

Date Received: February 20, 1998

Docket No.: TV-971477

Company: Amends WAC 480-12, Relating to Household Goods Movers

Distribution:

Chairwoman Levinson
Commissioner Gillis
Commissioner Hemstad
Marjorie Schaer, ALJ
Shirley Burrell (Rulemakings cover letters only & changes to NOH)
Penny Hansen
Teresa Osinski
Dixie Linnenbrink
Ann Rendahl, AAG
Vicki Elliott
Diana Otto
Paul Curl
Sally Turnbull
Bonnie Allen
Carlene Hughes
Foster Hernandez
Cathie Anderson
Kim Dobyms
Ray Gardner
Carolyn Caruso
Pat Dutton
Alan Dickson (mail)
Mary Sprouffske (No comments)

For Records Center Use Only

RMS ✓
FOB ✓
PR _____
MSL _____
NOH _____
Disk _____
Initial h

TU-971477

February 17, 1998



Ms. Pat Dutton, Prog.Development/Trans.
W.U.T.C.
P. O. Box 47250
Olympia, WA 98504-7250

Agent

Sound Moving & Storage
P. O. Box 1055
Port Angeles, WA 98362
(206) 457-7979
Fax No. 206-452-2353

REF: W.U.T.C. HHG RULEMAKING PROCESS

In our local market on the Olympic Peninsula we have two regulated companies with terminal facilities. For the last two decades there have been two illegal operations here in this area which has resulted in complaints to the WUTC Consumer Complaint Dept. These illegal operations have caused a drain on our revenues. We have maintained trained personnel with our company for those last two decades and never had a complaint filed with the WUTC. We have built a storage facility that is sheet-rocked, insulated and climate controlled. We are a full service mover with trained men and women who have had an excellent success rate moving people during one of the most stressful times in their lives.

The economics of the moving and storage business is based upon loading household goods near a terminal facility with local manpower, traveling to a destination where one needs to utilize local trained labor from other terminal facilities in order to perform unloading and destination services.

Allowing individuals to buy a truck and acquire insurance and start moving people will harm the general public and drive people like ourselves out of a business where our present rate of return is already below investment risk. People move to our area to build retirement dreams.

RECEIVED
FEB 20 1998
WASH. UT. & TP. COMM.

STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION
RECEIVED
RECORDS MANAGEMENT
98 FEB 20 AM 10:41

000327

houses and often they need storage facilities while they build. Easy entry will force many companies like ours out of terminal facilities. We provide a service to people that need short-term and long-term storage. If we are not here, people will need to seek storage out of the area in other larger markets, subsequently costing the customer more.

Without these local terminal facilities, when a delivery comes from another part of the state, companies will have to bring extra labor to unload, thereby again costing the customer more, not less.

We provide a service for local moving within 35 miles of our terminal at an hourly rate. Over fifty per cent of these moves are for less than three hours. Most people just want us to take the heavy items, i.e. sofa sleepers, appliances, large pieces of furniture, pianos, etc. What does one do with an employee and equipment the other 4-5 hours? We are not productive and have down time unless there is work at the terminal. If we do not have a terminal base, we will not be able to do local moving.

A company cannot maintain trained personnel unless it can offer full-time employment. Local people will and have left our area due to lack of full-time employment. The economy in the State of Washington has attracted many local part-time workers, however, this does not hold true for rural areas like ours.

Most estimates are given 45 days before the actual move date. Most customers do not know until the prior week what items for sure will be moved. Often people discard items and rid themselves of unused goods. A binding estimate can only include those items that show on the cube sheet when the estimate was prepared. The customer and the mover do not have

needed flexibility in the move. During busy times, one does not have the timeto re-do every estimate the day before the move.

One only has to analyze the last two years (the WUTC has all our reports) to see that both years we have shown losses: our cost of operations, labor and cartons account for 64% of revenue. We are trained, college-educated employers, but your rulemaking changes will hurt the general public and our industry. Would you want an inexperienced crew and company moving your household goods? We know how to protect you and your family's belongings, we have been doing so for generations. My father delivered ice in the summer, coal in the winter, and household goods in between. He did not own the truck, but treated individuals goods as if they were his own. This is our motto: "We treat our customer's belongings as if they were our own." I now own the truck, don't force me to sell it.

Sincerely yours,



James M. Bunger
President

JMB:bb

cc: State Senator Jim Hargrove
State Representative Jim Buck
State Representative Lynn Kessler
Washington Movers Conf., Jim Tutton

A. A.



Star Transfer Company

INCORPORATED
CC# 00853

THE MARK OF

DEPENDABILITY IN LOCAL AND LONG DISTANCE HAULING SINCE 1916

360-533-3700

2210 COMMERCE

P.O. BOX 173

ABERDEEN, WASHINGTON 98520

TU-971477

February 20, 1998

Ms Pat Dutton, Program Development
Transportation
WUTC
P. O. Box 47250
Olympia, WA 98504-7250

Dear Ms Dutton:

A. A. Star Transfer Company is a small moving company incorporated in 1916 to provide services to the residents of the Twin Harbors area of western Washington, better know as Grays Harbor and Pacific Counties. We provide moving and storage services to the public.

In 1941, when A. A. Star obtained its original permit, it included rights to move not only household goods, but many other commodities from well drilling equipment to storage and distribution of natural gas. Today, because of changes in these markets, our current rights include only household goods, and we are one of 3 companies you will find listed in our local telephone directories.

We offer the moving public the very best service available in the industry from free estimates to a heated, bonded, secure storage facility. Most of our staff have been in the industry, and in fact employed here at Star over 10 years.

We have 5 full-time employees with salaries and wages ranging from \$8.00 to \$15.19 per hour. Every full time and some part-time employees receive full medical and dental coverage. In 1993 we established a retirement program whereby, in addition to an individuals own contribution through salary reduction, we have been able to contribute a percentage of the company's revenue consistently each year. Our goal is to provide a stable, livable wage for each of our employees in this very depressed area of Washington State. Again, we are able to do this because our tariff has afforded us with the stability of consistent rates. We have been told that one of the reasons that the now "illegal" movers are able to charge less for their services is that they don't provide those benefits to their employees.

We enjoy an excellent reputation for providing highest quality service in equipment that is well maintained and kept in a safe condition. We appreciate the state's involvement in ensuring that the equipment we operate and that of others is in safe condition. We welcome our WUTC audit because we always learn from it.

000323

We pay our share of taxes to the state of Washington and the Federal Government. All of our employees, including owners, are covered under our Labor & Industries policy.

We are a professional company that deals with the inexperienced public in the most personal of ways. The moving public benefits from our professionalism and pays a fair price for it. Regulation works. It protects those who need it the most. It allows small companies such as us to provide a professional service, employ good people, and contribute to our state and local communities. It provides protection to the general public. Without regulation, we would not survive in this age of price-cutting. Illegal movers can offer a lower cost to their customers because, as they have said, they do not pay taxes, assure that their workers are covered in case of injury, or provide their customers with cargo protection for their valuable possessions. We, who you want most to provide moving services, could not compete.

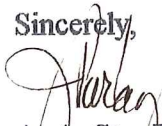
In the 20 years that I have been in this industry in Washington State, I have never seen any applicant who has proved their fitness and ability to provide these necessary elements denied a permit. I truly feel that we have assisted the state with our participation in the protest process by ensuring that this industry that works so personally with the general public is the best it can be.

I understand that the State is concerned with the practices of unscrupulous movers. Is it prepared for the problems it will face when the doors are opened to anyone with a truck?

In my opinion, the WUTC needs more financial support from the state, not only to maintain the high standards our industry requires, but to prosecute those that operate outside the law.

I am proud of my industry. I am proud of my company and its reputation, and I am always proud to explain to my potential customers that we are regulated by the State of Washington.

Sincerely,



A. A. Star Transfer Co., Inc.
Jane Purkey,
President

cc: Representative Jim Buck
Representative Mark Doumit
Senator Jim Hargrove
Representative Brian Hatfield
Representative Lynn Kessler
Senator Sid Snyder
Mr. Tim Tutton

000324