

Docket No. TV-180605 - Vol. I

In re Application of Dolly, Inc.

December 19, 2018



1325 Fourth Avenue • Suite 1840 • Seattle, Washington 98101

206.287.9066

www.buellrealtime.com

Olympia | **360.534.9066** Spokane | **509.624.3261** National | **800.846.6989**

email: info@buellrealtime.com



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

In re Application of)Docket No. TV-180605
)
Dolly, Inc.)
)
For a permit to operate)
as a motor carrier of)
household goods and a)
permit to operate as a)
motor freight common)
carrier)

BRIEF ADJUDICATIVE PROCEEDING, VOLUME I

Pages 1-119

CHAIRMAN DANNER, COMMISSIONERS BALASBAS AND RENDAHL
ADMINISTRATIVE LAW JUDGE GREGORY J. KOPTA

December 19, 2018

1:19 P.M.

Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive Southwest
Olympia, Washington 98504

REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

Buell Realtime Reporting, LLC
1325 Fourth Avenue, Suite 1840
Seattle, Washington 98101
(206) 287-9066 | Seattle
(253) 235-0111 | Tacoma
(800) 846-6989 | National

www.buellrealtime.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

APPEARANCES

COMMISSIONERS:

DAVID DANNER, Chairman
ANN E. RENDAHL, Commissioner
JAY BALASBAS, Commissioner
Washington Utilities and
Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, Washington 98504
(360) 664-1160

ADMINISTRATIVE LAW JUDGE:

GREGORY J. KOPTA
Washington Utilities and
Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, Washington 98504
(360) 664-1160

FOR COMMISSION STAFF:

JEFF ROBERSON
Assistant Attorney General
PO Box 40128
Olympia, Washington 98504
(360) 664-1188
jroberso@utc.wa.gov

FOR DOLLY, INC.:

ARMIKKA BRYANT
Dolly, Inc.
901 - 5th Avenue, Suite 600
Seattle, Washington 98164
(646) 303-3533
armikka@gmail.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S (Cont.)

ALSO PRESENT:

RACHEL LAZAR, Dolly Witness
MICHAEL HOWELL, Dolly Witness
KEVIN SHAWVER, Dolly Witness
SUSIE PAUL, Staff Witness
MICHAEL DOTSON, Staff Witness

* * * * *

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

EXAMINATION INDEX

EXAMINATION OF RACHEL LAZAR PAGE

By Mr. Roberson. 11

EXAMINATION OF MICHAEL HOWELL

By Mr. Roberson. 15

By Mr. Bryant. 48

By Commissioner Rendahl. 61

By Mr. Roberson. 65

By Mr. Bryant. 67

By Chairman Danner. 68

EXAMINATION OF KEVIN SHAWVER

By Mr. Roberson. 71

By Mr. Bryant. 93

By Commissioner Balasbas. 99

EXAMINATION OF SUSIE PAUL

By Mr. Bryant. 101

EXAMINATION OF MICHAEL DOTSON

By Mr. Bryant. 106

EXHIBIT INDEX

EXHIBITS FOR ADMISSION PAGE

MH-1T Testimony of Michael Howell 9

MH-2 Email from Jeffrey Roberson 9
(May 29, 2018)

EXHIBIT INDEX (Cont.)		
EXHIBITS FOR ADMISSION		PAGE
MH-3	Receipt for \$69,000 (Nov. 1, 2018)	9
MH-4X	Illinois Commerce Commission letter to Dolly (June 9, 2014)	9
MH-5X	Illinois Commerce Commission citation to Dolly (Oct. 28, 2014)	9
MH-6X	Illinois Commerce Commission citation to Dolly (Feb. 23, 2015)	9
MH-7X	Illinois Commerce Commission citation to Dolly (Oct. 4, 2016)	9
MH-8X	Inspection/Investigation Stop Report for ICC citation	9
MH-9X	Screen shot of "Helper" tab on Dolly's webpage	9
MH-10X	Screen shot of post on Dolly's Facebook page	9
MH-11X	Hearing transcript in Docket TV-171212	9
MH-12X	Screen shot of Yelp reviews for Dolly	9
MH-13X	Screen shot of Better Business Bureau reviews for Dolly	9
RL-1T	Testimony of Rachel Lazar	9
KS-1T	Testimony of Kevin Shawver	9
KS-2	Screen shots of LinkedIn webpage	9
KS-3	Screen shots of Facebook webpage	9
KS-4	Screen shots of Instagram webpage	9
KS-5	Screen shots of Twitter webpage	9
KS-6	Screen shots of YouTube webpage	9

EXHIBIT INDEX (Cont.)		
	EXHIBITS FOR ADMISSION	PAGE
1		
2		
3	KS-7 Screen shots of Pinterest webpage	9
4	SP-1T Testimony of Susie Paul	9
5	SP-2 Dolly, Inc., Website as of August 2017	9
6		
7	SP-3 Dolly, Inc., Facebook Page as of September 2017	9
8	SP-4 Dolly, Inc., Twitter Page as of September 2017	9
9		
10	SP-5 Dolly, Inc., Instagram Page as of December 2017	9
11	SP-6 Dolly, Inc., Pinterest Page as of December 2017	9
12		
13	SP-7 Corrected Order 02, Docket TV-171212	9
14	SP-8 Order 04, Docket TV-171212	9
15	SP-9 Dolly, Inc., Motion for Stay, Docket TV-171212	9
16		
17	SP-10 Order 05, Docket TV-171212	9
18	SP-11 Dolly, Inc., Motion for Stay, Thurston Cty Sup. Ct.	9
19	SP-12 Order Denying Stay, Thurston Cty Sup. Ct.	9
20		
21	SP-13 Dolly, Inc., Website as of June 2018	9
22	SP-14 Yelp Reviews for Dolly, Inc.	9
23	SP-15 Dolly, Inc., Facebook Page as of June 2018	9
24		
25	SP-16 Dolly, Inc., Twitter Page as of June 2018	9

EXHIBIT INDEX (Cont.)		
	EXHIBITS FOR ADMISSION	PAGE
1		
2		
3	SP-17 Advertisement on Sounder Train	9
4	SP-18 Advertisement on Sounder Train	9
5	SP-19 Facebook Post	9
6	SP-20 Instagram Post	9
7	SP-21 Order 06, Docket TV-171212	9
8	SP-22 Order 07, Docket TV-171212	9
9	SP-23 Order 08, Docket TV-171212	9
10	SP-24 Order 09, Docket TV-171212	9
11	SP-25 Dolly, Inc., Website as of September 2018	9
12	SP-26 Estimate for a Move (Sept. 6, 2018)	9
13	SP-27 Estimate for a Move (Sept. 20, 2018)	9
14	SP-28 Dolly, Inc., Facebook Post	9
15	SP-29 Dolly, Inc., Twitter Page as of September 2018	9
17	SP-30 Dolly, Inc., Instagram Page as of September 2018	9
18	SP-31 Dolly, Inc., Website as of October 2018	9
19		
20	SP-32 Estimate for a Move (Oct. 9, 2018)	9
21	SP-33 Dolly, Inc., Facebook Page as of October 2018	9
22		
23	SP-34 Dolly, Inc., Twitter Page as of October 2018	9
24	SP-35 Dolly, Inc., Instagram Page as of October 2018	9
25		

EXHIBIT INDEX (Cont.)		
EXHIBITS FOR ADMISSION		PAGE
SP-36	GeekWire Post (Sept. 18, 2018)	9
MD-1T	Testimony of Michael Dotson	9
EXHIBITS FOR IDENTIFICATION		
SP-37X	Email String between Staff, Air Van Moving, and Washington Movers Conference (Sept. 1-2, 2015)	
SP-38X	Email string between Staff, Air Van Moving, and Washington Movers Conference (Sept. 1, 2015)	
SP-39X	Email string between Staff, Washington Movers Conference, and United Moving (Oct. 23 - Nov. 2, 2015)	
SP-40X	Email string between Staff and Washington Movers Conference (Oct. 27 - Nov. 4, 2015)	
SP-41X	Email string between Staff, Washington Movers Conference, and United Moving (Dec. 11, 2015 - July 29, 2016)	
SP-42X	Email string between Staff and Washington Movers Conference (Jan. 11, 2016)	
SP-43X	Email string between Staff and Washington Movers Conference (March 18, 2016)	
SP-44X	Order 01 in Docket TV-160432 and Tariff 15-C provisions (redlined and final)	
MD-2X	Email from Michael Dotson to Armikka Bryant (Sept. 5, 2018)	

1 OLYMPIA, WASHINGTON; DECEMBER 19, 208

2 1:19 P.M.

3 P R O C E E D I N G S

4
5 JUDGE KOPTA: All right. Let's be on the
6 record in Docket TV-180605, captioned In re Dolly
7 Application for Permit for short purposes.

8 I'm Gregory J. Kopta, the administrative law
9 judge who will be presiding in this matter along with
10 the Commissioners who will join us shortly.

11 As an initial matter, the parties have
12 stipulated to the admission of the exhibits to be part
13 of the evidentiary record, and I will identify them now.
14 They are Exhibits MH-1T through MH-13X; Exhibit RL-1T;
15 Exhibits KS-1T through KS-7; Exhibits SP-1T through
16 SP-36; and Exhibit MD-1T. And all of those exhibits are
17 admitted into the record.

18 (Exhibits MH-1T through MH-13X;
19 Exhibit RL-1T; Exhibits KS-1T through
20 KS-7; Exhibits SP-1T through SP-36;
21 and Exhibit MD-1T admitted.)

22 JUDGE KOPTA: Are there any other matters
23 that we need to address before the Commissioners join
24 us?

25 MR. BRYANT: Yes, there's just one

1 correction to Mr. Howell's testimony. Should we do that
2 on the record when the Commissioners are in the room?

3 JUDGE KOPTA: Yes, I think so, before he's
4 subject to cross-examination. Is it a substantive
5 correction or is it a typographical error?

6 MR. BRYANT: It's -- provides more detail to
7 the question -- to the answer that was given.

8 JUDGE KOPTA: Okay. Well, then we can do it
9 on the record. I was just going to say, if it's a
10 typographical error, then we can do it administratively,
11 but if not, we can do it on the stand.

12 All right, then. Let's be off the record.

13 (A break was taken from
14 1:21 p.m. to 1:31 p.m.)

15 JUDGE KOPTA: All right. Let's be back on
16 the record. I am joined on the bench by Chairman Danner
17 and Commissioners Rendahl and Balasbas. We have already
18 admitted the exhibits, and so at this point, I will ask
19 for appearances of the parties beginning with the
20 Company.

21 MR. BRYANT: Armikka Bryant, director of
22 legal and government affairs for Dolly.

23 JUDGE KOPTA: And for Staff?

24 MR. ROBERSON: Jeff Roberson, Assistant
25 Attorney General for Staff. With me at counsel table is

EXAMINATION OF LAZAR / ROBERSON

1 Ms. Susie Paul, who was the investigator on this matter.

2 JUDGE KOPTA: All right. Thank you. And we
3 are prepared for cross-examination of the prefiled
4 testimony, I believe beginning with Ms. Lazar.

5 Would you stand and raise your right hand,
6 please?

7
8 RACHEL LAZAR, witness herein, having been
9 first duly sworn on oath,
10 was examined and testified
11 as follows:

12
13 JUDGE KOPTA: You may be seated.
14 Are there any corrections of this witness's
15 testimony?

16 MR. BRYANT: No, there are not.

17 JUDGE KOPTA: Then I believe she's available
18 for cross-examination.

19 MR. BRYANT: Yeah.

20 JUDGE KOPTA: Mr. Roberson.

21
22 E X A M I N A T I O N

23 BY MR. ROBERSON:

24 Q. Good afternoon, Ms. Lazar. Can you turn to
25 page -- the paragraph spanning pages 3 and 4 of your

EXAMINATION OF LAZAR / ROBERSON

1 testimony?

2 **A. Yes.**

3 Q. There you testified that a company can't limit
4 who or how or where from they access a -- their website,
5 correct?

6 **A. Correct.**

7 Q. But a company could readily post a disclaimer
8 saying that it doesn't offer certain services where it
9 can't do so, correct?

10 **A. Sure, correct.**

11 Q. And if it did that, it would need to take its
12 complete website down, correct?

13 **A. That assumes that people read, which we know**
14 **from digital marketing that -- that they often don't.**
15 **They cruise through the site. So it wouldn't**
16 **necessarily mean that people wouldn't go through the**
17 **experience.**

18 **JUDGE KOPTA: Would you make sure that your**
19 **microphone is on and that you're right up next to it?**

20 THE WITNESS: Yeah, do I need to press this
21 button?

22 JUDGE KOPTA: It should be the red light
23 on --

24 THE WITNESS: There's no red light on.

25 JUDGE KOPTA: -- is when the mic is on.

EXAMINATION OF LAZAR / ROBERSON

1 THE WITNESS: Is that better? Okay.

2 JUDGE KOPTA: Yes, much better. Thank you.

3 BY MR. ROBERSON:

4 Q. Okay. So if I understand that answer, and
5 people aren't really reading, what are they looking at
6 when they go to a website?

7 **A. They're typically not spending a whole lot of**
8 **time, but going through and cruising through. So I**
9 **suppose you could have a disclaimer for -- for**
10 **locations, but the website could be served to anybody.**

11 Q. But the disclaimer would be served to everyone
12 too, right?

13 **A. Correct.**

14 Q. Okay. Do you know if Dolly ever posted a
15 disclaimer on any of its websites?

16 **A. I don't know.**

17 MR. ROBERSON: That's all I have.

18 JUDGE KOPTA: All right. Any questions from
19 the Commissioners?

20 Okay. Any redirect?

21 MR. BRYANT: No redirect.

22 JUDGE KOPTA: Thank you, Ms. Lazar. We
23 appreciate your testimony. You're excused.

24 Call your witness, next witness.

25 MR. BRYANT: Michael Howell.

1 MICHAEL HOWELL, witness herein, having been
2 first duly sworn on oath,
3 was examined and testified
4 as follows:

5
6 JUDGE KOPTA: Thank you. You may be seated.

7 And, Mr. Bryant, I believe there's a
8 correction of Mr. Howell's testimony?

9 MR. BRYANT: Yes, there is. Page 7 -- I
10 brought copies for the Commissioners as well -- lines 23
11 and 24. I believe in your copy would only be line 23.
12 The answer to the question and in the testimony is the
13 price quote is for finding the helper, is not for the
14 actual scope of work. So there's just a more detailed
15 explanation behind that answer, and I have copies. I
16 can read it into the record or just distribute the
17 copies.

18 JUDGE KOPTA: If you would just distribute
19 copies, I think that might be quickest.

20 MR. BRYANT: Okay.

21 MR. ROBERSON: Thank you.

22 COMMISSIONER BALASBAS: Thank you.

23 COMMISSIONER RENDAHL: Thank you.

24 CHAIRMAN DANNER: Thank you, sir.

25 MR. BRYANT: You're welcome.

EXAMINATION OF HOWELL / ROBERSON

1 JUDGE KOPTA: And this is, again, on which
2 lines?

3 MR. BRYANT: Line 23.

4 JUDGE KOPTA: Line 23?

5 MR. BRYANT: Yes.

6 JUDGE KOPTA: And this does not change any
7 of the other --

8 MR. BRYANT: No.

9 JUDGE KOPTA: -- lines on the other pages?

10 MR. BRYANT: Does not.

11 JUDGE KOPTA: All right.

12 MR. BRYANT: We were very deliberate to make
13 sure that did not happen.

14 JUDGE KOPTA: All right. Are there any
15 objections to this revision, Mr. Roberson?

16 MR. ROBERSON: No.

17 JUDGE KOPTA: All right. Then we'll allow
18 it, and if there are no more corrections, then
19 Mr. Howell is available for cross-examination.

20 Mr. Roberson.

21

22 EXAMINATION

23 BY MR. ROBERSON:

24 Q. Good afternoon, Mr. Howell. Could you turn to
25 pages 5 and 6 of your testimony, the paragraphs spanning

EXAMINATION OF HOWELL / ROBERSON

1 those pages?

2 **A. Okay.**

3 Q. In there, you define micro moving, correct?

4 **A. Can you be -- tell me what line you're talking**

5 **about on there?**

6 Q. Well --

7 **A. About -- in line 22?**

8 Q. Yes.

9 **A. Yes.**

10 Q. And then the definition starts there and goes on

11 to the next page, correct?

12 **A. Yep, correct.**

13 Q. Okay. So would the on-demand move of a couch

14 qualify as a micro move?

15 **A. Yes.**

16 Q. A table?

17 **A. Sure.**

18 Q. Chairs?

19 **A. Yes.**

20 Q. Just anything small that will fit in a pickup?

21 **A. Most anything.**

22 Q. Okay. Turning now to your testimony on page 9,

23 lines 11 through 14, you say that no state regulates

24 micro moving, correct?

25 **A. I believe so.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. Okay. Could you now turn to Exhibit SP-8?

2 **A. Okay.**

3 Q. This is the Commission's Order 04, Docket
4 TV-171212, correct?

5 **A. Correct.**

6 Q. Could you please turn to paragraph 26, which
7 spans pages 8 and 9.

8 **A. You said 27?**

9 Q. Paragraph 26.

10 **A. 26, okay.**

11 Q. There the Commission rejects the argument that
12 Dolly's business model is unique and falls outside the
13 scope of its jurisdiction, correct?

14 **A. Yes.**

15 Q. Would you now turn to paragraph 55 on page 17?

16 **A. Okay.**

17 Q. There the Commission finds that Dolly is a
18 household goods carrier, correct?

19 **A. You said paragraph 55 to make sure I'm tracking?**

20 Q. 55 and 56.

21 **A. 55 and 56.**

22 Q. Good catch.

23 **A. Yes.**

24 Q. And then if you look at paragraph 60 on that
25 same page, the Commission finds that Dolly essentially

EXAMINATION OF HOWELL / ROBERSON

1 is a motor carrier -- motor freight common carrier,
2 correct?

3 **A. Yes.**

4 Q. And then in paragraph 61, on page 18, the
5 Commission finds effectively that Dolly is a solid waste
6 collection company, correct?

7 **A. Correct.**

8 Q. Then if you turn to paragraph 75, on page 19,
9 there the Commission orders Dolly to get a permit before
10 it operates as any of those types of carrier, correct?

11 **A. Correct.**

12 Q. So is it possible that states regulate micro
13 moving through the statutes that regulate the transport
14 of property?

15 **A. Can you say that one more time?**

16 Q. Is it possible that states like Washington
17 regulate micro moving through statutes that regulate the
18 transport of certain kinds of property?

19 **A. It's possible.**

20 Q. Isn't that what Order 04 says?

21 **A. I don't know if it says it specifically about
22 micro moving, but in terms of the transportation of
23 property, yes.**

24 Q. Okay. So getting back to the example that we
25 opened with, you say that the transport of a couch is a

EXAMINATION OF HOWELL / ROBERSON

1 micro move, correct?

2 **A. I think you need to be more specific, but yes.**

3 Q. The on-demand movement of a couch is a micro
4 move, correct?

5 **A. Yes.**

6 Q. And Order 04 says that that's also the transport
7 of a household good, correct?

8 **A. Correct.**

9 Q. And so a company that is a micro mover that does
10 that kind of operations is a household goods carrier,
11 correct?

12 **A. Correct, I -- I -- can I add one thing to that?**

13 Q. By all means.

14 **A. We don't do the transportation of it but the
15 transportation of the -- of the items, yes.**

16 Q. Okay. And I think we'll talk about that a
17 little later.

18 **A. Okay.**

19 Q. Could you turn to page 5 of your testimony?
20 Between lines 15 and 17 you state that Dolly operates in
21 I think it's eight jurisdictions; is that correct?

22 **A. Correct.**

23 Q. Okay. Given the discussion that we just had, is
24 it possible that any of those jurisdictions regulate
25 Dolly's operations through statutes regulating the

EXAMINATION OF HOWELL / ROBERSON

1 transport of property?

2 **A. It is possible.**

3 Q. Okay. If you then turn to page 9 of your
4 testimony, on lines 17 and 18 -- sorry, on line 21 you
5 say that states that do not recognize household goods
6 brokers, no state that does not recognize household
7 goods brokers has initiated administrative proceedings
8 against Dolly, correct?

9 **A. Correct.**

10 Q. Have any of the states that do recognize
11 household goods brokers initiated administrative
12 proceedings against Dolly?

13 **A. Not to my knowledge.**

14 Q. Okay. If you then turn to the next page, page
15 10, lines 11 through 12, and here you say that no state
16 has initiated proceedings, but the City of Chicago has
17 done so, correct?

18 **A. No, that's not correct. They have initiated
19 proceedings against helpers, but not Dolly.**

20 Q. Okay. And in the next Q and A, you clarify,
21 you're very specific, those states have all -- well, any
22 state -- no state has -- has done anything against
23 Dolly, but in Illinois, Chicago has cited the helpers
24 but not Dolly itself, correct?

25 **A. Correct.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. Okay. Could you please turn to Exhibit MH-4X?

2 **A. Yes.**

3 Q. This is a letter to Dolly, correct?

4 **A. Correct.**

5 Q. And at the top it says "State of Illinois"?

6 **A. Correct.**

7 Q. And then below that, it's the Illinois Commerce
8 Commission, correct?

9 **A. Correct.**

10 Q. So this is a letter from the state of Illinois
11 or one of its administrative agencies?

12 **A. Correct.**

13 Q. Okay. Now, in the second paragraph, Illinois
14 alerts Dolly to the fact that the transportation of
15 household goods is regulated by state law, correct?

16 **A. Correct.**

17 Q. And then in the next paragraph, they also
18 acknowledge -- or they also alert Dolly to the fact that
19 brokering is regulated by state law, correct?

20 **A. Correct.**

21 Q. Okay. If you turn to the next page, they
22 indicate that they have evidence that Dolly's engaging
23 in jurisdictional activities and they order the company
24 to cease and desist, correct?

25 **A. Correct.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. Okay. Would you please turn to Exhibit MH-5X?

2 **A. Okay.**

3 Q. This is an administrative citation by the
4 Illinois Commerce Commission, correct?

5 **A. Correct.**

6 Q. And the carrier's listed as Dolly LLC, correct?

7 **A. Correct.**

8 Q. And when it comes to driver or vehicle, there's
9 none listed, correct?

10 **A. Yes.**

11 Q. Okay. Now, in the remarks, the officer
12 indicated that this is a citation issued for unlawful
13 brokering, correct?

14 **A. Correct.**

15 Q. Okay. So this citation was not issued by the
16 city of Chicago, correct?

17 **A. Correct.**

18 Q. And the citation was issued to Dolly, correct?

19 **A. It appears to be, but I will make clear, we have**
20 **never -- we never received this and I never saw until**
21 **these documents arrived. The address to which it was**
22 **addressed was not our address. This has never been --**
23 **I've never seen this before two days before this.**

24 Q. Is it possible that Dolly appealed this?

25 **A. Not to my knowledge.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. Okay. Let's turn to Exhibit 6X. This is
2 another administrative citation issued by the ICC,
3 correct?

4 **A. Correct.**

5 Q. And this is one issued to Dolly, correct?

6 **A. Correct.**

7 Q. And this is for advertising violations, correct?

8 **A. Yes.**

9 Q. Okay. Again, this is by the ICC, not the city
10 of Chicago, correct?

11 **A. Correct.**

12 Q. And there's no driver or helper listed, correct?

13 **A. Yes.**

14 Q. It's issued to Dolly?

15 **A. Yep.**

16 Q. Okay. Please turn to Exhibit 7X.

17 **A. Jeff, can I say, this is the same thing for this**
18 **one. This was not ever something that I had seen before**
19 **my testimony.**

20 Q. Okay.

21 **A. You had said 6X?**

22 Q. Well, actually before we move on, so you've
23 never seen this?

24 **A. Never.**

25 Q. So Dolly never appealed this?

EXAMINATION OF HOWELL / ROBERSON

1 **A. Not to my knowledge.**

2 Q. Okay. If you go to, yeah, 6X. Sorry, 7X, 7X.

3 **A. Okay.**

4 Q. Once again, this is an administrative citation,
5 correct?

6 **A. Correct.**

7 Q. Issued by the ICC, not the city of Chicago?

8 **A. Correct.**

9 Q. And it's issued to Dolly?

10 **A. It is issued to the driver who improperly stated**
11 **he worked for Dolly.**

12 Q. Well, it says, "Carrier, Dolly, Inc.," correct?

13 **A. Sure.**

14 Q. And the address listed is Dolly's current
15 address, correct?

16 **A. It is.**

17 Q. Okay. Is it possible you've seen this one
18 before?

19 **A. Yes.**

20 Q. Okay. Now, down in the remarks, it has, (as
21 read) operating without household goods license,
22 correct?

23 **A. Correct.**

24 Q. Okay. So the carrier cited in this was Dolly,
25 and it was cited for operating without household goods

EXAMINATION OF HOWELL / ROBERSON

1 authority, correct?

2 **A. Yes.**

3 Q. And so when Illinois wants to cite Dolly for
4 unlawful brokering, it does, correct? That's the first
5 citation?

6 **A. I hadn't seen that before, but that's what that
7 piece of paper says.**

8 Q. Okay. And this one says, (as read) When I want
9 to cite Dolly for unlawful transport of household goods,
10 it does that, correct?

11 **A. Incorrect because this person does not work for
12 Dolly.**

13 Q. Okay. Let's flip to Exhibit 8X. This is a stop
14 report from the ICC, correct?

15 **A. Yes.**

16 Q. And it's the stop report for the -- it's the
17 stop that underlies the violation in MH-7X, correct?

18 **A. I believe so.**

19 Q. Okay. Then at the very bottom it says, the
20 officer says, (as read) I've issued Dolly, Inc. an
21 administrative citation for no household goods authority
22 addressed at their Seattle, Washington, headquarters,
23 correct?

24 **A. Correct.**

25 Q. So the officer cited Dolly, not the helper,

EXAMINATION OF HOWELL / ROBERSON

1 correct?

2 **A. Yes.**

3 Q. So Dolly's been cited by the state of Illinois,

4 correct?

5 **A. In my testimony, the point that I was making was**

6 **this person didn't work for Dolly, so thereby I didn't**

7 **believe that Dolly had actually been cited.**

8 Q. Okay. And I guess objectively, irrespective of

9 your belief, Illinois cited Dolly, correct?

10 **A. I suppose you could say that.**

11 Q. Okay. One other set of questions about this.

12 Are you aware that in the classification

13 proceeding, TV-171212, Mr. Shawver testified that

14 Illinois had cited Dolly?

15 **A. Not.**

16 Q. You're not, okay. Then let's move on.

17 Could you go back to your testimony, and I'm

18 interested in page 10.

19 **A. Okay.**

20 Q. In the paragraph spanning pages 10 and 11, you

21 talk about the importance of regulatory compliance to

22 Dolly, correct?

23 **A. Correct.**

24 Q. But at least Exhibits MH-4X through 7X suggest

25 that after Dolly received a cease and desist order, it

EXAMINATION OF HOWELL / ROBERSON

1 got three citations, correct?

2 **A. Two of which I never saw, one of which wasn't to**
3 **us, but to one of our helpers, and the first of which we**
4 **responded to proactively and had conversations and still**
5 **have conversations with Illinois.**

6 Q. Okay. But just to be clear, Exhibit 7X -- or
7 sorry, 8X, the stop report says the citation was not to
8 the helper, it was to Dolly, correct?

9 **A. Correct.**

10 Q. Okay. Okay. Back to page -- the top of page
11 10, you talk about applying for permits in other states.
12 You've applied in I believe you said California and
13 Pennsylvania, correct?

14 **A. Correct.**

15 Q. When did you apply for those permits?

16 **A. I don't have the dates of those applications.**

17 Q. Has either state granted the permit?

18 **A. Not to my knowledge.**

19 Q. Has it been a short time?

20 **A. Relatively short time.**

21 Q. Months?

22 **A. Yes.**

23 Q. Okay. Okay. I would like to move back to page
24 6 of your testimony, and in the large paragraph spanning
25 lines 4 through 16 you talk about Dolly's helpers and

EXAMINATION OF HOWELL / ROBERSON

1 how they become, I guess, accredited on Dolly's
2 platform, correct?

3 **A. Correct.**

4 Q. Okay. And here you testify that they need to do
5 three things, which is pass a background check, have a
6 verified safe vehicle, and have insurance protection,
7 correct?

8 **A. There is an application and there's photos and
9 other things, but would you like me to be more specific?**

10 Q. Do those just go to the background check -- are
11 these the three major things -- I guess I do have that
12 question. What else do people have to do to get
13 accredited?

14 **A. Yeah, here, just to make sure I'm being
15 comprehensive, I have a list for you. So they fill out
16 an application, they pick photos of themselves, they --
17 photo of their license, they provide photos of insurance
18 and photos of vehicle, they clear a background check,
19 they clear --**

20 **JUDGE KOPTA: Mr. Howell, could you just
21 slow down a little bit --**

22 THE WITNESS: Oh, sorry.

23 JUDGE KOPTA: -- for our court reporter.

24 THE WITNESS: Yeah. I'm sorry. I'll start
25 that over.

EXAMINATION OF HOWELL / ROBERSON

1 **A. They fill out an online application, they**
2 **provide photos of themselves and their vehicles, they**
3 **provide a photo of their government-issued driver's**
4 **license, they provide a photo of their insurance, latest**
5 **insurance registration, they do go through a background**
6 **check, they do go through a motor vehicle records check,**
7 **they complete a short online training program, and then**
8 **they sign their terms of service with us.**

9 BY MR. ROBERSON:

10 Q. Okay. And if you could turn to Exhibit 9X, page
11 7, this is another list of the requirements, correct?

12 **A. 9X, page 7. I'm not sure I have that with what**
13 **the changes that were just made. Can you tell me what's**
14 **on that page?**

15 Q. This is I think Dolly's to become a Dolly's
16 helper, the tab on your website.

17 **A. Okay. And then page -- these are not marked.**
18 **Oh, there they are, sorry. Okay.**

19 Q. Top of the page says, (as read) Dolly
20 Assistance, someone who is already a helper if that
21 helps.

22 **A. Yes.**

23 Q. So --

24 **A. And your question was, Jeff? Sorry.**

25 Q. Right below that paragraph --

EXAMINATION OF HOWELL / ROBERSON

1 **A. Yep.**

2 Q. -- (as read) What are the requirements to be a
3 Dolly helper or hand, that's -- these are the
4 requirements, correct?

5 **A. Correct.**

6 Q. Okay. I notice in neither your testimony nor
7 here do you require a Commission permit or certificate;
8 is that correct?

9 **A. That is correct.**

10 Q. Okay.

11 **A. I will say, can I modi- -- add that --**

12 Q. Please.

13 **A. -- as part of our agreement in terms of service**
14 **with them, they are required to have all permits and**
15 **licensing needed to provide whatever services they**
16 **volunteer to provide on the platform.**

17 Q. And that's -- you're not entering that into
18 evidence?

19 **A. Our helper terms of service?**

20 Q. Yeah.

21 **A. No, they're available on the website.**

22 Q. Should they be available here? I mean, this
23 is -- this is the tab of the website for the helpers,
24 correct?

25 **A. This is. They -- there is a link to our -- our**

EXAMINATION OF HOWELL / ROBERSON

1 helper terms of service.

2 Q. Okay. So you're -- but you don't tell them up
3 front that to become a helper, they need to get
4 accredited, correct?

5 **A. Do we say that? We require them to have all**
6 **permits.**

7 Q. It's not in the requirements here, correct?

8 **A. It is not -- it is not listed here, correct.**

9 Q. Okay. Do you check to make sure they have
10 permits?

11 **A. We don't.**

12 Q. Okay. So do you know how many of your helpers
13 have permits?

14 **A. I can't say.**

15 Q. Do you know if any of your helpers have permits?

16 **A. I also can't say.**

17 Q. Okay. So it's possible that ever since Dolly
18 started operating in Washington, it's been using
19 unpermitted helpers to perform household goods moves?

20 **A. It is possible.**

21 Q. And that possibility extends to like right how?

22 **A. It is possible.**

23 Q. Okay. Moving back to your testimony, again,
24 that same paragraph on page 6, you talk about the
25 background checks. I'm curious, from what I understand,

EXAMINATION OF HOWELL / ROBERSON

1 Dolly performs a background check looking for criminal
2 convictions in the county of residents, correct?

3 **A. Also nationwide.**

4 Q. You do do nationwide?

5 **A. Correct.**

6 Q. Okay. Then we can move on.

7 I would like to talk about how you ensure
8 vehicle safety. You testify that Dolly verifies a
9 vehicle is safe by looking at its current registration
10 and reviewing photos; is that correct?

11 **A. That's correct.**

12 Q. Okay. So how does Dolly verify that the photo
13 is a current photo or an accurate representation of the
14 vehicle?

15 **A. We can't verify in the moment. We use feedback
16 looped from the platform to ask people if these are the
17 vehicles that arrived.**

18 Q. Okay. Now, when Dolly looks at these photos, it
19 doesn't require photos of things like the brake pads or
20 the brakes or the tires, correct?

21 **A. It doesn't today.**

22 Q. Okay. And so if we turn to Exhibit 10X, this is
23 an example of Dolly's vehicle inspection program,
24 correct?

25 **A. No, it's not.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. It's not?

2 **A. It isn't.**

3 Q. Okay. So it looks to me like someone posed, (as
4 read) I have a 99 Ford van that runs and drives. Can I
5 use it for Dolly in Chicago?

6 And a Dolly employee says, (as read) Looks
7 great. Isn't that what you're talking about in
8 paragraph 6?

9 **A. It is, but this isn't the application process.**
10 **There's far more photos that are more detailed than just**
11 **a scan from far away.**

12 Q. Okay. So what photos are required?

13 **A. Photos from every angle of the vehicle.**

14 Q. Are you looking at the undercarriage?

15 **A. We're not.**

16 Q. Are you looking inside to look at the engine?

17 **A. No, our experience has been in that there is a**
18 **very strong correlation between the photos of the**
19 **external maintenance and how it's maintained and how the**
20 **vehicle is generally maintained internally.**

21 Q. Okay. But you're never actually physically
22 inspecting the vehicle?

23 **A. That is correct.**

24 Q. Okay. I would like to talk about insurance,
25 which is -- also you discuss on page 6.

EXAMINATION OF HOWELL / ROBERSON

1 So you require helpers to have insurance,
2 correct?

3 **A. That is correct.**

4 Q. But you testify that Dolly maintains its own
5 coverage, correct?

6 **A. Also correct.**

7 Q. Is that because a lot of personal vehicle
8 policies don't cover business activities?

9 **A. No, it's because sometimes insurance that**
10 **helpers carry isn't sufficient to make sure that**
11 **customers are covered, and so we stand behind all of**
12 **those transactions with our own insurance policies.**

13 Q. But if you're -- as part of accrediting your
14 helpers, you're making sure that they have adequate
15 insurance, why would Dolly need its own insurance, I
16 guess?

17 **A. The -- the requirements for what insurance**
18 **helpers need to have is dictated by the State. We**
19 **require State minimums and sometimes those minimums**
20 **aren't enough.**

21 Q. Okay. So Dolly provides insurance in excess of
22 what...

23 **A. Correct.**

24 Q. Okay. How often does Dolly's -- does Dolly have
25 to tender a claim to its providers? Like how often are

EXAMINATION OF HOWELL / ROBERSON

1 the helpers' insurance short?

2 **A. I'm trying to think. We've done a claim through**
3 **our insurance probably -- we've done about 200,000**
4 **Dollys, and I can think of five to ten where we have**
5 **used our insurance company.**

6 Q. Okay. Let's talk about your operations, which
7 is the testimony that starts -- it's mostly page 7 and a
8 little bit of page 8, I think.

9 So on the first paragraph of page 7, basically a
10 customer who wants to use Dolly provides Dolly with
11 certain information, correct?

12 **A. Correct.**

13 Q. And then Dolly generates a price quote, correct?

14 **A. Correct.**

15 Q. And that price quote is guaranteed?

16 **A. Correct.**

17 Q. And if the customer accepts it, then it's sent
18 out to the helpers, correct?

19 **A. Correct.**

20 Q. So a customer has a guaranteed price quote
21 before the helpers are even involved, correct?

22 **A. Correct.**

23 Q. So what happens to the customers' guarantee if
24 no helper will accept it, the job?

25 **A. That's not happened.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. Why has that not happened?

2 **A. Because helpers have always accepted the --**

3 Q. At the -- at the exact price that Dolly bids it
4 out at?

5 **A. Yes.**

6 Q. Interesting.

7 So you've never had to modify any kinds of
8 payment terms to induce helpers to move loads?

9 **A. The modifications that get done get done when a
10 helper arrives or a customer can change the quote and
11 get it relisted.**

12 Q. Okay. If we turn to Exhibit SP-27, well,
13 actually, this is -- my notes are a little bit messy
14 because you corrected your testimony. So Dolly sends
15 the customer a price quote and you're no longer claiming
16 the price quote is just Dolly service, correct?

17 **A. I'm sorry, say that again.**

18 Q. So in your original testimony, you testified
19 that the quote provided to --

20 MR. BRYANT: I'm going to object. The
21 testimony's been corrected on the record.

22 MR. ROBERSON: I'm just trying to clarify
23 what he's saying.

24 JUDGE KOPTA: Overruled.

25 MR. BRYANT: What he's saying is in the

EXAMINATION OF HOWELL / ROBERSON

1 testimony.

2 JUDGE KOPTA: Let's -- because it was
3 corrected today, I will allow him to --

4 MR. BRYANT: Okay.

5 BY MR. ROBERSON:

6 Q. So originally you testified that the price quote
7 was just for Dolly's service in finding the helper, but
8 that's no longer true, right? You're saying the price
9 quote includes everything?

10 **A. Correct.**

11 Q. Okay. So customers are paying Dolly for the
12 transport of household goods, correct?

13 **A. It depends on what the -- nature of what the
14 customer's trying to get done --**

15 Q. Say a customer wants to move a couch.

16 **A. Sure.**

17 Q. He would pay Dolly or she would pay Dolly for
18 everything involved, which is whatever Dolly does plus
19 the actual transport of the goods?

20 **A. With the exception of any sort of tips.**

21 Q. Okay. And that payment goes to Dolly?

22 **A. That payment goes to Dolly.**

23 Q. Okay. Okay. Back to page 7 of your testimony,
24 between lines 12 and through 14 you testify that Dolly
25 does not enter into agreements with customers or helpers

EXAMINATION OF HOWELL / ROBERSON

1 to perform micro moves, correct?

2 **A. That's correct.**

3 Q. Does Dolly enter into agreements with customers
4 to perform household goods transport?

5 **A. No.**

6 Q. Did the Commission find that it does in Order
7 04?

8 **A. You'd have to redirect me to that.**

9 Q. Okay. Could you go back to Exhibit SP-8.

10 **A. And, Jeff, to be clear, did I understand your**
11 **question, did you ask if the Commission says we enter**
12 **into agreements?**

13 Q. To transport household goods.

14 **A. Okay. Please -- please show me where that was.**

15 Q. Let's try...

16 **A. What exhibit are we in if you could remind me?**

17 Q. SP-8.

18 **A. SP-8.**

19 Q. Paragraph 18 on page 5, there the Commission
20 states that, quote, Based on this business model,
21 corrected Order 02 found that Dolly unquestionably met
22 the statutory definitions of households goods carrier,
23 common carrier, and solid waste hauler because, dot,
24 dot, dot, Sub 2. Enters into agreement to transport
25 household goods for compensation in the state of

EXAMINATION OF HOWELL / ROBERSON

1 Washington as indicated in -- in its terms of service.

2 **A. We don't indicate that in our terms of service,**
3 **but they did find that.**

4 Q. Okay. Fair enough. Let's talk about your
5 testimony on page 8.

6 You testified that basically that the -- or the
7 Commission has only ever received one customer complaint
8 about Dolly, correct?

9 **A. Yes.**

10 Q. Does Dolly inform its customers that the
11 Commission regulates it?

12 **A. No.**

13 Q. So customers might not know to bring complaints
14 to the Commission, correct?

15 **A. Well, we do have the policy, that is, within the**
16 **ten days, we notify people they can make a complaint to**
17 **the UTC.**

18 Q. When did you implement that policy?

19 **A. I don't have the exact date for that.**

20 Q. Okay. So are you implying in your testimony
21 here that Dolly never receives complaints?

22 **A. No.**

23 Q. Are you aware of complaints?

24 **A. Yes.**

25 Q. Fair enough. I'd like to talk about your

EXAMINATION OF HOWELL / ROBERSON

1 testimony about the history of Dolly's relationship with
2 the Commission, which starts on page 11.

3 So you talk about your discussions with Sharon
4 Wallace, correct?

5 **A. Yes.**

6 Q. But you acknowledge that you never directly
7 asked the Commission whether or not Dolly services were
8 jurisdictional?

9 **A. I didn't need to because she offered to me that
10 they weren't.**

11 Q. Okay. Did you ever ask for guidance or ruling
12 from the Commission?

13 **A. I didn't need to because offered to me -- I
14 mean, when I -- I was down here twice, Jeff. We took
15 her through a business model in detail, and she offered
16 you are outside of the jurisdiction. So I'm -- I didn't
17 feel like I need to.**

18 Q. Did Ms. Wallace tell you that she didn't speak
19 for the Commission?

20 **A. She didn't.**

21 Q. Okay. Were you represented by counsel at the
22 time?

23 **A. We were not. Or we had counsel, but they
24 weren't in the room per se.**

25 Q. And without getting any of your communications

EXAMINATION OF HOWELL / ROBERSON

1 with counsel, that's Perkins Coie?

2 **A. Correct.**

3 Q. Okay. Okay. In the last paragraph on page 12,
4 you talk about a conversation with Ms. Paul.

5 **A. That's correct.**

6 Q. Okay. In that conversation, did Ms. Paul tell
7 you that the decision whether or not to grant a permit
8 to Dolly wasn't up to her?

9 **A. Perhaps.**

10 Q. And did Ms. Paul tell you that the problem with
11 Dolly's business model wasn't that it employed
12 independent contractors, but that it employed
13 unpermitted independent contractors?

14 **A. I think she said both.**

15 Q. Okay. And Ms. Paul provided you with technical
16 assistance about changes that Dolly could make to its
17 business model that would improve its chances of getting
18 a permit, correct?

19 **A. There weren't really any changes we could make
20 other -- to make the -- the business work.**

21 Q. She suggested some, though, correct?

22 **A. I don't -- what were they?**

23 Q. I wasn't there. I don't know.

24 **A. I -- that was three years ago. I'm not sure.**

25 Q. So it's fair to say you don't recall whether or

EXAMINATION OF HOWELL / ROBERSON

1 not -- the changes she specifically suggested?

2 **A. I'm not sure if there were any, that's correct.**

3 Q. Okay. Did you conclude that meeting by telling
4 Ms. Paul that if the problem was unpermitted helpers,
5 Dolly would just flood the Commission with applications?

6 **A. I don't think it was said in that way. The**
7 **description was we wanted to work together to make sure**
8 **that wouldn't happen, and so one of the ways that we**
9 **could design regulation that was appropriate and that we**
10 **could tackle together so that you didn't have hundreds**
11 **of people applying to be household goods movers.**

12 Q. Okay. You also talk about an email from Staff
13 counsel in that same paragraph at the bottom of page 12,
14 correct?

15 **A. Yes.**

16 Q. Okay. And can we turn to that email right now,
17 which is Exhibit MH-2. I'm looking at the
18 second-to-last sentence, which says, (as read) I can't
19 give you legal advice, correct?

20 **A. Yes.**

21 Q. So there's no real recommendation from Staff
22 here, correct?

23 **A. Okay.**

24 Q. And it doesn't tell Dolly that they need an
25 exemption or exemptions, it just says that it looks like

EXAMINATION OF HOWELL / ROBERSON

1 they need exemptions, correct?

2 **A. It does say that.**

3 Q. Okay. The things that Dolly applied for
4 exemptions from were things like insurance requirements,
5 the applicability of the tariff, stuff like that,
6 correct?

7 **A. I think amongst others, yes.**

8 Q. Okay. Does Washington define what makes someone
9 a household goods carrier by those provisions?

10 **A. I'm not sure. I think there is multiple things**
11 **they use to define. I know things that we have had lots**
12 **of conversation of have been advertising, but I think**
13 **those are probably components of them, yes.**

14 Q. Whether or not you charge a tariff rate goes to
15 your advertising?

16 **A. Oh, no, but I think advertising is part of**
17 **whether you're considered a household goods mover or**
18 **not.**

19 Q. Soliciting, offering, entering into
20 agreements --

21 **A. Correct.**

22 Q. -- those type of things?

23 None of those hinge on whether or not you're
24 charging a tariff rate, correct?

25 **A. I don't believe so.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. Okay. Is it your understanding that an
2 exemption makes otherwise applicable rules inapplicable?

3 **A. I think an exemption for us is looking at the**
4 **rules and saying it's -- those rules don't make sense to**
5 **what we are doing, you can't apply them. An example**
6 **would be we can't provide a DOT number on our**
7 **application because we own no trucks. We need an**
8 **exemption from that.**

9 Q. So you would want an exemption from an otherwise
10 applicable rule so that you didn't have to display a DOT
11 number?

12 **A. We don't have a truck to display it on. I can't**
13 **go get a DOT number --**

14 Q. I guess my -- my question is, why would you need
15 an exemption if you're not a household goods carrier?

16 **A. Because I think you guys are saying we are.**

17 Q. Is it fair to say that the Commission has said
18 that you are?

19 **A. I think so.**

20 Q. Okay. You testified about the application
21 process starting two-thirds of the way down on page 13,
22 and I'm paraphrasing here, but Dolly's understanding is
23 that anyone who applies for a permit gets a provisional
24 permit, correct?

25 **A. That is correct.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. Okay. And you understand that anyone with such
2 a permit has all the rights of a fully permitted carrier
3 with permitted authority?

4 **A. Yes.**

5 Q. They can go into people's houses, they can take
6 their stuff?

7 **A. Yes.**

8 Q. So under Dolly's understanding, someone with
9 multiple recent convictions for theft would be entitled
10 to a provisional permit, correct?

11 **A. I'm sorry, can you repeat that?**

12 Q. Under Dolly's understanding, someone with
13 multiple recent convictions for theft would be entitled
14 to a provisional permit, correct?

15 **A. I don't follow.**

16 Q. Well, you just said anyone who applies gets a
17 provisional permit, correct?

18 **A. Okay.**

19 Q. So say an applicant has multiple recent
20 convictions for theft and applies, they would
21 automatically receive provisional authority, correct?

22 **A. And under that logic, I suppose so.**

23 Q. Should that person get permit auth- -- or
24 provisional authority?

25 **A. That's not for me to determine.**

EXAMINATION OF HOWELL / ROBERSON

1 Q. Okay. And that goes with any number of -- well,
2 not just criminals, but say someone has multiple
3 judgments for violations of the Consumer Protection Act,
4 would they also be entitled to a permit?

5 **A. Under the logic you presented, I think you're**
6 **saying yes.**

7 Q. That's your logic, though, correct?

8 **A. No, it's yours.**

9 Q. Is that not your testimony?

10 MR. BRYANT: Where is counsel reading from?

11 THE WITNESS: Yeah, can I --

12 MR. ROBERSON: Page 13, line 16 through 21.

13 **A. Where does it say the stuff you had just**
14 **offered?**

15 BY MR. ROBERSON:

16 Q. Well, (as read) It appears -- this is your
17 testimony --

18 **A. Yeah, it appears --**

19 Q. (As read) It appears that an applicant for a
20 household goods carrier permit receives a provisional
21 permit and then is on a six-month probationary period.

22 **A. Okay.**

23 Q. I read that to mean your understanding is,
24 anyone who applies automatically gets provisional
25 authority?

EXAMINATION OF HOWELL / ROBERSON

1 **A. Where does it say that?**

2 Q. Okay. Under what circumstances would your
3 testimony not be accurate?

4 **A. My testimony --**

5 Q. When --

6 **A. -- is accurate --**

7 Q. When would -- when would a permit applicant not
8 receive pro- -- provisional authority?

9 **A. That's not for me to determine, Jeff. I don't**
10 **know how to even answer that.**

11 Q. Fair enough.

12 Page 15 of your testimony, page -- or lines 4
13 through 5, the quote is, (as read) Other than that, we
14 have always worked towards the UTC's interest of
15 regulating us, correct?

16 **A. That's correct.**

17 Q. And then there's some bullet points. The first
18 is, (as read) Dolly petitioned the UTC to adopt rules to
19 regulate Dolly, correct?

20 **A. Correct.**

21 Q. And that assumes that none existed already,
22 correct?

23 **A. Correct.**

24 Q. The next is, you hired a lobbying firm to
25 attempt to pass legislation giving the UTC legal

EXAMINATION OF HOWELL / BRYANT

1 authority to regulate Dolly, correct?

2 **A. Correct.**

3 Q. Again, that assumes that there is no such
4 authority existing already, correct?

5 **A. Sure.**

6 Q. And the same is true of the last bullet which
7 is, (as read) Dolly made formal recommendation to the
8 legislature?

9 **A. Correct.**

10 Q. Okay.

11 MR. ROBERSON: I think I have nothing
12 further.

13 JUDGE KOPTA: All right. Thank you,
14 Mr. Roberson.

15 Mr. Bryant, do you have redirect?

16 MR. BRYANT: Yes, I do.

17

18 EXAMINATION

19 BY MR. BRYANT:

20 Q. Okay. Mr. Howell, Mr. Roberson asked you
21 questions concerning Dolly's business model; do you
22 recall that line of questioning?

23 **A. I think so.**

24 Q. Specifically the micro move?

25 **A. Yes.**

EXAMINATION OF HOWELL / BRYANT

1 Q. He asked you if other states recognized or
2 regulate micro moves; do you recall that?

3 **A. Yes.**

4 Q. And you also stated that you have had
5 conversations, and you say that in your testimony as
6 well, with other states regarding Dolly's business model
7 of micro moves?

8 **A. Correct.**

9 Q. Could you tell us -- could you explain all that,
10 please?

11 **A. This is true of most of the markets that we**
12 **operate in. We have -- it's true of Illinois certainly.**
13 **We have -- anytime someone has reached out to us,**
14 **proactively responded and had conversations with them**
15 **about exactly what we do, how we do it, how it works,**
16 **and have volunteered to work with them and understand**
17 **the regulations so that we could work together to figure**
18 **out how to make the business make sense within whatever**
19 **regulatory environment existed.**

20 Q. And just for the Commissioners' sake, could you
21 be more specific about which conversations or what
22 conversations with what markets, with what states?

23 **A. Yes, specifically we've spoken with Illinois,**
24 **obviously here in Washington, California, and**
25 **Pennsylvania.**

EXAMINATION OF HOWELL / BRYANT

1 Q. Okay. Thank you.

2 And earlier Mr. Roberson asked you to look at
3 Order 04, which is SP-8; do you recall that?

4 **A. I do.**

5 Q. And specifically he pointed you to page 5,
6 paragraph 18, and he quoted language "enters into
7 agreements"?

8 **A. Yes.**

9 Q. And the Commission order found that Dolly enters
10 into agreements?

11 **A. Correct.**

12 Q. Does Dolly enter into agreements to transport
13 household goods?

14 **A. No, we're very clear about that in our consumer
15 terms of service that we specifically are not entering
16 into agreements.**

17 Q. And can you explain?

18 **A. The agreement between -- is between the helper
19 and the -- and the customer directly, and that's what we
20 make very clear in our consumer terms of service.**

21 Q. But the order here found that Dolly enters into
22 agreements. How do you think -- how do you think the
23 Commission arrived at that conclusion?

24 **A. Well, I have -- I have thought that what we
25 were -- what they were objecting to all along was our**

EXAMINATION OF HOWELL / BRYANT

1 advertising practices, not that we are entering into
2 agreements or doing the actual transport of the actual
3 items themselves.

4 Q. Why would you think that the Commission's
5 concerns with Dolly was -- were centered around
6 advertising?

7 **A. After -- after we had had the conversations that**
8 **we -- we -- Jeff had referenced as -- as it relates**
9 **Sharon Wallace, and after Sharon left and the Staff**
10 **reversed that view about us being outside of the**
11 **jurisdiction, the conversations we had were largely**
12 **oriented around the nature of our advertising and the**
13 **fact that you can be considered a household goods mover**
14 **if -- even if you're not actually handling the items and**
15 **transporting, but you are marketing and advertising for**
16 **that.**

17 **So that's why ultimately I think the penalty we**
18 **were assessed was very specifically for advertising, not**
19 **for entering in agreements or doing any transportation.**
20 **So that's why I have always thought that what -- what --**
21 **what the objection was, was around the advertising.**

22 Q. Okay. We'll come back to that, but thank you
23 for the explanation.

24 Earlier Mr. Roberson asked you about Dolly's --
25 Dolly being subject to administrative proceedings in

EXAMINATION OF HOWELL / BRYANT

1 other states; do you recall that?

2 **A. Yes.**

3 Q. And he specifically looked at MH-5X through
4 MH-8X; do you recall that?

5 **A. Yes.**

6 Q. Looking at MH-5X, is that an administrative
7 citation proceeding or is it just a citation?

8 **A. It appears to be just a citation.**

9 Q. And you stated earlier that you had never seen
10 this before a few days ago, right?

11 **A. That's correct.**

12 Q. And the same was true of MH-6X, correct?

13 **A. Also correct.**

14 Q. Okay. And in your testimony when you spoke
15 about Dolly not being subject to any administrative
16 proceedings in other states, what did you mean by that?

17 **A. My understanding is that these -- the letter
18 particularly that is from the state of Illinois and the
19 Commerce Commission, which I admitted to seeing and
20 certainly was the kick-off point for our relationship,
21 was not an administrative proceeding.**

22 Q. Such as not the proceeding that we're here today
23 for?

24 **A. Correct.**

25 Q. So you spoke earlier that Dolly has had

EXAMINATION OF HOWELL / BRYANT

1 conversations with the state of Illinois; do you -- do
2 you recall saying that?

3 **A. Yes.**

4 Q. And after that conversation, you said that the
5 state of Illinois and the city of Chicago viewed Dolly
6 differently; do you recall that?

7 **A. Yeah.**

8 Q. So since those conversations, have any -- has
9 Dolly received any citations, and if not, does Dolly
10 know of any citations that have been given?

11 **A. No.**

12 Q. To any -- to any helpers?

13 **A. As far as I know.**

14 Q. Have any helpers been cited in the state of
15 Illinois?

16 **A. Yes.**

17 Q. Okay. Not Dolly?

18 **A. Correct.**

19 Q. Okay. After your conversations with the state
20 of Illinois?

21 **A. See what the date is here.**

22 Q. Specifically, if I could, so you say -- you say
23 in your testimony that Dolly has not been cited by any
24 states, specifically after having spoken to
25 representatives from those states, but citations have

EXAMINATION OF HOWELL / BRYANT

1 still been given with respect to Dolly's business but
2 not received by Dolly, received by the helpers, correct?

3 **A. Yes.**

4 Q. Okay. Thank you.

5 Earlier Mr. Roberson asked you about whether
6 Dolly checks for applicable permits by -- that its
7 helpers may or may not hold. Can you explain your
8 answer there?

9 **A. The fact that we don't check for permits?**

10 Q. Right.

11 **A. Yeah, so the reason we don't -- it might make**
12 **sense for me to explain a little bit more about how the**
13 **business works. But quickly, consumers give us**
14 **addresses, sets of information, basically descriptions**
15 **of what it is that they are trying to achieve. We price**
16 **that and then once that gets broadcast, it goes out to**
17 **our fleet of helpers. So it's not something where we**
18 **are assigning helpers to jobs.**

19 **And so the -- part of the reason we don't verify**
20 **is, we don't know ahead of time what helpers are going**
21 **to take what jobs. And we do everything from labor-only**
22 **help to charity donations to store deliveries to**
23 **home-to-home moves and home-to-home moving help. And so**
24 **when a helper applies, I don't have any discretion over**
25 **which jobs they will or will not volunteer themselves**

EXAMINATION OF HOWELL / BRYANT

1 for and that's why we don't -- we don't know what to
2 verify for them.

3 The other thing that is complicated is from the
4 limited set of information we get from customers, we
5 don't know what the nature of those jobs always are from
6 simple items, an items list, and an address list. So
7 things could be office-to-office moves, office moving
8 help just as easily as they could be residential.

9 Q. Thank you. Thank you for that answer.

10 Earlier Mr. Roberson asked you about your -- or
11 maybe he didn't ask you the specific question, but you
12 started to describe your relationship with the
13 Commission about Dolly's business model. Is there
14 anything to that answer that you would like to add?
15 Your conversations specifically with Sharon Wallace?

16 **A. Yeah, you know, I think what we have -- what**
17 **we've always tried to make clear is that we share what I**
18 **presume to be the Commission's objective of consumer**
19 **protection, and, you know, I think at the heart of what**
20 **Dolly is, is it's a brand that we want to come to stand**
21 **for a safe, reliable, trustable brand that people come**
22 **to rely on for on-demand moving and delivery.**

23 **So we have gone to what I think are -- are --**
24 **are very great lengths to make sure that we are serving**
25 **our consumers exceptionally well.**

EXAMINATION OF HOWELL / BRYANT

1 As I said earlier, we've done 200,000 of these
2 and we have incredibly high industry leading customer
3 satisfaction, and part of the reason for that is we go
4 above and beyond both the background checks and
5 insurance requirements that I require by State
6 regulations. And it serves our interest exceptionally
7 well to make sure that every customer who uses Dolly is
8 one that is incredibly satisfied with the service,
9 otherwise we just don't have a business. And that's
10 what we started and set out to do from day one.

11 So a big part of what we've been doing is, I
12 think, taking stuff that has been frankly performed in
13 the shadow market where consumers have been going on
14 Craigslist and asking for people to help with trucks or
15 gone to their Home Depot parking lot or Nextdoor
16 community or various other online and offline venues to
17 get help with trucks. And while we are aggregating that
18 activity and certainly benefiting from that as a
19 business, we're also doing that to shed light on what I
20 think has been done in the shadow market and bring more
21 regulatory oversight into that, and it's why we've
22 wanted to partner with everybody just trying to figure
23 out how to make this work.

24 And I think if there's anything I've been proud
25 of, it is to say that this is something where we've

EXAMINATION OF HOWELL / BRYANT

1 really wanted to be a partner and sit down and say, hey,
2 this is -- you know, on behalf of all the companies that
3 do this in Washington State, and Dolly is certainly not
4 alone. So, you know, Amazon and Lugg and Pickup and
5 others provide the same set of services we do, and on
6 behalf of them, we're happy to take the lead to sit down
7 and say, look, I'd really like to figure out how to
8 bring these two things together given that it's clearly
9 a service consumers want and need.

10 Q. Thank you.

11 Earlier Mr. Roberson also asked you about your
12 conversations with Ms. Paul and statements that she made
13 to you. Specifically he suggested that she -- that she
14 suggested that Dolly change its business model, and you
15 said that that wouldn't fit what you do. Would you
16 explain why that is?

17 **A. Yeah, I think the nature of the conversation was**
18 **that, you know, it was limited to basically the only**
19 **option that we have is to become what is a traditional**
20 **moving and delivery company that owns trucks and employs**
21 **drivers. And, you know, I think I'm the first to**
22 **recognize that the -- the regulations don't easily fit**
23 **what we do. That isn't to say I don't think we could**
24 **figure out a way to bring about the regulations to make**
25 **it work, but I think the nature of that conversation was**

EXAMINATION OF HOWELL / BRYANT

1 basically one which was if you don't own big trucks that
2 are, you know, commercial grade vehicles that can be
3 DOT-licensed and employ drivers, we kind of don't know
4 how to do it. And that was the, I think, the impasse
5 that we got to in that present conversation.

6 Q. Okay. Thank you.

7 Earlier Mr. Roberson asked you about the
8 exemptions that Dolly requested along with its permit
9 application; do you recall that line of questioning?

10 **A. Yes.**

11 Q. And he suggested that Dolly's requests from
12 things like insurance and tariffs were included in
13 Dolly's request; is that correct?

14 **A. Yes.**

15 Q. Would there need to be other changes made to the
16 current regulatory framework to fit Dolly's business
17 model?

18 **A. I -- I think so. I don't remember the -- you**
19 **know, the full list of what we had requested. I know**
20 **the one I mentioned was DOT. I know the other I had**
21 **mentioned is I think -- Jeff had asked about tariff --**
22 **tariff pricing, and I think in there is the requirement**
23 **that on the weekend you must have a four-hour minimum.**
24 **You know, that's clearly not what the kind of scope of**
25 **jobs our customers want and look to us for.**

EXAMINATION OF HOWELL / BRYANT

1 And, you know, we've also talked about what the
2 regulatory environment would need to be for our helpers
3 if different from what it is today. And those are
4 things we've, you know, spent a lot of time and energy
5 working in the trenches kind of elbow to elbow with the
6 UTC's policy team to figure out what could the future
7 look like and how can we work on that together. So I
8 think that's certainly been a big part of where we want
9 it to go.

10 Q. Okay. Thank you.

11 One last thing I want to go back to. Earlier
12 Staff's counsel asked you about -- could you turn to
13 page 13 of your testimony, please?

14 **A. Okay.**

15 Q. I'm not sure where Staff's counsel was going
16 with this particular line of questioning, and so for
17 that reason, I'll clarify it. Dolly doesn't determine
18 who does and does not receive a permit from the UTC,
19 does it?

20 **A. No.**

21 Q. Okay. The UTC has its own permit approval
22 process as far you know, correct?

23 **A. I would assume so.**

24 Q. Does Dolly have an approval process for who is
25 allowed to be on its platform?

EXAMINATION OF HOWELL / BRYANT

1 **A. Yeah.**

2 Q. Could you explain that?

3 **A. Yeah, we talked a little bit about this earlier.**

4 **There's about an eight-step process, again, covering**
5 **anything from applications, photos of truck insurance,**
6 **vehicle background checks, motor vehicle records checks,**
7 **training, et cetera.**

8 Q. And in your testimony you stated that consumer
9 safety is important to Dolly. How does that -- how does
10 Dolly's application process for the drivers applying to
11 be on its platform support consumer safety?

12 **A. Well, it is more stringent in almost all**
13 **respects than what the regulations currently call for.**

14 Q. How so?

15 **A. We do more extensive background checks, we look**
16 **over longer periods of time.**

17 Q. Could you be more specific?

18 **A. The kinds of offenses that we look at and the**
19 **period over which we look for those -- I'm kind of**
20 **looking through our -- our -- what our requirements**
21 **are -- are both broader and longer.**

22 Q. Do you happen to know the time frames, the
23 years?

24 **A. We go back seven years. I think the regulations**
25 **generally go back five if memory serves, but I could**

EXAMINATION OF HOWELL / RENDAHL

1 be -- not my expertise.

2 MR. BRYANT: That's all I have.

3 JUDGE KOPTA: Thank you, Mr. Bryant.

4 Any questions from the Commissioners?

5 MR. ROBERSON: Your Honor, may I ask to

6 recross Mr. Howell briefly?

7 JUDGE KOPTA: Let me check and make sure the

8 Commissioners don't have any questions.

9 COMMISSIONER RENDAHL: I just had one to
10 follow up on that last line of questioning, Mr. Howell.

11

12 EXAMINATION

13 BY COMMISSIONER RENDAHL:

14 Q. So you said you have stringent consumer
15 protection safety regulations more than the Commission
16 has; is that what I just heard you say?

17 **A. Correct, in most areas.**

18 Q. So if a consumer is not pleased with your
19 service, what is the recourse that they have?

20 **A. Yeah, we have our own claims team and support**
21 **team and so -- and we're able via -- and on the website**
22 **make it clear how people can file a claim or call us if**
23 **they've had an issue with their Dolly.**

24 Q. Okay. So are you familiar with the
25 cross-exhibit labeled MH-12X?

EXAMINATION OF HOWELL / RENDAHL

1 **A. I'm sorry, Commissioner Rendahl. I don't have**
2 **that in front of me, but let me just look at the --**

3 Q. Cross-exhibit --

4 **A. Oh, there it is. Sorry. It was hiding behind**
5 **this other tab. Yeah, the Better Bus- -- the Better**
6 **Business Bureau?**

7 Q. No, this is --

8 **A. Yelp.**

9 Q. Yelp.

10 **A. Yes.**

11 Q. So there are several dissatisfied customer
12 issues that happened that the response from Dolly did
13 not seem to be very swift, and there are time
14 requirements within the Commission's requirements for
15 how quickly a company needs to respond. So would you
16 agree that your requirements are as stringent as the
17 Commission's on consumer protection?

18 **A. Generally, yes. There's -- something I would**
19 **clarify by Yelp that we've run into time and again, is**
20 **Yelp does no verification as to whether these are actual**
21 **customers or not. And many times competitors have come**
22 **on and left -- posed as customers and left very negative**
23 **reviews of us. But I just want to have that out there,**
24 **that we've looked at every Yelp review that comes in.**
25 **Oftentimes, we don't believe people to be customers.**

EXAMINATION OF HOWELL / RENDAHL

1 That doesn't mean we don't reach out to them. We have
2 the timelines that we've laid out that I think if you
3 look at our customer satisfaction more broadly, do --
4 are more stringent than -- than what the -- what
5 currently exists.

6 Q. Right.

7 The next example is MH-13, which is the Better
8 Business Bureau.

9 **A. Yes.**

10 Q. And that situation didn't seem to me to meet
11 that criteria.

12 **A. Yes.**

13 Q. The one about the armoire.

14 **A. Yep.**

15 Q. So, again, this was your customer, correct?

16 **A. This is correct.**

17 Q. Okay. And so in that case, the response was not
18 very swift.

19 **A. Yes.**

20 Q. And there were problems, correct?

21 **A. Yes, correct.**

22 Q. All right. And that is not an example of the
23 type of consumer protection response that the Commission
24 requires, correct?

25 **A. Correct.**

EXAMINATION OF HOWELL / RENDAHL

1 Q. Okay.

2 COMMISSIONER RENDAHL: That's all. Thank
3 you.

4 THE WITNESS: Can I add one thing to that,
5 Commissioner Rendahl?

6 COMMISSIONER RENDAHL: Go ahead.

7 THE WITNESS: That is also not the kind of
8 response that I want. So that doesn't mean my team and
9 I get it right every time, and, you know, I take that to
10 heart. And I think more often than not we do, but there
11 are certainly times where we don't.

12 JUDGE KOPTA: Very briefly, Mr. Roberson.

13 MR. ROBERSON: May I approach the bench,
14 Your Honor, to have some exhibits marked? I -- I don't
15 seek to admit them, I just want to use them for
16 impeachment.

17 JUDGE KOPTA: Yes. Are we talking about
18 multiple exhibits?

19 MR. ROBERSON: It's two one-page exhibits.
20 It's two administrative law decisions from Illinois.

21 MR. BRYANT: Your Honor, they obviously had
22 these in their possession.

23 MR. ROBERSON: Ms. Paul was running to get
24 them. Mr. Bryant brought it back up on
25 cross-examination or redirect. I saved time on going

EXAMINATION OF HOWELL / ROBERSON

1 short with him and with Ms. Lazar. I don't feel like
2 it's going to unduly burden the proceeding.

3 MR. BRYANT: But it's totally not proper.
4 You've had the chance to submit those.

5 JUDGE KOPTA: Mr. Bryant, address your
6 objections to me.

7 MR. BRYANT: Mr. Roberson obviously had the
8 time to submit those in the past week that the exhibits
9 have been filed.

10 JUDGE KOPTA: Very well.

11 MR. ROBERSON: May I also approach the
12 witness?

13 JUDGE KOPTA: You may.

14

15 EXAMINATION

16 BY MR. ROBERSON:

17 Q. So, Mr. Howell, looking first at the very bottom
18 of both pages there are dates. One is entered
19 February 2nd, 2015, one is entered May 15th, 2015,
20 correct?

21 **A. That's correct.**

22 Q. So if we could start on the February 2nd, 2015
23 page.

24 **A. Okay.**

25 Q. If you would turn to Exhibit MH-5X.

EXAMINATION OF HOWELL / ROBERSON

1 **A. Okay.**

2 Q. You testified that you never saw this and you
3 never appealed it, correct?

4 **A. As far as I know.**

5 Q. And yet, there was a hearing held to determine
6 whether or not you actually committed the violation,
7 correct? "You" being Dolly?

8 **A. I -- I don't know anything about that.**

9 Q. Okay. But this does indicated that there was an
10 appeal by Dolly, so Dolly did get the citation, correct?

11 **A. I'm trying to find out, Jeff, where it says that**
12 **in the appeal that you just sent me. Can you be more**
13 **specific?**

14 Q. Well --

15 **A. Where it says we appealed it?**

16 Q. Pursuant to a hearing held on
17 January 15th, 2015, you have been found guilty of the
18 violation charged in administrative citations 68732. If
19 you look at Exhibit MH-5X, at the very top there's the
20 number 68732, correct?

21 **A. Yes.**

22 Q. So there was a hearing held on this, that's an
23 administrative proceeding, correct?

24 **A. I guess so.**

25 Q. Okay. If you turn to the next page, the one

EXAMINATION OF HOWELL / ROBERSON

1 entered May 15th, 2015.

2 **A. Yes.**

3 Q. That one says, (as read) Pursuant to a hearing
4 held on May 14th, 2015, you have been found guilty of
5 the violations charged in administrative citation 68916,
6 correct?

7 **A. Correct.**

8 Q. And if you look at Exhibit 6X in the upper right
9 corner, there's the number 68916, correct?

10 **A. There is.**

11 Q. And you also testified that Dolly never saw
12 this, never got it, didn't appeal it, correct?

13 **A. That is correct.**

14 Q. But there was a hearing held, correct?

15 **A. That we were not at.**

16 Q. Okay.

17 MR. ROBERSON: I'm done. Thank you, Your
18 Honor.

19 MR. BRYANT: May I re-redirect?

20 JUDGE KOPTA: Yes, very briefly, Mr. Bryant.

21 MR. BRYANT: It will be brief.

22

23 EXAMINATION

24 BY MR. BRYANT:

25 Q. So, Mr. Howell, you say that you never saw the

EXAMINATION OF HOWELL / DANNER

1 exhibits to which these decisions apply, correct?

2 **A. Not until two or three days ago.**

3 Q. Does one have to attend a hearing for there to
4 be a hearing -- did -- did you have to attend this
5 hearing for this hearing to be held?

6 **A. Well, I wasn't there, so I would say no.**

7 Q. And Mr. Roberson said that Dolly appealed this;
8 do you recall that?

9 **A. No.**

10 Q. Or do you recall him saying that you appealed?

11 **A. Yes, I do recall him saying that.**

12 Q. At the very bottom of both of these exhibits,
13 does it say unless administratively appealed, this
14 decision is not effective? Do you read that to mean
15 that this was not an appeal?

16 **A. Yes, you could.**

17 MR. BRYANT: Thank you.

18 JUDGE KOPTA: All right. Mr. Chairman?

19

20 EXAMINATION

21 BY CHAIRMAN DANNER:

22 Q. Yes, so can you tell me, is 1816 Michigan
23 Avenue, Naperville, Illinois, was that Dolly's address
24 on February 23rd, 2015?

25 **A. It was not. It was the address for my**

EXAMINATION OF HOWELL / DANNER

1 co-founder, but he was not living there. Everyone had
2 moved to Seattle in late 2014.

3 Q. Okay. So was this a business address that you
4 had given to the State and not renewed?

5 **A. No, the business address for Dolly was in
6 downtown Chicago.**

7 Q. Can you help me understand why this
8 administrative citation would have had 1816 Michigan
9 Avenue on it?

10 **A. Chairman Danner, I wish -- I wish I knew the
11 answer to that. Chad and I, whose -- who the -- whose
12 address this was, both have looked through our files and
13 that's why I'm here to say, I -- we did not see this.
14 It's not something that we ever saw until three days
15 ago, but I don't know how they got ahold of Chad's
16 address.**

17 Q. So in 2015, 1816 Michigan Avenue had been
18 abandoned by your partner?

19 **A. He moved to Seattle, correct.**

20 Q. But if they -- you had not registered anything
21 with the State that had this address on it?

22 **A. Not that I -- not that I'm aware of. We -- the
23 address we used, which we had other stuff sent to, in
24 fact, I think if memory serves -- yeah, here it is. If
25 you look at the Exhibit MH-4X, the address that is**

EXAMINATION OF HOWELL / DANNER

1 listed there is the -- our business address, which is
2 why we got this.

3 Q. And what address are you looking at?

4 **A. Sorry, it says Mr. Chad Whitman, Dolly LLC, 9**
5 **West Washington Street, Suite 423, Chicago, Illinois**
6 **60602.**

7 **CHAIRMAN DANNER: All right. Thank you.**

8 **JUDGE KOPTA: All right. Thank you,**
9 **Mr. Howell. We appreciate your testimony. You are**
10 **excused.**

11 **Mr. Bryant, your last witness?**

12 MR. BRYANT: Yes, I would like to call
13 Mr. Shawver.

14 JUDGE KOPTA: Remain standing and raise your
15 right hand.

16
17 KEVIN SHAWVER, witness herein, having been
18 first duly sworn on oath,
19 was examined and testified
20 as follows:

21
22 JUDGE KOPTA: Are there any corrections to
23 Mr. Shawver's testimony?

24 MR. BRYANT: No, there are not.

25 JUDGE KOPTA: Then it has been admitted

EXAMINATION OF SHAWVER / ROBERSON

1 previously, and he is available for cross-examination,
2 Mr. Roberson.

3

4 EXAMINATION

5 BY MR. ROBERSON:

6 Q. Hello again, Mr. Shawver. How are you?

7 **A. I'm good, thank you. How are you?**

8 Q. Good.

9 I'd like to start clarifying two things that
10 you -- you state on page 4 of your testimony. At lines
11 16 through 17 you talk about Dolly's limited control
12 over some of the websites that it uses. You're just
13 saying there that Dolly can't control what other people
14 post, you're not saying that Dolly can't control what it
15 posts, correct?

16 **A. In -- referring to like Facebook, Twitter, and
17 Yelp?**

18 Q. Yeah.

19 **A. Correct.**

20 Q. Okay.

21 **A. Yeah.**

22 Q. And at lines 19 through 23, you testify about
23 your understanding of the Commission's cease and desist
24 order. Earlier you say the previous page that your
25 testimony is limited only to Dolly's marketing

EXAMINATION OF SHAWVER / ROBERSON

1 activities. So is it -- you understand the Commission's
2 cease and desist order to only apply to Dolly's
3 marketing activities or is it that you're only
4 testifying about those?

5 **A. So I'm here to -- to testify about Dolly's**
6 **marketing duties.**

7 Q. Okay. I would like to start by talking about
8 Dolly's website.

9 On page 4 you testify that Dolly maintains a
10 website, correct?

11 **A. Yes.**

12 Q. And it does this to market its business and its
13 offerings, correct?

14 **A. Amongst other things.**

15 Q. And on pages 5 and 6 you describe the changes
16 Dolly made to its advertising after the Commission's
17 cease and desist order, correct?

18 **A. Yes.**

19 Q. The thing that I don't notice in any of the
20 things that you changed are corrections to the website.
21 So that means you didn't change the website, correct?

22 **A. Can you be more specific about wasn't -- what**
23 **wasn't changed?**

24 Q. Well, you don't testify on pages 6 or 7 that you
25 made any changes to your website, correct?

EXAMINATION OF SHAWVER / ROBERSON

1 **A. We've made -- we've made a lot of changes to our**
2 **website.**

3 Q. Okay. So did you make any of those changes to
4 comply with the cease and desist order?

5 **A. So yes, in the way that I -- the way that I**
6 **understand it to make sure that it was very clear that**
7 **Dolly connects our customers to independent contractors,**
8 **and I -- and I outlined what some of that language is on**
9 **page 5.**

10 Q. Okay. Can you turn to Exhibit SP-25?

11 **A. Okay.**

12 Q. These are screen captures of Dolly's website as
13 it existed in September, correct? September 2018?

14 **A. Yes.**

15 Q. And if you go to page 2, at the very top there's
16 a bunch of cities listed, one of them is Seattle,
17 correct?

18 **A. Yes.**

19 Q. So as of September, couple months ago, Dolly
20 still listed Seattle as a state that it served, correct?

21 **A. A city, correct.**

22 Q. Sorry. Good point, yeah.

23 If you turn to page 4.

24 **A. Still in SP-25?**

25 Q. Yes, all of my questions will be in SP-25 until

EXAMINATION OF SHAWVER / ROBERSON

1 I ask you to move. This is a map of the United States
2 with a pin in Seattle, correct?

3 **A. Correct.**

4 Q. Seattle is a city in Washington, correct?

5 **A. It is.**

6 Q. So your website tells people that you serve
7 cities in the state of Washington, correct?

8 **A. It says that Dolly's available in Seattle, yes.**

9 Q. And that's also displayed on page 5, same map?

10 **A. Yes.**

11 Q. And at the bottom of page 5, there's a tab, it's
12 a Seattle city tab and it says, (as read) Moving and
13 delivery help in Seattle, correct?

14 **A. Correct.**

15 Q. And on page 6 there's a map of Western
16 Washington, which shows the service territory of Dolly,
17 correct?

18 **A. Correct.**

19 Q. And that says basically that Dolly serves almost
20 as far north as Arlington and further south in Olympia,
21 correct?

22 **A. Correct.**

23 Q. And below that, you list some of the specific
24 neighborhoods you serve in Seattle, correct?

25 **A. Correct.**

EXAMINATION OF SHAWVER / ROBERSON

1 Q. Okay. And all of those -- the -- the pages that
2 we just talked about that have maps and stuff, that's
3 Dolly's cities tab on its website, correct?

4 **A. One of them is, correct.**

5 Q. Okay. So if I look at page 4, at the very top,
6 the web address for this screen capture is https// -- or
7 ://dolly.com/cities, correct?

8 **A. Correct.**

9 Q. If you would now turn to page -- or sorry,
10 Exhibit SP-31, and these are screen captures from
11 Dolly's website from October 2018, correct?

12 **A. Correct.**

13 Q. I'm -- well, before we get to the cities tab, on
14 page 2, at the top, there's a checkmark circle then an X
15 circle, and the checkmark says, (as read) We can move
16 almost anything, and then under the X it says, (as read)
17 But there are a few things we can't, correct?

18 **A. Correct.**

19 Q. "We" is Dolly, as this is Dolly's website,
20 correct?

21 **A. It -- it says "we."**

22 Q. Fair enough.

23 If you turn to page 4 of that exhibit, this,
24 again, is a map. The top map is cities with Dolly, it's
25 a map of the United States, Seattle is pinned, correct?

EXAMINATION OF SHAWVER / ROBERSON

1 **A. I believe it's the same map that we looked at,**
2 **yes.**

3 Q. And then below it is the same, it's the Seattle
4 cities page on the website?

5 **A. Correct.**

6 Q. And on the next page is the same map of Dolly's
7 service territory?

8 **A. Yes.**

9 Q. And on the next page after that, it's the same
10 list of neighborhoods, things like that, correct?

11 **A. Correct.**

12 Q. Okay. You -- you describe in your testimony,
13 let's turn back there for a second, some of the changes
14 made to comply with the cease and desist order, correct?
15 I'm looking specifically at the top of page 5.

16 **A. Yes, that's specific to the messaging.**

17 Q. Okay. And so you -- you testify that your --
18 you quote, (as read) Made changes to our messaging to
19 make it even clearer that Dolly doesn't do the moving,
20 but rather connects people to willing independent
21 contractors for moving and delivering help, correct?

22 **A. Correct.**

23 Q. And then below that, you list two phrases that
24 Dolly's using, correct?

25 **A. Yes, two examples.**

EXAMINATION OF SHAWVER / ROBERSON

1 Q. Okay. Could we turn all the way back to Exhibit
2 SP-2.

3 COMMISSIONER RENDAHL: SP?

4 MR. ROBERSON: 2.

5 BY MR. ROBERSON:

6 Q. The very first page has a picture with text over
7 it and the text is basically one of the examples that
8 you've just given as a changer you've made after the
9 cease and desist order, correct? (As read) Dolly
10 connects you with local truck owners who are ready to
11 help you with your moving, delivering, and hauling
12 needs?

13 **A. Well, yes.**

14 Q. Okay. So Dolly is not -- I guess, Dolly is
15 making changes to its website by using language that the
16 Commission has already found is insufficient, correct?

17 **A. I'm not sure that is correct, no.**

18 Q. Okay. So the Commission had this at the time of
19 the classification hearing, correct? This was the
20 evidence before the Commission?

21 **A. I -- I believe so.**

22 Q. And they looked at this and they said this was
23 an advertisement for household goods transportation,
24 correct?

25 **A. I don't know if that's -- I mean, I'm not sure**

EXAMINATION OF SHAWVER / ROBERSON

1 if that's correct.

2 Q. If you don't know, please just say you don't
3 know.

4 **A. Okay.**

5 Q. Is it not fair to ask you about Dolly's
6 arguments, legal arguments in that case? If it's not,
7 just tell me.

8 **A. I would say you can try.**

9 Q. Okay.

10 **A. I'll -- I'll happily answer.**

11 Q. We'll move on.

12 **A. Okay.**

13 Q. Let's stay in Exhibit SP-2, though. If you go
14 to page 4, at the top it says, "Why Dolly?," correct?

15 **A. Correct.**

16 Q. And in the very first thing, "Trustworthy Help,"
17 Dolly identifies its helpers as independent contractors,
18 correct?

19 **A. That's correct.**

20 Q. So if we go back to Exhibit SP-25, to page 9,
21 this is the update of that same page that we just looked
22 at, and in the trustworthy help section, the words
23 "independent contractor" is no longer used, correct?

24 **A. I believe these are two different pages.**

25 Q. Okay.

EXAMINATION OF SHAWVER / ROBERSON

1 **A. And I believe SP-2 is a screen shot of our home**
2 **page and SP-25 is of a -- the services page.**

3 Q. Would it be different between the home page and
4 the services page?

5 **A. The copy could definitely be different, yes.**

6 Q. Okay.

7 **A. We're communicating two different things.**

8 Q. Okay. Well, I guess it doesn't really matter
9 for purposes of my question. If you're attempting to
10 clarify that Dolly is using independent contractors, why
11 is Dolly striking out that language about independent
12 contractors?

13 **A. I -- I don't believe we took it out. Maybe we**
14 **did not specifically put it in that spot.**

15 Q. Well, if I -- if I compare page 9 of Exhibit
16 SP-25 to page 4 of Exhibit SP-2, it's pretty much the
17 same thing, right? "Trustworthy Help, On Your Schedule,
18 Guaranteed Pricing, Save Time & Your Back"?

19 **A. Yes, they -- they are quite similar.**

20 Q. Can you clarify that you're doing something by
21 not mentioning it?

22 **A. Well, we -- we did mention it. Maybe -- but in**
23 **this specific example, maybe you're right. It's a spot**
24 **that maybe it should be included.**

25 Q. Okay. And if we go back to SP-31, the same

EXAMINATION OF SHAWVER / ROBERSON

1 thing is true on page 3, right? Those same four fields
2 with no language about independent contractors, correct?

3 MR. BRYANT: I'm sorry, what page was that,
4 Counsel?

5 MR. ROBERSON: Page 3 of Exhibit SP-31.

6 **A. Is that a different page? It's also the**
7 **services page.**

8 BY MR. ROBERSON:

9 Q. I believe so.

10 **A. SP-31, which -- which page am I comparing that**
11 **to?**

12 Q. Page 3 with the two previous pages that we just
13 compared, so page 9 of Exhibit SP-25 and page --

14 **A. That's the same page.**

15 Q. So the same -- like I said, the same thing is
16 true, correct? That the language of independent
17 contractors is not there?

18 **A. Right, if it's one page.**

19 Q. Okay. Dolly uses links to its webpage in almost
20 all of its other advertising, correct?

21 **A. In our Internet advertising there are, yes.**

22 Q. Okay. And Dolly puts those links on those other
23 pages in the hopes that customers will click on them,
24 correct?

25 **A. Correct.**

EXAMINATION OF SHAWVER / ROBERSON

1 Q. Let's talk about your Exhibit SP-2. Sorry,
2 KS-2. I'm sorry, KS-2, and this is Dolly's LinkedIn
3 page, correct?

4 **A. Correct.**

5 Q. And right at the top it identifies Dolly as a
6 Seattle, Washington, company, correct?

7 **A. Yes.**

8 Q. And at that same place, it also states, "Truck &
9 Muscle, Anytime You Need It," correct?

10 **A. Correct.**

11 Q. And below that on the page details, that same
12 phrase repeats, "Truck & Muscle, Anytime You Need It"?

13 **A. The first sentence in the paragraph, yes.**

14 Q. And Dolly does not specifically in any point in
15 this page state that it is not a household goods
16 carrier, a motor freight common carrier, or solid waste
17 collection company, correct?

18 **A. No, we do not use those words.**

19 Q. And on this page, Dolly repeatedly refers to its
20 helpers as Dolly helpers, correct? I'm looking in the
21 third paragraph of the page details and --

22 **A. I see it in a couple of places, yes.**

23 Q. Okay. If we turn to Exhibit KS-3, and this is a
24 screen capture from Dolly's Facebook page, correct?

25 **A. Correct.**

EXAMINATION OF SHAWVER / ROBERSON

1 Q. Okay. I'd first like to talk about the circled
2 text at the bottom. So you highlight that to show that
3 Dolly has removed reference to Seattle, correct?

4 **A. Correct.**

5 Q. But in the last sentence you have, (as read) If
6 you'd like Dolly in your city, go to
7 <https://dolly.com/cities>, correct?

8 **A. Correct.**

9 Q. And as we just discussed, if anyone clicked on
10 that link from Washington, they would see the greater
11 Puget Sound area is served by Dolly, correct?

12 **A. They could be from anywhere, yes.**

13 Q. Well, that link would take them to the exhibits
14 that we just looked at, correct, K -- or SP-25 and
15 SP-31, the cities tabs?

16 **A. It would take you to a page that had a map,
17 correct.**

18 Q. And not just a map, right? You could click on
19 the Seattle pin and you'd get the Seattle moving page,
20 correct?

21 **A. Yes, that's a different page, but yes.**

22 Q. Okay. Does Dolly at any point in this page
23 state that it is not operating as a household goods
24 carrier, motor freight common carrier, or a solid waste
25 collection company?

EXAMINATION OF SHAWVER / ROBERSON

1 **A. We do not use those words.**

2 Q. And in fact, in the second paragraph, Dolly
3 invites consumers to use Dolly to move furniture between
4 apartments, for example, correct?

5 **A. We -- we say that we will connect them to a
6 helper that will do that for them, yes.**

7 Q. Okay. But there's nothing on this page that
8 tells people that the helpers aren't Dolly employees,
9 correct?

10 **A. We do not say that they are not employees.**

11 Q. Okay. If we turn to Exhibit KS-4, this is
12 Dolly's Instagram page, correct?

13 **A. Correct.**

14 Q. And at the very top there's a link right under
15 the "Truck & Muscle, Anytime You Need It" text, correct?

16 **A. Yes.**

17 Q. And anyone clicking on that link goes to a page
18 showing Seattle is a city served, correct?

19 **A. I'm not sure if that's correct or not.**

20 Q. Do you know where the link goes?

21 **A. Yes, it's a -- it's a link that we can -- that
22 we frequently can -- can update, but it doesn't go to
23 Dolly.com or the cities. It's kind of like a -- like a
24 descriptor.**

25 Q. So if I were --

EXAMINATION OF SHAWVER / ROBERSON

1 **A. What Dolly is.**

2 Q. If I had seen it last week, would I have seen a
3 map with Seattle marked as a city served and Christmas
4 three delivery?

5 **A. Directly from that link?**

6 Q. Yeah.

7 **A. In -- maybe. I'm not sure.**

8 Q. Okay. Does Dolly at any point on its Instagram
9 page explicitly state that it's not a household goods
10 carrier, a motor freight common carrier, or a solid
11 waste collection company?

12 **A. No.**

13 Q. Okay. I see on -- let's talk about page 2. You
14 circled a couple of pictures. It's a guy standing next
15 to a truck. The truck is marked with a Dolly logo and
16 slogan, "Truck & Muscle, Anytime You Need It," correct?

17 **A. Correct.**

18 Q. Is there anything on this page that tells
19 consumers that Dolly doesn't own that truck?

20 **A. No.**

21 Q. Okay. If I go to the next page, you have two
22 sets of pictures circled. It's people standing --
23 people wearing Dolly shirts standing next to trucks
24 marked with the Dolly logo, correct?

25 **A. That's correct.**

EXAMINATION OF SHAWVER / ROBERSON

1 Q. Is there anything on this page that tells
2 consumers that those people aren't Dolly employees?

3 **A. No.**

4 Q. And if you look at the lower truck, that's a
5 Washington license plate, correct?

6 **A. Which one are you referring to?**

7 Q. Are we on page -- page 3, second row of
8 pictures, the left picture, it's a man and a woman
9 standing next to a truck. The license plate is
10 readable.

11 **A. Yes, it's got a Washington plate.**

12 Q. If we turn to KS-5, this is Dolly's Twitter
13 page, correct?

14 **A. That's correct.**

15 Q. And on the left side, it has Dolly's slogan,
16 "Truck & Muscle, Anytime You Need It," correct?

17 **A. Yep.**

18 Q. And right below that, it's the link to Dolly's
19 cities page, correct?

20 **A. Correct.**

21 Q. And anyone clicking on that page is taken to a
22 map showing Seattle as a city served?

23 **A. Correct.**

24 Q. And if they click on that pin for Seattle, they
25 get the Seattle moving and help page?

EXAMINATION OF SHAWVER / ROBERSON

1 **A. Yes.**

2 Q. Does Dolly explicitly state on this page that it
3 does not operate as a household goods carrier, a common
4 carrier -- motor freight common carrier, or a solid
5 waste collection company?

6 **A. No.**

7 Q. Does -- well, the bottom of this first page I
8 see a truck with a Dolly logo on it and two people
9 standing in Dolly shirts, correct?

10 **A. Correct.**

11 Q. Is there anything that tells people that those
12 aren't Dolly employees?

13 **A. No.**

14 Q. Is there anything that tells people that Dolly
15 doesn't own that truck?

16 **A. No.**

17 Q. If I could go back to your testimony just
18 briefly, KS-1 at page 7, lines 10 through 13. So there
19 you say you didn't make any changes to the Twitter page,
20 which is Exhibit KS-5, because it doesn't reference
21 Seattle and those -- the -- there's never been any
22 confusion because of the Twitter page, correct?

23 **A. Can you ask the question again?**

24 Q. It was not very artfully asked. I apologize.

25 Page 7, you state that you never -- Dolly never

EXAMINATION OF SHAWVER / ROBERSON

1 made any changes to its Twitter page because the Twitter
2 page never referenced Seattle or Washington or caused
3 confusion, correct?

4 **A. Correct.**

5 Q. But, again, on the first page of KS-5, there's a
6 link to the cities page for Dolly, correct?

7 **A. Correct, without a mention of Seattle or
8 Washington on the specific page.**

9 Q. But the link is on the Twitter page, correct?

10 **A. The link is on the page, yes.**

11 Q. And you testified that you put those links there
12 in the hopes that people would click on them, correct?

13 **A. That's not -- that's how I -- that's not what I
14 meant when I said -- when you asked your question about
15 do I hope people click on the link. When I -- when I
16 have like paid marketing and advertising and I have a
17 link to Dolly, yes, I want people to click on that and
18 come to our website. The link that's specifically on
19 those pages are for people to see if it's in the their
20 market. I don't have a -- I don't have a goal or an
21 interest if they click on that or not. It's there to be
22 informative.**

23 Q. Okay. If we turn to KS-6, this is Dolly's
24 YouTube page, correct?

25 **A. Yes.**

EXAMINATION OF SHAWVER / ROBERSON

1 Q. And in the description section, the first
2 sentence is just Dolly's slogan, "Truck & Muscle,
3 Anytime You Need It," correct?

4 **A. Correct.**

5 Q. And Dolly does not at any point state explicitly
6 that it's not a household goods carrier, a motor freight
7 common carrier, or solid waste collection company,
8 correct?

9 **A. Correct, we -- we state it will connect them**
10 **with -- to a helper.**

11 Q. And you don't at any point on this page
12 explicitly mention that the helpers are not Dolly
13 employees, correct?

14 **A. Not on this page, no.**

15 Q. Turning back to your testimony, I'd like to talk
16 about your testimony at the top of page 6 where you talk
17 about paid marketing tactics. And you testify those
18 tactics include advertising in places like the insides
19 of busses, correct?

20 **A. Correct.**

21 Q. And so the ads that Ms. Paul photographed are
22 examples of this, correct?

23 **A. I don't know if I have those.**

24 Q. Okay. Do you place ads in other transit besides
25 busses, like the Sounder train, for example?

EXAMINATION OF SHAWVER / ROBERSON

1 **A. We have put them on the Sounder train, yes.**

2 Q. Okay. How many of these paid marketing tactics
3 ads are -- how many did Dolly put up in the greater
4 Seattle area?

5 **A. Can you be more specific?**

6 Q. How many ads are up inside busses and trains,
7 things of that nature?

8 **A. I'm not sure.**

9 Q. Okay. Do you know if any of them went up after
10 the Commission entered its cease and desist order?

11 **A. I'm not sure.**

12 Q. Do you know how many stayed up after the
13 Commission entered its cease and desist order?

14 **A. I don't know.**

15 Q. Do you how many are still up?

16 **A. I do not know how many are still up and don't
17 have control over that as well.**

18 Q. Okay. Are there ways to use things like
19 Facebook to do directed marketing tactics at people
20 living in cities like Seattle?

21 **A. Sure.**

22 Q. Facebook advertising?

23 **A. Yes.**

24 Q. Does Dolly utilize those services?

25 **A. Do we advertise on Facebook?**

EXAMINATION OF SHAWVER / ROBERSON

1 Q. Yeah.

2 **A. Yes.**

3 Q. So a customer living in the greater Seattle area
4 could get a Dolly ad?

5 **A. Yes.**

6 Q. Are there other social media where Dolly does
7 that besides Facebook?

8 **A. Through -- like that we pay for?**

9 Q. Yeah.

10 **A. I don't believe so.**

11 Q. Okay. Back to page 6, you testify that no other
12 state ever objected to Dolly's Internet marketing,
13 correct?

14 **A. Correct.**

15 Q. Lines 9 and 10. If you could turn to Exhibit
16 MH-11X, which is the transcript of the classification
17 hearing, page 95.

18 **A. I'm sorry, where am I looking at?**

19 Q. MH-11X, page 95.

20 **A. Do I have that?**

21 MR. BRYANT: You're looking at the
22 transcript?

23 MR. ROBERSON: Yeah.

24 JUDGE KOPTA: The exhibit page is page 25 of
25 26.

EXAMINATION OF SHAWVER / ROBERSON

1 MR. ROBERSON: May I approach, Your Honor?

2 JUDGE KOPTA: You may.

3 BY MR. ROBERSON:

4 Q. Do you remember testifying at the classification
5 hearing?

6 **A. I do.**

7 Q. And do you remember testifying that Dolly had
8 been cited for operating without authority in Illinois?

9 **A. No. I mean, I'm -- I'm reading this but I...**

10 Q. You did testify to that, though, correct?

11 **A. Yes.**

12 Q. And you've seen Exhibit MH-5X? 6X, 6X, sorry.

13 **A. I'm not sure which one we're looking at.**

14 Q. At the very top it says "Administrative
15 Citation," and to the right there's a number that says
16 68916.

17 **A. I see the "Administrative Citation."**

18 Q. Okay. And at the bottom, it says "Offense," on
19 the left side, "Remarks," "Violations of a section of
20 the Illinois code," and then it says "Advertising,"
21 correct?

22 **A. I want to make sure I'm looking at the right one
23 again. I'm sorry.**

24 MR. ROBERSON: Your Honor, may I approach?

25 JUDGE KOPTA: You may.

EXAMINATION OF SHAWVER / ROBERSON

1 **A. Okay.**

2 BY MR. ROBERSON:

3 Q. So Illinois cited Dolly for unlawfully
4 advertising, correct?

5 **A. That's what this says, correct. This is --**
6 **again, I had not seen this. It's a year and a half**
7 **before my employment.**

8 Q. Okay. At the very end of your testimony, the
9 last page, much like Ms. Lazar, you testified that Dolly
10 can't restrict the reach of its advertising, correct?

11 **A. In the last page of my testimony?**

12 Q. Yes.

13 **A. Can you point me to a...**

14 Q. Page 8, lines 4 through 5.

15 **A. Okay.**

16 Q. Dolly could post a disclaimer, though, correct,
17 saying it doesn't offer services that it can't offer?

18 **A. Can you be more specific?**

19 Q. Without removing its website or its social
20 media, Dolly could post on any of those pages a
21 disclaimer saying we don't offer this service in this
22 state because we can't, correct?

23 **A. Correct.**

24 Q. But Dolly hasn't done that?

25 **A. We have not specifically said that, no.**

EXAMINATION OF SHAWVER / BRYANT

1 MR. ROBERSON: I think I'm done. Thank you.

2 JUDGE KOPTA: Thank you, Mr. Roberson.

3 Mr. Bryant, redirect?

4 MR. BRYANT: Yes.

5

6 EXAMINATION

7 BY MR. BRYANT:

8 Q. So earlier Mr. Roberson asked you about Exhibit

9 SP-31. Could you please turn to that?

10 **A. Okay.**

11 Q. I'm looking at page 2. Specifically

12 Mr. Roberson asked you about the statement made under

13 the green checkmark, (as read) We can move almost any --

14 or we can move almost anything; do you see that?

15 **A. Yes.**

16 Q. Who is the collective "we"?

17 **A. Our Dolly helpers.**

18 Q. Who are the Dolly helpers, what's their

19 relationship with Dolly?

20 **A. Independent contractors.**

21 Q. Would you please turn to page 6 of that same

22 exhibit.

23 **A. Okay.**

24 Q. Looking specifically at the text, (as read) Want

25 a side gig, kind of in the middle of the page to the

EXAMINATION OF SHAWVER / BRYANT

1 right of the picture.

2 **A. Yes.**

3 Q. What is -- what -- what does that say?

4 **A. It says, (as read) Help Seattleites haul their**
5 **stuff in and around the city. Work with Dolly as an**
6 **independent contractor.**

7 Q. Okay. Thank you.

8 Mr. Roberson also asked you the same kind of
9 line of questioning about Exhibit SP-2. Would you
10 please turn to that exhibit.

11 **A. Okay.**

12 Q. I'm looking at page 6. Specifically I'm looking
13 at under the frequently asked questions, "Who are the
14 Dolly Helpers?" What does that say?

15 **A. Says, (as read) Every Dolly helper is an**
16 **independent contractor that is background checked and**
17 **vetted by Dolly and continuously rated and reviewed by**
18 **other Dolly customers.**

19 Q. Okay. Thank you.

20 In the interest of time, Mr. Roberson asked you
21 a series of questions about Exhibits KS-2 through KS-6.
22 And specifically the line of questioning there was the
23 fact that in none of those exhibits Dolly did not state
24 that Dolly was not a household goods carrier, common
25 carrier, or a solid waste collection company; do you

EXAMINATION OF SHAWVER / BRYANT

1 remember that line of questioning?

2 **A. Yes.**

3 Q. Could you please turn to Exhibit SP-8.

4 **A. I'm not sure I have SP-8.**

5 Q. Sure, no problem.

6 So I believe it's the sentence beginning at the
7 bottom of the page --

8 JUDGE KOPTA: Which page are you referring
9 to?

10 MR. BRYANT: I'm sorry.

11 THE WITNESS: Page 12 is what I have here.

12 BY MR. BRYANT:

13 Q. It's paragraph 39. There's a sentence that
14 begins at the bottom of that page that continues onto
15 the next page.

16 **A. It starts with, "While Dolly..."?**

17 Q. Yes.

18 **A. Okay.**

19 Q. Could you read that?

20 **A. The sentence?**

21 Q. Yes.

22 **A. (As read) While Dolly is correct that there is**
23 **no explicit statutory requirement that it publishes a**
24 **disclaimer on its website, the law prohibits and always**
25 **has prohibited Dolly from advertising services it is not**

EXAMINATION OF SHAWVER / BRYANT

1 authorized to provide.

2 Q. Okay. Thank you.

3 Mr. Shawver, what would you consider a statement
4 that is required to be published? Like what does that
5 call for?

6 **A. I'm not sure I understand the question.**

7 Q. Is a statement that's required to be -- would
8 you agree that the statement Dolly does not provide
9 household goods services, household goods carrier
10 services, common carrier services, solid waste
11 collection services in the state of Washington is a
12 disclaimer?

13 **A. As a marketer, no.**

14 Q. Is that a disclaimer?

15 **A. Is it a disclaimer?**

16 Q. To the general public?

17 **A. I -- I don't know.**

18 Q. Okay. I'll move on.

19 Earlier Mr. Roberson asked you about Dolly's
20 advertising on busses and trains, and you stated that
21 you have no control over whether how long those
22 materials, marketing materials, are on those busses or
23 trains. Could you explain that?

24 **A. Yeah, so we buy -- we buy advertising in like a**
25 **form of a contract, like a four-week or a six-week or an**

EXAMINATION OF SHAWVER / BRYANT

1 eight-week contract, and oftentimes they stay up longer.

2 So it's at -- it's at the discretion of the -- the

3 company that puts them up and that takes the

4 advertisements away and puts them up.

5 Q. Is there any other examples of any other markets

6 that Dolly -- where that has also happened?

7 **A. Where our transit advertising goes up beyond the**

8 **contract?**

9 Q. Yes.

10 **A. Yes.**

11 Q. Could you explain that, please?

12 **A. Yeah. In Chicago, they -- they often stay up**

13 **longer than the contract as well as Seattle.**

14 Q. Is that it?

15 **A. To my knowledge.**

16 Q. Okay. Mr. Roberson also asked you about Dolly's

17 Facebook -- Facebook advertising in Seattle and you

18 stated, as well as you state in your testimony and

19 Mrs. Lazar stated earlier, that you have no control over

20 who sees that. Could you explain that?

21 **A. Yeah, so the -- so no control over who sees the**

22 **Dolly-branded Facebook page, meaning you can access**

23 **that -- anyone can access it as long as they have**

24 **Internet access.**

25 Q. Right, and Order 4, Exhibit SP-8, said that

EXAMINATION OF SHAWVER / BRYANT

1 the -- Dolly is correct, that it is not required to
2 publish a disclaimer on its website; is that correct, in
3 its advertising?

4 **A. Correct.**

5 Q. Okay. So even though someone in Seattle could
6 see that, the Commission has said that Dolly is not
7 required to publish any information at all on its
8 website; is that correct?

9 **A. That's what I read, correct.**

10 Q. Okay. And so in your testimony at the very
11 beginning you stated that Dolly has changed some of its
12 marking, Internet marketing, to comply with the
13 Commission's orders. Would you explain -- would you
14 explain that in detail?

15 **A. Yeah, I think there's -- we -- we took the --**
16 **the initial complaint, which I think the hearing was in**
17 **March, right, about advertising and wanted to be super**
18 **clear that Dolly is not the one that's -- that's doing**
19 **the move. And so that's where we -- we've used the**
20 **language that says that Dolly connects you to helpers,**
21 **we use the phrase "Dolly helpers" throughout and defined**
22 **it I believe it was in SP-2 on page 4, who are the Dolly**
23 **helpers, and trying to weave that in as much as possible**
24 **without being blatant in every single mention of it on**
25 **our website.**

EXAMINATION OF SHAWVER / BALASBAS

1 So I guess I would just like to say we take it
2 very, very seriously and wanted to make sure that our
3 messaging was very, very clear for our customers that --
4 that Dolly is the one that's not doing the move, that we
5 connect them to independent contractors.

6 MR. BRYANT: Okay. I think that's all I
7 have.

8 JUDGE KOPTA: Thank you, Mr. Bryant.

9 Anything from the Commissioners?

10 Mr. Balasbas?

11 COMMISSIONER BALASBAS: Thank you.

12

13 E X A M I N A T I O N

14 BY COMMISSIONER BALASBAS:

15 Q. Good afternoon, Mr. Shawver.

16 **A. Hi.**

17 Q. So, Mr. Shawver, you mentioned a few minutes ago

18 that in Dolly's physical advertising such as on transit

19 busses or trains, that you have no control over the

20 length of how long that advertising stays up, correct?

21 **A. That it -- that it -- yes, that it stays up**

22 **beyond our contract -- our contracts.**

23 Q. So in your contract that you sign with the

24 advertising company, do you have the ability to request

25 that the advertising company remove the sign before the

EXAMINATION OF SHAWVER / BALASBAS

1 end of the time that you purchased?

2 **A. Yes, I believe when we -- when we buy the**
3 **advertising, we can stipulate that.**

4 Q. So when -- when Dolly received the Commission's
5 cease and desist order, did you make that request of
6 your advertisers to remove any physical advertising on
7 transit busses or trains?

8 **A. No, I -- I did not.**

9 Q. And since the Commission's cease and desist
10 order, has Dolly purchased additional advertising on
11 trains or busses?

12 **A. I'm not sure when -- when we bought the last**
13 **contract. I don't know.**

14 **COMMISSIONER BALASBAS: Thank you.**

15 **JUDGE KOPTA: All right. Thank you,**
16 **Mr. Shawver. We appreciate your testimony. You are**
17 **excused.**

18 **As I understand it, that concludes Dolly's**
19 **witnesses. We are at 3:30, so we will take a break.**
20 **Seems like a good time for it, and we will return at**
21 **quarter to 4:00. We're off the record.**

22 (A break was taken from
23 3:25 p.m. to 3:45 p.m.)

24 **JUDGE KOPTA: Let's be back on the record**
25 **after our afternoon break, and we are now taking up**

EXAMINATION OF PAUL / BRYANT

1 Staff witnesses. I believe we're going to begin with
2 Ms. Paul; is that correct, Mr. Roberson?

3 MR. ROBERSON: That is.

4 JUDGE KOPTA: Any corrections to her
5 testimony or exhibits?

6 MR. ROBERSON: There are none.

7 JUDGE KOPTA: They have previously been
8 admitted, therefore, Mr. Bryant, you may proceed with
9 cross-examination.

10 MR. BRYANT: Thank you, Your Honor.

11

12 EXAMINATION

13 BY MR. BRYANT:

14 Q. So, Ms. Paul, I'm just going to ask you a few
15 questions about your testimony. It shouldn't take very
16 long. I know you have an issue with your voice so --

17 **A. I think we'll be okay, thank you.**

18 Q. Okay. Thank you.

19 Could you please turn to page 19 of your
20 testimony, it's Exhibit SP-1T. Specifically I'm looking
21 at the testimony beginning at line 9 going through to
22 page 20 on line 4. The title of the section is "Dolly's
23 Incentive to Operate."

24 **A. Okay.**

25 Q. Okay. So this testimony in general looking at

EXAMINATION OF PAUL / BRYANT

1 the testimony on page 20, line 3 where you say Dolly had
2 a financial incentive to treat the suspended penalty as
3 a cost of doing business, that is referencing the -- the
4 exhibit you support that statement is Exhibit SP-36; is
5 that correct?

6 **A. I'm going to look at SP-36.**

7 Q. Sure. That is --

8 **A. Yes.**

9 Q. -- a GeekWire article?

10 Could you please turn to page 3 of that article?

11 **A. Page 3 of the article on 36?**

12 Q. Yes, of the exhibit, yeah.

13 **A. Okay. I'm there.**

14 Q. Okay. Do you see the second full paragraph, the
15 one beginning with, (as read) This is not about not
16 wanting regulation?

17 **A. Yes, I see that.**

18 Q. And Mr. Howell says this is not about wanting
19 regula- -- not wanting regulation, we welcome
20 regulation --

21 **A. Yes.**

22 Q. -- do you see that? Okay.

23 Now, in the next paragraph, the third full
24 paragraph, doesn't the last sentence of that statement
25 of that paragraph say Dolly is not yet profitable?

EXAMINATION OF PAUL / BRYANT

1 JUDGE KOPTA: I'm going to interrupt you
2 because I have neglected to swear in this witness. Not
3 that I'm questioning your veracity, but I think in the
4 interest doing what we're supposed to do.

5
6 SUSIE PAUL, witness herein, having been
7 first duly sworn on oath,
8 was examined and testified
9 as follows:

10
11 JUDGE KOPTA: My apologies, Mr. Bryant. If
12 you would repeat your question.

13 MR. BRYANT: Sure.

14 BY MR. BRYANT:

15 Q. So the third paragraph, the last sentence, it
16 states, (as read) Dolly is not yet profitable; is that
17 correct?

18 **A. That's what it says, yes.**

19 Q. And what is the date of this GeekWire article?

20 **A. This GeekWire article, I'm looking**
21 **September 18th, 2018, is when I printed it.**

22 Q. Let's just make sure that that's accurate.

23 **A. Yes. Yes, September 18th it was posted at 12:01**
24 **a.m.**

25 Q. Right. Thank you.

EXAMINATION OF PAUL / BRYANT

1 So could you turn back to your testimony, page
2 20?

3 **A. Okay. I'm there.**

4 Q. Okay. So could you please explain how a company
5 that's not yet profitable as of September 18th, 2018,
6 seeks a \$69,000 penalty as an incentive and a cost of
7 doing business?

8 **A. Well, I don't know what was meant by "not**
9 **profitable." \$69,000 penalty seems fairly low for when**
10 **a company is saying that they have, you know, a million**
11 **dollars a month coming in.**

12 Q. A company can also have \$2 million in
13 expenses --

14 **A. That is true.**

15 Q. -- right? Okay. Thank you.

16 So is it reasonable to conclude that a company
17 seeking -- seeking to be regulated, as Mr. Howell says
18 in the GeekWire statement, and that it's not even
19 profitable, would want to avoid future fines and
20 penalties and that the best way to do that would be to
21 comply with the Commission's rules going forward?

22 **A. I would hope that companies do try to avoid**
23 **fines by complying with orders.**

24 MR. BRYANT: Okay. Thank you. That's all I
25 have.

1 JUDGE KOPTA: Any redirect, Mr. Roberson?

2 MR. ROBERSON: I do not feel the need to
3 have redirect.

4 JUDGE KOPTA: Any questions from the
5 Commissioners?

6 Thank you, Ms. Paul, for your testimony.

7 MS. PAUL: That's it?

8 JUDGE KOPTA: You are excused.

9 I believe we have one more witness for
10 Staff, Mr. Dotson. If you'll remain standing.

11
12 MICHAEL DOTSON, witness herein, having been
13 first duly sworn on oath,
14 was examined and testified
15 as follows:

16
17 JUDGE KOPTA: Are there any corrections to
18 Mr. Dotson's testimony?

19 MR. ROBERSON: There are none.

20 JUDGE KOPTA: And this has previously been
21 admitted so, Mr. Bryant, he's available for
22 cross-examination.

23 ////

24 ////

25 ////

EXAMINATION OF DOTSON / BRYANT

1 EXAMINATION

2 BY MR. BRYANT:

3 Q. Good afternoon, Mr. Dotson.

4 **A. Good afternoon.**

5 Q. Do you have your testimony in front of you?

6 **A. I do.**

7 Q. Okay. Could you please look at page 1, line 15?

8 **A. Yes.**

9 Q. Okay. So here you state that you review and
10 process applications for household goods carrier
11 permits; was that correct?

12 **A. That's correct.**

13 Q. Do you recall reviewing Dolly's household goods
14 carrier permit?

15 **A. I do.**

16 Q. Okay. I don't mean to put you on the spot here,
17 but since your job is to review, will you please tell us
18 what the Commission's combined single limit insurance
19 requirement is for each occurrence --

20 MR. ROBERSON: Objection. This is beyond
21 the scope of his testimony.

22 JUDGE KOPTA: Mr. Bryant?

23 MR. BRYANT: Mr. Dotson's testimony is about
24 his review of applications for carrier authority. I
25 would assume that he's familiar with the requirements

EXAMINATION OF DOTSON / BRYANT

1 for that authority.

2 MR. ROBERSON: He doesn't testify about how
3 he processes applications, he testifies about the effect
4 of finding of unfitness.

5 JUDGE KOPTA: I would have to agree with
6 Mr. Roberson.

7 MR. BRYANT: Okay.

8 BY MR. BRYANT:

9 Q. Does the Commission perform criminal background
10 checks on household goods carrier applicants?

11 MR. ROBERSON: I'm going to object. I mean,
12 for the same reason.

13 JUDGE KOPTA: Yes, we're dealing with a very
14 limited scope of testimony, and I'm not going to allow
15 going beyond that.

16 CHAIRMAN DANNER: So -- if I may interject.
17 I think that if -- if Mr. Dotson knows, I don't see the
18 harm in answering those questions. It's -- so I mean, I
19 would --

20 JUDGE KOPTA: You're overruling my
21 overruling?

22 CHAIRMAN DANNER: Well, I would ask you to
23 reconsider on those two limited points, though.

24 JUDGE KOPTA: All right. You may inquire as
25 to his awareness of the Commission's procedures as

EXAMINATION OF DOTSON / BRYANT

1 reviewing an application.

2 MR. BRYANT: Thank you, Your Honor, and
3 thank you, Chairman Danner.

4 BY MR. BRYANT:

5 Q. So do you happen to know what the Commission's
6 insurance -- insurance requirement is for each
7 occurrence for CSL?

8 **A. Yes, so for vehicles that are over 10,000**
9 **pounds, we require \$750,000 in CSL coverage and for**
10 **under 10,000, we require 300,000. And for household**
11 **goods, we also require \$10,000 of cargo insurance.**

12 Q. Okay. And a vehicle that's under 10,000 pounds,
13 what is that?

14 **A. GVW, gross vehicle weight, so, you know, car,**
15 **pickup truck, that kind of stuff. Non -- noncommercial**
16 **generally.**

17 Q. Okay. Do you recall in your review of Dolly's
18 permit application the limits of Dolly's CSL policy?

19 **A. I don't recall. I could look if you'd like.**

20 Q. Sure.

21 **A. Dolly has \$1 million in CSL.**

22 Q. Okay. Thank you.

23 In your review of permit applications for
24 household goods carrier authority, how far back does the
25 Commission look with respect to the criminal background

EXAMINATION OF DOTSON / BRYANT

1 check?

2 **A. So our initial criminal background check is a**
3 **LexisNexis report and that goes back to the beginning**
4 **when the -- the -- the background check, DD, turns 18.**

5 MR. BRYANT: Okay. Thank you. That's all I
6 have.

7 JUDGE KOPTA: Mr. Roberson?

8 MR. ROBERSON: I have no redirect.

9 JUDGE KOPTA: Anything from the
10 Commissioners?

11 All right. Thank you, Mr. Dotson. We
12 appreciate your testimony and you are excused.

13 That concludes the evidentiary portion of
14 our hearing. As I indicated to the parties, we will --
15 post hearing briefs, we are providing an opportunity for
16 closing arguments. Ten minutes apiece. Going to allow,
17 Mr. Bryant, you may go first as the party with the
18 burden of proof.

19 MR. BRYANT: Thank you, Your Honor. Thank
20 you, Chairman Danner, Chairmans -- or Commissioners
21 Balasbas and Rendahl. Dolly came here to cooperate, we
22 came here to understand, we came here to collaborate, we
23 came here to reassure the Commission that Dolly wants to
24 be a trusted partner and a model for other companies in
25 the state of Washington so that other companies

1 operating in the state, those like Lugg and Amazon that
2 provide the same services, know that it's okay for them
3 to come to the Commission and come out of the shadows
4 and come to the table to collaborate.

5 We did not come here to argue the validity
6 of the Commission, its orders, its authority, or its
7 regulations. But I think we can all agree that the
8 regulations that exist today were built for the
9 traditional household goods moving industry and did not
10 quite fit Dolly's model.

11 Dolly is committed to working cooperative --
12 cooperatively with the Commission to create a regulatory
13 framework that ensures safety while also looking towards
14 the future. Dolly has created a business that modern
15 customers demand. It's a moving and delivery business
16 that doesn't exist today that meets their needs on their
17 schedule on their time within their budgets.

18 A move of Dolly is convenient, reliable,
19 fairly priced, and most importantly, safe. There are
20 many other options available to consumers, but none of
21 those are all of those three things. Much of this
22 business is done in the shadows. From Craigslist, Home
23 Depot parking lots, Nextdoor, who does not validate
24 their providers, and many other online and offline
25 venues that consumers turn to for services that Dolly

1 provides. All of those have zero consumer protections.

2 Dolly helpers go through a background check
3 that screens them for any criminal charges, not just
4 convictions. Just charges. And it looks back seven
5 years. The Commission's rules is only five years.
6 Dolly helpers are backed by a multimillion-dollar
7 insurance policy. Mr. Dotson just testified that the
8 Commission only requires \$300,000 of insurance for the
9 vehicle that Dolly drivers use. If Dolly helpers are
10 late, show up in a vehicle other than the one Dolly
11 approved during their vetting process or violate any one
12 of the numerous codes of conduct that Dolly has, they
13 are immediately suspended or even removed from the
14 platform entirely.

15 Dolly has over 200,000 customers in the
16 state of Washington that have made it very clear that
17 they desire a service like Dolly. It's Dolly's maniacal
18 dedication to customer service that is why it's received
19 one of the highest customer satisfaction scores of
20 almost every other service industry app on the market.
21 Dolly's major investor, who's mentioned in the GeekWire
22 article in the exhibit that Staff entered, says exactly
23 that.

24 There's no denying that Dolly goes to great
25 lengths to take amazing care of its customers, but

1 Dolly's not perfect. Their compliance with the cease
2 and desist order has not been perfect. Dolly genuinely
3 believed that the cease and desist order applied to
4 specific messaging in its Internet marketing. And why
5 wouldn't they? Order 04 tells Dolly it is not required
6 to put any kind of disclaimer in any of its Internet
7 marketing.

8 In the spirit of collaboration and
9 cooperation and compliance, Dolly made numerous changes
10 to its Internet marketing to provide clarity to its
11 consumers about what exactly Dolly is and what exactly
12 Dolly does. Dolly is a moving and delivery service, as
13 we've heard here today, that connects people who need
14 things moved with people who can do it, and they do it
15 safely.

16 Dolly is willing to make any changes to its
17 business model and its Internet advertising to receive
18 the permit that it's applied for. Dolly is committed to
19 giving the Commission any assurance that it needs that
20 it -- that it will do that. But Dolly needs clarity on
21 what those changes are. There have been numerous
22 orders, I think nine in this case, that have all said
23 one thing or another, that Dolly continues to violate
24 the cease and desist order because it continues to
25 operate. "Operate" is defined as advertising.

1 The entire case, the entire hearing that
2 occurred in March, was about advertising. The penalty
3 that Dolly received was based on its advertisements.
4 Dolly made those changes in the belief that it was
5 complying with the Commission's orders based on its
6 advertising. Apparently that wasn't correct, but
7 Dolly's willing to make those changes moving forward and
8 it needs direction from the Commissioners to tell it
9 what it needs to do to operate in the state legally and
10 under the Commission's authority.

11 Dolly hopes that you will grant it the
12 provisional permit that it needs because, as Mr. Howell
13 has said on the stand and in print, Dolly welcomes
14 regulation. Dolly proposed legislation, rule-making in
15 order to -- to effect that change. But those rule --
16 because the rules that currently exist do not exactly
17 fit Dolly's model.

18 So we hope that you will grant us the
19 provisional permit to give us the opportunity to prove
20 that Dolly is an upstanding business as all of its
21 customers, all of its 200,000 customers in the state of
22 Washington can attest to and that it also has its
23 best -- its customers' interest in mind. Thank you.

24 JUDGE KOPTA: Thank you, Mr. Bryant.

25 Mr. Roberson.

1 MR. ROBERSON: This hearing is about a very
2 limited issue and that issue is Dolly's fitness. The
3 Commission has a long history of what it means to be
4 fit. As the Commission has stated, fitness concerns an
5 applicant's willingness and ability to conform its
6 conduct to the public service laws and the requirements,
7 rules, and regulations of the Commission. Commission
8 also considers an applicant's past history as the best
9 indicator of whether or not he, she, or it can comply
10 with the public service laws, Commission's rules,
11 Commission's orders.

12 The Commission has repeatedly said that a
13 negative compliance history isn't a per se bar to
14 getting a permit, and it does that so that when the
15 Commission drags someone in on a classification matter,
16 that person can get a permit and operate legally if
17 they're willing to assent to Commission's authority and
18 do what the Commission says. So it looks through a
19 couple of factors; whether the violations were repeated
20 or flagrant, whether the applicant promptly took
21 corrective action, and whether the applicant can now
22 provide credible assurances of future compliance.

23 In a recent docket, which is the SeaTac 24
24 docket, the Commission basically said violations of a
25 cease and desist order are the type of repeated and

1 flagrant conduct that justify a finding of unfitness.

2 With that background law in mind, let's talk
3 about Dolly. Dolly tells you that they're not here to
4 challenge your authority or the findings made in Order
5 oh -- corrected Order 02 and affirmed in Order 04 or any
6 of the subsequent findings. Their conduct for the last
7 eight, seven months has been inherently a challenge to
8 the Commission's authority. The Commission repeatedly
9 told Dolly to cease and desist.

10 In order -- corrected Order 02 and in Order
11 04, it explained exactly what it wanted Dolly to cease
12 and desist on. That's why the Commission made findings
13 that Dolly was entering into agreements for the
14 transport of household goods. There's an entire section
15 on that. You can read Order 04 if you've forgotten.
16 It's in the record.

17 There's also an entire section on
18 advertising. And the -- the quote from paragraph 39 is
19 interesting and cherry-picked because the Commission
20 does acknowledge that there are many ways to comply with
21 the advertising provisions of the cease and desist
22 order, but it does say Dolly has to do something. It
23 follows -- this is the exact wording. (As read) It
24 logically follows that the company must in some way
25 alter its advertisements to ensure it no longer holds

1 itself out as providing unauthorized services in
2 Washington.

3 We had an extensive conversation with
4 Mr. Shawver, and he basically can't tell you that
5 they've done anything to make sure that it is no longer
6 holding itself out as a mover. Its pages are full of
7 people in Dolly shirts standing next to shirts -- or
8 standing next to trucks marked with the Dolly logo.
9 There's nothing on any of those pages that explicitly
10 says, Washingtonians, we're not a household goods
11 carrier, we're not a motor freight common carrier, we're
12 not a solid waste collection company.

13 If you look at their website, there are I
14 think three versions of it from four different -- four
15 versions from four different months in the record.
16 They're still holding themselves out as doing apartment
17 moves or junk removal or any of these kinds of things
18 that in Order -- corrected Order 02 and in Order 04 the
19 Commission said these things make you a common carrier.
20 You're holding yourself out as a household goods
21 carrier, a common carrier, and a solid waste collection
22 company.

23 And the -- the testimony of Mr. Shawver
24 basically is that Dolly has modified its advertisement
25 to make sure that the consumers understand that they're

1 just connecting the people with customers. Those
2 statements were on their website at the time of the
3 classification hearing. The Commission looked at them
4 and in Order 04, paragraphs 24 and 25 said none of this
5 is sufficient. You need to do something else. So
6 basically they're telling you that they've complied with
7 your order by doing what they've already done.

8 It's up to you, I guess, to determine
9 whether or not that qualifies, but the evidence in the
10 record shows that they haven't modified their
11 advertisement in any meaningful way -- any meaningful way,
12 and Ms. Paul's testimony shows numerous ways in which
13 they are continuing to operate. They're offering
14 quotes, you know, there are Yelp reviews for people who
15 had moves on Dolly after the Commission entered its
16 cease and desist order.

17 Yeah, if the test for fitness is whether or
18 not they're willing or able to conform their conduct,
19 Dolly is -- able to -- willing and able to conform its
20 conduct to the public service laws, it's one or the
21 other. They're either unwilling or unable. And the
22 closing argument from opposing counsel was essentially
23 concession of that. It's our compliance hasn't been
24 perfect. I mean, I think the record shows that their
25 compliance has been nonexistent.

1 The record also shows in the form of their
2 statements to this tribunal and to the superior court
3 that they knew exactly what the cease and desist order
4 required them to do. On page 9 of their motion to
5 superior court, they acknowledged that they would have
6 to shut down. On the last page of their motion to stay,
7 which the Commission denied in Order 05, they
8 acknowledged that they would have to shut down.

9 They're not complying. They're -- they're
10 not complying. Whether they're unwilling or unable,
11 they're not complying. That's the kind of repeated and
12 flagrant thing that the Commission has said makes
13 someone unfit. Thank you.

14 JUDGE KOPTA: Thank you, Mr. Roberson.

15 Unless there is anything further, I believe
16 that concludes this hearing. So the Commission will
17 take this under advisement and will issue an order in
18 due course. Thank you. We are adjourned.

19 (Adjourned at 4:09 p.m.)
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE

STATE OF WASHINGTON

COUNTY OF THURSTON

I, Tayler Garlinghouse, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability.

Tayler Garlinghouse, CCR 3358