuel surcharge? Can you explain?"

I will expect a response to these questions by no later than noon on Thursday, August 5.

On August 13, 2004, Laurie Baca stated:

"The mileage was calculated using the Rand McNally website at www.randmcnally.com. At the point that the job was reserved, we did not have the specific addresses so we used zip code to zip code, which was 51 miles. Per the 15-A, 50-60 miles, the range for pricing is .1276 - .2127/lb. Our rate of .2091 is within the regulated range. With regard to the 3% fuel charge, I believe that this was an oversight on the part of the person calculating charges. 3% is what we charge on mileage rated shipments traveling out of state."

Technical Assistance

In November of 2001, WUTC Investigator Leon Macomber audited the operations of All My Sons and in his audit report noted the following:

"WAC480.15.330 (MILEAGE)

Carrier currently uses Rand McNally mileage guide and mileages are computed correctly with the exception of a couple moves that they thought were under 35 miles and were actually over 35 miles.

WAC480.15.750

... Carrier has been advised that all shipments over 35 miles need to move on mileage rates and weighed. Weight slips must be kept with bill of lading... All other mileage charges and accessorial charges appear to be within rate band on carrier's mileage shipments.

WAC480.15.600

...In addition carrier has been charging a 3% fuel surcharge, which should be 2% per Tariff 15-A Fuel Surcharge Supplement No. 2000-1."

Kermit Escribano was given technical assistance on how to calculate, charge for, and the record keeping for mileage moves in November of 2001⁴⁸.

Findings

Staff finds All My Sons in violation of the following Commission rules or tariff items for mileage rated moves in spite of knowledge of the rules or tariff requirements.

- Violation of WAC 480-15-750 which states the carrier must maintain a copy of the weight tickets for the move with the bill of lading for the shipment. The weight slips attached to the bill were not for the same move.
- Violation of WAC 480-15-490(5) and Tariff 15-A, Item 110, which states that carriers must use the Rand McNally Mileage Guide to determine mileage. All My Sons charged for 50 miles when the Rand McNally Mileage Guide calculation shows the distance between Langley and Seattle at 36 miles⁴⁹.
- Violation of WAC 480-15-490(5) and Tariff 15-A, Item 175⁵⁰, which states that if the carrier must use a commercial ferry, the carrier must pass through to the customer the actual cost of the ferry fares/fees. The company's own Daily Sheet shows the customer was told he would be billed for the ferry fees. There is no ferry fee shown on the bill of lading, nor any ferry receipts attached to the bill.
- Violation of WAC 480-15-490(5) and Tariff 15-A, Item 200, Mileage Rates. The company charged a mileage rate of \$.2091/lb when the rate should have been within the rate band of between \$.1140 and \$.1899 per pound.
- Violation of WAC 480-15-490(5) and Tariff 15-A, Fuel Charge Supplement No. 2000-1. The fuel surcharge should have been not more than 2%, not 3% of the transportation charge.

Recommendation

Staff recommends a \$100 penalty for one violation of WAC 480-15-750, for failure to maintain a copy of the weight tickets with the bill of lading for the shipment.

⁴⁸ Commerical ferry charges were not included in Investigator Macomber's technical assistance, however, All My Sons knew it must charge for the ferry fees as indicated on its Daily Sheet.

⁴⁹ The Rand McNally mileage includes the use of a commercial ferry which is not noted on this bill of lading.

⁵⁰ The Daily Sheet for this move stated "Shipper Has Been Informed Of The Ferry Fees Both..."

Staff recommends a \$100 penalty for one violation of Tariff Item 110, for failure to properly calculate the mileage on a household goods move using the Rand McNally Mileage Guide.

Staff recommends a \$100 penalty for one violation of Tariff Item 175, for failure to pass through commercial ferry costs to its customer.

Staff recommends a \$100 penalty for one violation of Tariff Item 200, for failure to properly calculate the mileage rate.

Staff recommends a \$100 penalty for one violation of Fuel Surcharge Supplement 2000-1, which states the fuel surcharge must be calculated at not more than 2% of the transportation charge.

Total recommended penalty of \$500.00.

BUSINESS PRACTICES

- Prepayment of Charges
- Advertising
- Additional Move Personnel
- Unauthorized Rates and Charges
- Three Hour Minimum Charge
- Refund Policy
- Valuation

BUSINESS PRACTICES

All My Sons, as shown in this report, demonstrates an ongoing disregard for compliance with state statutes and Commission rules. In addition to the violations of laws and rules, Staff found that All My Sons utilizes a number of business practices that appear to be deceptive and misleading to consumers, however, not in direct violation of Commission laws or rules.

PREPAYMENT OF CHARGES

Tariff 15-A, Item 80 (6) states that the carrier may negotiate prepayment for services in full or in part. The sample bill of lading in the tariff also indicates where a prepaid amount must be shown.

Audit

To determine if All My Sons has a policy on prepayment, the Commission's data request asked All My Sons to describe the company's policy on deposits or prepayments for services. All My Sons' response to Staff's data request stated:

"All My Sons has no official policy on pre-payments or deposits."

However, in complaint 88979, the shipper contacted the Commission with concerns about how much All My Sons had charged for her move and the use of her debit card without her permission. All My Sons described the use of the customer's debit card as follows:

"As indicated on the Bill of Lading, the crew arrived to residence at approximately 3:15pm, with a start time (portal to portal) of 2:45pm. The crew took packing materials with them as the customer requested. The customer already had boxes on site, and the crew used those before using the new materials they had brought with them. When the general manager was informed of the scope of this job, he chose to take a deposit of \$2,000 to secure the payment. This was done on Ms. XXXX's mother's debit card."

On June 30, 2004, when Laurie Baca was asked to explain this complaint, Staff noted that Laurie stated:

- 1) "Laurie said this was a same day move. Customer called in the morning for move that day. That is why they required a deposit. They require deposits on same-day moves."

Findings

Staff cannot make a determination if All My Sons has a deposit or prepayment policy or if All My Sons makes a decision to require customers prepay or pay a deposit based on circumstances at the time of the move. Staff found no evidence that deposits were required for same day moves.

If a company allows its customers to prepay for a portion of the move, or if the company requires customers to prepay or pay a deposit on moves that occur on the same day as the request is received, All My Sons must define what that policy is and ensure that it is applied to all moves rather than just at the decision of a manager or driver on an arbitrary or perhaps discriminatory basis.

Recommendation

Staff recommends that All My Sons clearly define its deposit or prepayment of services policy and apply it to all moves and move reservations on a consistent basis.

ADVERTISING

As part of the Commission's data request, All My Sons was asked to furnish copies of its advertising such as telephone directory ads. All My Sons furnished a copy of its 2004 Dex Directory ad under Section "850 Movers".

Staff finds this advertisement inaccurate and misleading. The advertisement makes claims or statements that are either not true or statements that make All My Sons appear to be applying standards that are higher than other movers.

Staff finds the following statements inaccurate or misleading:

- The Dex ad states "Rated #1 in Customer Satisfaction". Given the high number of consumer complaints the Commission receives against All My Sons, Staff does not believe this statement is true. Staff believes that if the company makes a rating claim it should reference the survey or other proof that the claim is true.
- The ad states "Family Owned & Operated". The ad also includes a picture of a man and two younger men portraying sons. Staff does not believe a corporation with unrelated corporate officers and no family members should characterize itself as a "family owned" business. All My Sons is a nationwide enterprise, with each of its thirty-one separate business locations locally owned and operated. The Washington-based All My Sons is incorporated in Delaware.
- The ad states "Courteous & Professionally Trained Personnel". Staff finds that All My Sons should identify how its Staff is "professional trained". Staff is not aware of any professional household goods employee training courses that All My Sons may have used to train its employees.

Recommendation

Staff recommends All My Sons rewrite its print advertisements to include only those statements that are truthful and can be substantiated.

ADDITIONAL MOVE PERSONNEL

In the Estimate Section of this report, Staff concluded that All My Sons routinely underestimates the cost of its household goods moves. Another version of this practice appears to be that All My Sons either in writing or verbally tells its potential customers that, for example, two movers will be adequate to complete their move at a specific hourly rate. Then All My Sons dispatches three movers (or more) at a higher hourly rate, assuring the customer that the cost will not be more because with more movers the job will go faster. Ultimately, the cost of the move increases due to a litany of outside factors that increase the time of the move.

In response to consumer complaints about these moves, All My Sons often states that it is in fact the customer that either asked for more movers, or when more movers were dispatched, the customers did not object, therefore allegedly approving the additional labor.

In Complaint 70449, the complainant states in her June 1, 2001 letter to All My Sons, "The original hire was for two men at the rate of \$85.95... Change in Hire. On Friday, three men arrived to handle the move. After a brief conversation with you [Jim @ All My Sons] on the phone of your lead mover, I was told due to weather factors, you had sent three so that the move would be accomplished more quickly. However, the rate was approximately \$123 an hour for the three men. You assured me that the move would cost the same as if two men had done it but in half the time. Having experienced this move, I find that statement to have been an outright lie."

In Complaint 70398, the complaint states:

"The company sent 3 movers instead of 2 movers...original estimate was provided with 7 hours for 2 people...although they charged the customer for 13.25 hours for 3 people..."

In Complaint 81462, filed in January 2003, the complaint states:

"Customer received a written estimate for 2 men and a truck, packing supplies and the company backing [sic] her belongings for \$885.60. The day of the move, the movers were 2 hours late and there were 3 of them instead of 2. Customer was told the extra person would not cost her any more since they were getting a late start – it would even itself out with less hours worked.

When the movers and the customer arrived at her new residence, the final bill was \$1600.00. Ms. argued the price and it was reduced to \$1399.27. Ms. paid the bill so they would unload her belongings.”

Complaint 85423 filed in September 23, 2003, states the company’s response to the customer’s complaint: “Dee said there was no written estimate...There was a verbal estimate of 2 guys at 88.00 hour. The company sent 3 guys which the customer did not object to.”

Finally, in Complaint 85981, filed on October 16, 2003, the complaint states,
“Quoted \$90 per hour and estimated the move would take 3-4 hours for 2 movers and a truck. Company sent out extra people.”

All My Sons had two responses to this consumer’s complaint. All My Sons stated on October 17, 2003,

“consumer requested 4 movers because he agreed that it would be quicker if there were 2 people packing and 2 moving items into truck.”

On October 29, 2003, All My Sons had a second and different answer to the complaint:

“Company came out first day with 2 men and decided to return a second day with 4 men because of the amount of packing that needed to be done”

Findings

This appears to be a deliberate method of increasing the cost of the move that All My Sons has used since receipt of its operating authority. In a complaint filed with the Commission in July of 1999, the complaint stated, in part:

“...called with a complaint re: underestimating. The estimate was 3-4 hours @107.95 per hour. When the carrier arrived at the jobsite they had an extra man and said the per hour charge would be \$122.35 and that the move would finish quicker. The move ended up taking 9.5 hours.”

Staff finds that this is one way in which All My Sons underestimates moves.

Recommendation

Staff recommends that if an estimate has been given to a customer and the use of additional personnel will increase the cost of the move, All My Sons must give the customer a supplemental estimate. If the customer did not request an estimate, All My Sons should ensure that the customer is aware the additional personnel on the move may increase the cost.

UNAUTHORIZED RATES AND CHARGES

Staff found in this audit that All My Sons bills customers for rates and charges that are not listed in Tariff 15-A. Those violations are listed in other sections of this report. In some instances, All My Sons simply mentions a charge, but does bill the customer.

For example, on October 13, 2003, in complaint 85500, Kermit Escribano stated to Commission Staff:

“Customer can remove from storage herself must pay the 1467.46 (- storage prorate for month) and technically it is 50.00/hr for a storage manager. Kermit told me because customer is military they will give her a break on the storage and removal.”

There is no allowance for a Storage Manager Charge of \$50.00 per hour in Tariff 15-A. The company only mentioned this charge in the context of a complaint. If the company had actually charged the customer, it would have been a violation of the tariff. All My Sons cannot arbitrarily quote rates or charges to use as either additional revenue, if charged, or as simply a point of leverage against a customer.

Recommendation

Staff recommends that All My Sons cease its practice of verbally quoting rates or charges that are not authorized by Tariff 15-A.

THREE-HOUR MINIMUM CHARGE

On two occasions Staff found that All My Sons told its customers that it had a three-hour minimum charge for hourly-rated moves. The minimum time for an hourly-rated move during normal work hours, as listed in Tariff 15-A, Item 230, is one hour.

In complaint 71043, the customer agreed to move for \$85.05 per hour and negotiated a 30-minute total portal-to-portal charge⁵¹. The customer said the move took an hour with 30 minutes driving time. The customer thought he should pay \$127.58. The company told the customer it had a 3-hour minimum. According to the company the move took 2 hours and 45 minutes and the customer was charged \$255.15.

In Complaint 85981, Staff reviewed a letter dated October 17, 2003, from Dee at All My Sons, which stated:

“...at the time he was told of them [moving rates] \$90.00 for 2 men, or \$129.00 for 3 men & a truck and of our minimums 3 hrs during the week and 4 on the weekend...”

Staff has no way to determine if a move actually takes three hours or if the company is simply improperly billing for a three-hour minimum charge. This audit notifies All My Sons that it may not charge any other minimum charges than the minimum charges specified in Tariff 15-A.

Recommendation

Staff recommends All My Sons cease its practice of telling and/or charging customers a minimum of three hours for any hourly-rated move that takes place during regular work hours.

⁵¹ Portal-to-portal is defined as the charges beginning when the moving vehicle leaves the carrier’s terminal, or other location of the vehicle, whichever is closest to the origin of the shipment, until the time the vehicle return to the carrier’s terminal or is dispatched to another job.

REFUND POLICY

All My Sons does not issue refunds in a timely manner. It appears that in spite of telling customers that all or a portion of the costs of a move will be refunded, All My Sons simply does not do it timely, even when Commission Staff has told the company to provide the refund.

Staff found the following examples of how All My Sons did not process refunds as agreed to, or told Staff that refunds had been processed when they had not been. Staff finds that due to the number of times Staff found All My Sons failed to process refunds, this appears to be a deliberate action rather than an accidental oversight.

In consumer complaint 70398 for a move that took place in June of 2001, All My Sons told Staff that it agreed to provide a refund on December 17, 2001. The company told Staff the check was mailed on December 26, 2001, in the amount of \$188.28. Staff called the company on January 8, 2002, and was told the check was mailed on January 3. On January 15, the customer called and said that no check had been received. In response, the company said the check had been returned, and it had resent the check on January 10.

In consumer complaint 71430 for a move on July 17, 2001, the company agreed to refund monies to a customer on October 17, 2001. On February 13, 2002, customer called and stated the check had not yet been received.

In consumer complaint 81462 for a move on January 13, 2003, the company said it would mail a refund check to the customer in the amount of \$348.97 on February 19, 2003. On March 7, 2003, the customer called to say she still hadn't received the refund check.

In consumer complaint 81793 Staff instructed the company to refund \$244.29 to its customer on July 18, 2003. On December 30, 2003, the consumer called and said that she had not received the refund. Staff sent a request to All My Sons for verification that the refund had been sent on December 30, 2003, January 30, 2004, November 4, 2004, December 2, 2004, December 8, 2004 (Staff notified company of potential violations of WAC 480-15-490), and December 14, 2004.

The customer in this complaint finally received a check on approximately December 20, 2004. Staff issued 359 violations of WAC 480-15-490(5) for failure to comply with tariff rates and charges.

In consumer complaint 85423, Staff notified All My Sons that the customer was due a total refund of \$123.65 on October 31, 2003. On November 6, 2003, the company confirmed part of the refund. On December 10, 2003, Staff again told All My Sons that the refund was due to the customer. On January 19, 2004, the company finally refunded the amount to the customer.

On March 9, 2004, in consumer complaint 88066, Staff requested the company refund \$88.00 to the customer for overtime charges. On March 26, Staff again told the Company to refund \$8.33 for the fuel charge overcharge and refund for overtime. On April 20, 2004 All My Sons stated, "I will have this refund completed before the end of the week".

In consumer complaint 86606, Staff stated on March 31, 2004, that All My Sons agreed to let Staff know the amount of the refund check and when the refund check is mailed to the consumer. On April 28, 2004, All My Sons stated it "will mail out check tomorrow". On June 1, 2004, All My Sons stated "Consumer getting refund check mailed out within next 24 hours. Will get back to me [Staff] with exact amount". On June 24, 2004, the company stated, "The refund amount for this shipper is \$419.25, the difference between the overtime and regular rates. I'm still waiting for the customer to sign an acceptance of this amount to resolve all issues with All My Sons." On September 9, 2004, ...customer [stated]"to date have not received any money back from the company." On September 23, 2004, Staff told All My Sons, "Please release the \$400 of overtime charges to the consumer. Company may NOT withhold refund of the \$400 overtime charges pending the damage claim. These are entire two different issues. On October 20, 2004, All My Sons stated "will cut the \$400 check today." On November 18, 2004 consumer had not received a check. On December 13, 2004, All My Sons stated \$400 refund check is being cut today.

Staff finds that All My Sons appears to consistently delay or fail to issue refunds when appropriate.

Recommendation

Staff recommends All My Sons immediately cease its practices of refusing to issue, or delaying the issuance of appropriate credits or refunds to its customers.

VALUATION

Valuation is the amount of liability the carrier assumes if it damages or loses a customer's household goods. The customer determines the value of the goods (valuation). The value can be placed at the lowest level of liability at \$.60 per pound per article at no charge to the customer, or at the highest level of valuation, which is full replacement cost coverage with no deductible, or somewhere in between. The cost for this level valuation is based on a charge of between \$.64 and \$1.07 for each \$100 of declared value of the goods.

Staff does not believe that All My Sons explains the four different valuation options to customers. Of the sixty-two bills of lading All My Sons submitted as part of the data request, all sixty-two bills show that the customers chose to value their goods at \$.60 per pound. Staff finds it unlikely that if the customers were made aware of all of the different options, that every customer would choose the option that places the least value on the goods being shipped.

In complaint 88066 filed in March 2004, when told its customer may go to small claims court regarding damage issues, All My Sons stated,

“Insurance options – Ms. G. signed the Bill of Lading stating that she was provided with a copy of the Rights and Responsibilities guide, which outlines the valuation options. She also signed accepting the Basic Value Protection option. The other insurance options are right there on the Bill of Lading, and if Ms. G. wanted something other than Basic Value Protection, she should have either asked about the others or called the office for a thorough explanation of her options.”

This clearly shows the company does not feel an obligation to present all of the valuation options to the customer.

Staff finds that All My Sons appears to place the burden of obtaining information on the different valuation options on the customer. The general public is unaccustomed to, as a customer, determining the amount of the moving company's liability.

It is the company's responsibility to ensure the customer understands the four valuation (not insurance) options, their cost, and the potential coverage should a claim be filed for the loss or damage of the customer's goods.⁵²

As part of complaint 70449 (filed in July 2001) and 82961 (filed in April 2003), Staff also reviewed All My Sons' Form E regarding "insurance" coverage, which states :

The following applies to all customers:

Insurance Notice: All My Sons Moving & Storage advises you that the purchaser should obtain additional insurance to protect himself from loss and/or damage of goods. Many customers with home-owners may already be fully or partially covered for loss and/or damage. Please consult your insurance agent prior to purchasing insurance as the cost for this can not be refunded once the move has commenced.

The customer's coverage for insurance at no additional cost is the standard sixty cents (\$0.60) per pound per article. For instance, the full value placed on an armoire that weighs 200 pounds would be \$120.00.

Additionally, standard coverage does not include any or all damage to floors, walls, doors, windows, carpets, rails, etc.

The customer was offered extra insurance for an additional cost but declined....

This form is signed and dated by the customer.

Staff finds this form misleading. All My Sons appears to encourage its customers to purchase additional insurance and then immediately refers to the customers' home-owners [insurance] implying that their home-owners insurance may cover loss or damage during the move.

⁵² Tariff 15-A, Item 90 states "The carrier must not load the customer's goods until such time as the customer selects an option and makes the appropriate notation on the bill of lading contract."

Clearly, if this form is signed by the customer at the beginning of the move, there would be no time for the customer to check with his/her insurance agent. This form gives the impression that additional coverage is insurance not the carrier's level of liability.

In addition this is only one of six forms the company asks the customer to sign at the beginning of the move when the company is "on the clock". Some customers stated that they felt rushed to sign documents and did not have time to read or understand what they were signing. In complaint 85423, it stated, "Customer said that he didn't initial anything on the Bill of Lading until the truck was at his new residence. Then it was a rush to sign. The mover told the customer to initial the .60/lb. Because that would cover everything he would need in case of damage."

Recommendation

Staff recommends that All My Sons develop a form to give to its customers that explains the different valuation options and have the customer sign the bill of lading or the estimate, acknowledging the receipt and understanding of this valuation option form.

SUMMARY OF RECOMMENDATIONS

The following are Staff recommendations for the issuance of penalties:

Estimates

1. Staff recommends a \$100 penalty each for seven violations of WAC 480-15-650(a) for failure of All My Sons to show its correct name, address and telephone number on its estimate form. Total recommended penalty = \$700.00.
2. Staff recommends a \$100 penalty each for nine violations of WAC 480-15-650(c), for failure to include on its estimate form the name of the receiver of the household goods (consignee). Total recommended penalty = \$900.00.
3. Staff recommends a \$100 penalty for one violation of WAC 480-15-650(d) for failure to show the required destination address on the estimate. Total recommended penalty = \$100.00.
4. Staff recommends a \$100 penalty for nine violations of WAC 480-15-650(e) for failure to show the total mileage, including intermediate stops, on the estimate. Total recommended penalty = \$900.00.
5. Staff recommends a \$100 penalty each for nine violations of WAC 480-15-650(l) for failure to include the correct "Important Notice" language on its estimate form. Total recommended penalty = \$900.00.

Supplemental Estimates

6. Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to include on the supplemental estimate form, the company name, address, phone number, telefacsimile number (if any), and e-mail address (if any) of the company making the supplemental estimate. Total recommended penalty = \$100.00.

7. Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to clearly identify whether the supplemental estimate is binding or non-binding. Total recommended penalty = \$100.00.
8. Staff recommends a \$100 penalty for one violation of Tariff 15-A – Item 85, failure to identify the customer’s phone number, address, origin or shipment, destination of shipment or contact person on a supplemental estimate. Total recommended penalty = \$100.00.
9. Staff recommends a \$100 penalty each for seven violations of Tariff 15-A – Item 85, failure to include for (1) hourly-rated shipments, the number of carrier personnel and carrier vans (or trucks) that will be used, and the number of hours each will be involved in the move, or (2) for mileage-rated shipments, the mileage between origin and destination, the estimated weight of the shipment, and the total transportation cost; (3) overtime; (4) services to be provided (stairs, long carry, third party, etc.); (5) valuation charges; (6) storage (storage-in-transit, storage-in-vehicle, permanent storage, etc.); and, (7) packing, unpacking, and containers. Total recommended penalty = \$700.00.
10. Staff recommends a \$100 penalty for violation of Tariff 15-A, Item 85, failure to include a summary of charges on the supplemental estimate form. Total recommended penalty = \$100.00.
11. Staff recommends a \$100 penalty each for seven violations⁵³ of WAC 480-15-660, failure to issue supplemental estimates when circumstances surrounding the moves change in a way to cause the rate for service or the estimated charges to increase. Total recommended penalty = \$700.00.

⁵³ Seven violations for failure to complete supplemental estimates for the seven moves conducted between April 23 and May 8, 2004.

12. Staff recommends a \$100 penalty each for five violations of failure to release the customer's goods upon payment of 110% of the estimated charges and allow the customer to pay the balance within 30 days. Total recommended penalty = \$500.00.
13. Staff recommends a \$100 penalty each for five violations of WAC 480-15-680 for failure to issue an accurate estimate to the shipper. Total recommended penalty = \$500.00.
14. Staff recommends a \$100 penalty for one violation of WAC 480-15-690 for charging the customer more than twenty-five percent above the written nonbinding estimate for an hourly-rated move. Total recommended penalty = \$100.00.⁵⁴

Bill of Lading Completion

15. Staff recommends a \$100 penalty each for fourteen violations of WAC 480-15-710 for failure to issue a bill of lading for each shipment of household goods a company transports. Total recommended penalty = \$1,400.00.
16. Staff recommends a \$100 penalty each for three violations of WAC 480-15-740, for failure to require the customer initial the correct type of estimate he or she received. Total recommended penalty = \$300.00
17. Staff recommends \$100 penalty each for six violations of WAC 480-15-740(3) for failure to show on the bill of lading the exact address at which the shipment, or any part of that shipment, was loaded or unloaded. Total recommended penalty = \$600.00.
18. Staff recommends \$100 penalty each for six violations of WAC 480-15-740(3) for failure to include the customer and consignee's telephone number on the bill of lading. Total recommended penalty = \$600.00.

⁵⁴ Of the nine estimates, seven resulted in charges that exceeded the estimate but only one exceeded the estimate by more than 25%.

19. Staff recommends a \$100 penalty each for three violations of Tariff 15-A, Item 95, for failure to ensure the customer initials his or her choice of storage options. Total recommended penalty = \$300.00.
20. Staff recommends a \$100 penalty each for three violations of WAC 480-15-740, for failure to require a customer initial the bill of lading acknowledging he or she had been offered or had refused a copy of the Rights and Responsibilities Guide. Total recommended penalty = \$300.00.
21. Staff recommends a \$100 penalty each for forty-two violations of Tariff 15-A, Item 95, for failure to ensure that a customer indicates his or her payment choice by initialing the appropriate item on the bill of lading. Total recommended penalty = \$4,200.00.

Claims and Complaints – Consumer

22. Staff recommends a \$100 penalty each for three violations of WAC 480-15-810 for failure to respond to a consumer damage claim within the 10 days required by rule. Total recommended penalty = \$300.00.
23. Staff recommends a \$100 penalty each for two violations of WAC 480-15-820 for failure to inform a claimant, in writing, of the final offer, denial or closure of claim, or the reason for failure to resolve a claim within each 60-day period the claim was not resolved. Total recommended penalty = \$200.00.
24. Staff recommends a \$100 penalty each for seventy-two violations of WAC 480-15-840 for All My Sons' failure to number its claims and complaints consecutively. Total recommended penalty = \$7,200.00.
25. Staff recommends a \$100 penalty each for thirty-seven violations of WAC 480-15-860, failure to record all required information in the company's claims and complaints files. Total recommended penalty = \$3,700.00

Commission-Referred Complaint Requirements

26. Staff recommends a \$100 penalty each for four hundred and thirty-five violations of WAC 480-15-890, failure to respond to Commission-Referred complaints within ten days. Total recommended penalty = \$43,500.00.

Rates and Charges

27. Staff recommends a \$100 penalty each for thirty-six violations of the Tariff 15-A, Fuel Charge Supplement No. 2000-1, for failure to correctly calculate the fuel surcharge at no more than 2% of the fuel consuming rates and charges. Total recommended penalty = \$3,600.00.
28. Staff recommends a penalty of \$100 each for twelve violations of WAC 480-15-740, for failure to record the start time, stop time, and any interruptions for each person involved in or on a shipment rated under hourly rates, or in lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a carrier may maintain a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges. Total recommended penalty = \$1,200.00.
29. Staff recommends a \$100 penalty each for sixty-two violations of WAC 480-15-740(7), failure of a carrier to be able to identify, through payroll records, each person involved in a move and provide that information to commission staff on request. Totally recommended penalty = \$6,200.00.
30. Staff recommends a \$100 penalty each for seven violations of WAC 480-15-740(7)(c) for failure to record on the bill of lading the start time and stop time of any hourly rated move, and any interruptions in service. Total recommended penalty = \$700.00.
31. Staff recommends a \$100 penalty each for twenty-six violations of WAC 480-15-740, failure to record on the bill of lading the start time and stop time of any hourly rated move, and any interruptions in service (failure to record meal or rest periods). Total recommended penalty = \$2,600.00.

32. Staff recommends a \$100 penalty each for three violations of Tariff 15-A, Item 220, for failure to provide the customer with a written estimate of the total overtime charges and get the customer's written consent before providing overtime service. Total recommended penalty = \$300.00.
33. Staff recommends a \$100 penalty each for fourteen violations of WAC 480-15-740, for failure to accurately complete a bill of lading. Total recommended penalty = \$1,400.00.
34. Staff recommends a \$100 penalty each for six violations of Tariff 15-A, Item 95, for failure to identify the type of charges listed on the bill of lading. Total recommended penalty = \$600.00.

Mileage-Rated Moves

35. Staff recommends a \$100 penalty for one violation of WAC 480-15-750 which states the carrier must maintain a copy of the weight tickets with the bill of lading for the shipment. Total recommended penalty = \$100.00.
36. Staff recommends a \$100 penalty for one violation of Tariff Item 110 for failure to properly calculate the mileage on a household goods move using the Rand McNally Mileage Guide. Total recommended penalty = \$100.00.
37. Staff recommends a \$100 penalty for one violation of Tariff Item 175 for failure to pass through commercial ferry costs to its customer. Total recommended penalty = \$100.00.
38. Staff recommends a \$100 penalty for one violation of Tariff Item 200, Mileage Rates, for failure to properly calculate the mileage rate. Total recommended penalty = \$100.00.
39. Staff recommends a \$100 penalty for one violation of Fuel Surcharge Supplement 2000-1, which states the fuel surcharge must be calculated at not more than 2% of the transportation charge. Total recommended penalty = \$100.00.

In addition to the rule and statute violations, Staff finds the following recommendations for changes to All My Sons' general business practices and for which previous technical assistance has not been given:

General Business Rules

All My Sons must conduct all operations under the name shown on its household goods permit in compliance with WAC 480-15-390.

All My Sons must file its annual report and pay its regulatory fee by no later than May 1 of the year following the calendar year for which it is reporting, in compliance with WAC 480-15-480.

All My Sons must include its permit number on vehicles, equipment, and in telephone books, internet, contracts, correspondence, cards, signs, posters, newspapers, and any documents which show the company's name and address in compliance with WAC 480-15-610.

Estimates

All My Sons must continue to ensure that it does not give verbal estimates to its potential customers.

All My Sons must include the title of the estimator and the company affiliation of the estimator on its estimate forms.

All My Sons must ensure that when providing an estimate to its customers, that it includes the rates for all charges that will be charged during the move.

All My Sons must ensure that when providing an estimate to its customers, it include the rates for all accessorial charges.

All My Sons must delete or rewrite the following paragraph currently shown on its Supplemental Estimate form. This statement is untrue.

"Based upon the above information your move will take approximately _____ more hours to complete and require _____ in packing material. You are aware that by WUTC rules that you are required to pay 125% of the amount of the original estimate and of this supplemental estimate."

Staff recommends that an administrative action, as listed in WAC 480-15-690, be taken against All My Sons if the company continues to underestimate the cost of household goods moves.

Bill of Lading Format

All My Sons must begin using a bill of lading that has a format that is in compliance with Tariff 15-A within 30 days of its receipt of this report.

Bill of Lading Completion

All My Sons must immediately begin completing the "Consigned To"⁵⁵, portion of its bill of lading with the name of the consignee.

Claims and Complaints - Consumer

All My Sons must revise its Forms B through F to accurately state the company's liability and valuation options.

All My Sons must investigate claims or complaints quickly; advise the shipper of the resolution; and, if it is a loss or damage claim, pay the claim, refuse the claim, or make a compromise offer within one hundred twenty days.

All My Sons must advise any shipper that is not satisfied with All My Sons resolution to a complaint or claim of the availability of the Commission for further review. All My Sons must provide the shipper with the Commission's toll-free number and mailing address.

All My Sons must respond to all written correspondence. Staff suggests that the company maintain a correspondence file as evidence that all correspondence has been responded to and in a timely manner.

Rates and Charges

All My Sons must conduct an inventory of a customer's household goods, if those goods will be placed in storage to comply with Tariff 15-A, Item 100.

⁵⁵ "Consigned To" may also be shown as "Customer" or "Consignee".

All My Sons must charge storage-in-transit rates and charges based on the weight, or constructive weight, of the shipment per Item 100 of Tariff 15-A.

All My Sons must charge for bulky articles only as described in Item 140 of Tariff 15-A. All My Sons may not apply storage charges for “oversized” items in storage, or charge for “oversized” items during an hourly-rated move.

All My Sons must comply with Tariff 15-A, Item 101, the rates, charges, and rules for Storage-In-Vehicle.

Business Practices

All My Sons must clearly define its deposit or prepayment of services policy and apply it to all moves and move reservations on a consistent basis.

All My Sons must rewrite its print advertisements to include only those statements that are truthful and can be substantiated.

All My Sons must, if an estimate has been given to a customer, and the use of additional personnel will increase the cost of the move, give the customer a supplemental estimate. If the customer did not request an estimate, All My Sons should ensure that the customer is aware the additional personnel on the move may increase the cost.

All My Sons must cease its practice of verbally quoting rates or charges that are not authorized by Tariff 15-A.

All My Sons must cease its practice of telling and/or charging customers a minimum of three hours for any hourly-rated move that takes place during regular work hours.

All My Sons must cease its practices of refusing to issue, or delaying the issuance of appropriate credits or refunds to its customers.

All My Sons must develop a form to give to its customers that explains the different valuation options and have the customer sign the bill of lading or the estimate, acknowledging the receipt and understanding of this valuation option form.