



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

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June 21, 2017

Steven V. King, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive Southwest
P.O. Box 47250
Olympia, WA 98504-7250

Re: *Washington Utilities and Transportation Commission v. Eric Stewart
d/b/a Iron Man Movers and Storage, Inc.
1495 Lahti Dr.
Bellingham, WA 98226
Commission Staff's Response to Contest of Violation
Docket TV-170205*

Dear Mr. King:

In May 2017, Consumer Protection Investigator Kristi Ferguson completed a compliance investigation on the intrastate transportation of household goods in Washington by Iron Man Movers and Storage, Inc. (Iron Man) between the dates of April 1, 2016, through July 31, 2016. The investigation included an in-depth review of the household goods carrier's compliance with regulations pertaining to Washington Administrative Code (WAC) 480-15 and Household Goods Tariff 15-C. Ms. Ferguson found 676 violations and many were repeat violations.

Penalty Assessment Issued

On May 22, 2017, the Commission issued a penalty assessment under Docket TV-170205 against Iron Man in the amount of \$15,900 for violations of WAC 480-15 and Household Goods Tariff 15-C. The violations and recommended penalties are as follows:

- Twenty-four violations of failing to bill the required minimum hours for weekend moves or state-recognized holidays in violation of WAC 480-15-490 and Tariff 15-C, Item 230(7). \$2,400 recommended penalty.
- Two violations of charging below the minimum tariffed rate in violation of WAC 480-15-710 and Tariff 15-C, Item 230(6). \$200 recommended penalty.

- One-hundred-thirty-one violations of failing to properly complete the bills of lading submitted in violation of WAC 480-15-710 and Tariff 15-C, Item 95. \$13,100 recommended penalty.
- Fifty-two violations of failing to completely and accurately fill out the estimate form in violation of WAC 15-630 and Tariff 15-C, Item 85. \$100 recommended penalty.
- One violation for failure to advertise the company's address on file with the commission on their Facebook page in violation of WAC 480-15-610(1) and failure to use the company's trade name as recorded at the commission on Iron Man's website in violation of WAC 480-15-390(1). \$100 recommended penalty.

Company Response to Penalty Assessment

On June 5, 2017, Iron Man filed with the commission a request to present information for the commission's consideration, and asked for a commission decision based solely on information provided. Iron Man owners, Eric and Susan Stewart, accepted penalties for the following:

- Twenty-four violations of failing to bill the required minimum hours for weekend moves or state-recognized holidays in violation of WAC 480-15-490 and Tariff 15-C, Item 230(7).
- Two violations of charging below the minimum tariffed rate in violation of WAC 480-15-710 and Tariff 15-C, Item 230(6).
- One violation for failure to advertise the company's address on file with the commission on their Facebook page in violation of WAC 480-15-610(1) and failure to use the company's trade name as recorded at the commission on Iron Man's website in violation of WAC 480-15-390(1).

The company requested further information regarding:

- One-hundred-thirty-one violations of failing to properly complete the bills of lading submitted in violation of WAC 480-15-710 and Tariff 15-C, Item 95.
- Failure to use the company's trade name as recorded at the commission on Iron Man's website in violation of WAC 480-15-390(1).

The company did not address:

- Fifty-two violations of failing to completely and accurately fill out the estimate form in violation of WAC 15-630 and Tariff 15-C, Item 85.

In response to the company's request for additional information, staff provided Iron Man with a link to Docket TV-170205 which contains an investigative report detailing the violations. Staff also gave the company an opportunity to file a supplemental response to the penalty assessment once they had the opportunity to read the investigation report. Their supplemental response was due to the commission by COB on June 14, 2017. Staff received a response from the company on June 15, 2017. Iron Man addressed the following in their supplemental response:

- One-hundred-thirty-one violations of failing to properly complete the bills of lading submitted in violation of WAC 480-15-710 and Tariff 15-C, Item 95(2).

Iron Man states, "We held a meeting with staff to go over these infractions and had a discussion/training session to ensure all the bills of lading are correctly and completely filled out." "...in regards to WAC 480-15-710 and Tariff 15-C, Item 95(2). There were some minor discrepancies in the verbiage on our bill of lading. This was brought to my attention in a previous audit. While we did use the remaining copies we had already printed, we did send the corrections to our printer and have been using the corrected version this year."

The company still did not address:

- Fifty-two violations of failing to completely and accurately fill out the estimate form in violation of WAC 15-630 and Tariff 15-C, Item 85.

The company also provided the following corrective measures they say have been implemented:

- Twenty-four violations of failing to bill the required minimum hours for weekend moves or state-recognized holidays in violation of WAC 480-15-490 and Tariff 15-C, Item 230(7).

"We misinterpreted item 230, paragraph 7, section A "at the customers request". We have educated our booking staff and will charge correctly."

- Two violations of charging below the minimum tariffed rate in violation of WAC 480-15-710 and Tariff 15-C, Item 230(6).

"We will correctly charge the minimum tariffed rate."

- One violation for failure to advertise the company's address on file with the commission on their Facebook page in violation of WAC 480-15-610(1) and failure to use the company's trade name as recorded at the commission on Iron Man's website in violation of WAC 480-15-390(1).

"...have updated our face book page to reflect our address. We have also contacted our website administrator and requested they update our page to reflect our trade name as recorded with the commission."

Staff Recommendation

The company states they have provided training to staff, made corrections to forms, and will charge correct tariff rates, but they failed to address filling out estimate forms completely and accurately. They also state they have updated their Facebook page to reflect their address and have contacted their website administrator to reflect their correct trade name. To date, their Facebook page still reflects an outdated address, which is not the address on file with the commission. In addition, their website does not reflect their complete trade name.

Iron Man's compliance history is concerning. The company received technical assistance in 2011 and received penalties in 2012, which were mitigated, for these same violations. Repeat violations include:

- Failure to bill the required minimum hours for weekend moves or state recognized holidays
- Failure to properly complete the bills of lading
- Failure to completely and accurately fill out the estimate forms
- Failure to use the company's trade name as recorded at the commission

Due to repeat violations and the risk posed to customers, staff believe a larger penalty is warranted. The company states they corrected the verbiage on the back of the bill of lading, Tariff 15-C Item 95(2), once their supply of printed forms were gone and have used the correct version this year. Therefore, staff recommends mitigation of the penalties as follows:

- One-hundred-thirty-one violations of failing to properly complete the bills of lading submitted in violation of WAC 480-15-710 and Tariff 15-C, Item 95. Staff recommends mitigation from the \$13,100 recommended penalty to \$8,700.

Staff recommends the commission issue Iron Man a total penalty of \$11,500, mitigated from a total of \$15,900.

If you have any questions, please contact Kristi Ferguson, Compliance Investigator, Consumer Protection, at (360) 664-1108 or by e-mail at kferguso@utc.wa.gov.

Sincerely,



Bridgit Feeser
Assistant Director, Consumer Protection