IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THURSTON COUNTY

WASHINGTON MOVERS CONFERENCE, a domestic non-profit 99 2 00038 0 No. corporation; CENTRAL MOVING & STORAGE, L.L.C., organized under Washington law; MORRISON MOVING) **DECLARATION OF** & STORAGE CO., INC., a domestic corporation, Petitioners. V.

DAN HANSEN IN SUPPORT OF STAY

WASHINGTON UTILITIES & TRANSPORTATION COMMISSION, an) agency of the State of Washington, Respondents.

SUPERIOR COURT BETTY J. GOULD THURSTON COUNTY CLERK

I, Dan Hansen, declare:

1. I am a co-owner of Central Moving & Storage, L.L.C. and hold operating authorities (permits) from WUTC which authorize my firm to move household goods in Mount Vernon and Bellingham, Washington. I am competent to be a witness in this proceeding and am authorized to speak on behalf of Central Moving & Storage. All facts are based upon my personal knowledge.

- 2. Central Moving & Storage was in the household goods moving business for many years prior to its purchase by my father Carl S. Hansen in 1971. The purchase price included a WUTC operating authority which was then valued at \$2,500.00. After my father's retirement in 1995, Central purchased local cartage operating authority for Bellingham for \$10,000.00 (no other assets were involved). Our purpose was to expand our business into Bellingham and, in order to lawfully do so, it was necessary to acquire an operating authority from WUTC. Central's two operating authorities are now combined and have a present value of \$30,000.00.
- 3. WUTC's lowering of entry standards coupled with statewide territorial expansion of authority for new entrants will reduce the value of Central's combined permit to the cost of an application (zero).
- 4. WUTC's present regulations limited entry and established rates and charges via Tariff No. 15. This directly influences the structure of our business. In 1997 and 1998, Washington intra and local moves contributed an average of 22% to our gross. Employees' wages, benefits, and volume of work are directly affected by the rates

and charge required by WUTC Tariff No. 15. With the proposed change to banded rates and binding estimates, along with relaxed permit standards, our volume and profitability of business will definitely be reduced. This, in turn, will reduce employee hours, benefits (due to qualifying hours for health benefits), and wage increases. We currently have 8 full time crew members with full benefits, who also have families and homes in our community. They will be adversely affected by the loss of business. Vehicle maintenance and replacement will also be adversely affected. Less profit means less capital investment.

5. WUTC's exclusion of transportation of self-storage containers containing household goods will also reduce our company's volume and profitability. There are approximately three times the number of self-storage facilities as moving companies in our community. I conservatively estimate a 15% loss of local work. For example, we would have experienced losses of \$28,683.00 in 1997 and \$32,100.00 in 1998 if the exclusion had been in effect. Such losses would continue and probably expand in the future.

- 6. Approximately three years ago, I began to run into competition from illegal moving companies who were not licensed by WUTC. The illegal movers did not abide by WUTC tariffs, territorial or route limitations or regulations. Bellingham Moving Services, Moving Solutions, Inc., Student Movers, and All-Phase Moving are unpermitted illegal movers who do not abide by WUTC regulations. They compete with my company in Bellingham and Mount Vernon. Central lost a number of moves due to underbidding (below the tariff rate I was required to charge).
- 7. Central Moving & Storage has been an active member of its community for 28 years. We donate money, time, and services to the "Festival of Trees" Hospital Foundation, Special Olympics, local Fire and Police departments, and local schools. We provide good paying jobs and benefits to 18 full-time employees and 5 part-time employees. We are making payments on a 24,000 square foot warehouse facility along with numerous trucks and equipment. WUTC's proposed rulemaking changes will upset the economic structure this business has adapted to. We will be forced to a new market structure. The new

DECLARATION OF DAN HANSEN - 4

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untested and untried market structure will reduce community involvement, employment, and moving facilities and equipment due to reduced revenues and profitability. Central Moving & Storage may well not be able to continue to operate successfully in that environment.

8. I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true.

Signed this $\frac{\sqrt{2}}{2}$ day of January, 1999 at Mount Vernon, Washington.

13/ Dan Hous

Dan Hansen

per telephone authorization

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Allomer at Law State & Sawyer Building. 2nd Floor 2120 State Avenue N.E. Olympia, Washington 98.506 (360) 754-7667 Fee: (360) 754-0249

new untested and untried market structure will reduce community involvement, employment, and moving facilities and equipment due to reduced revenues and profitability. Central Moving & Storage may well not be able to continue to operate successfully in that environment.

8. I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true.

Signed this $\frac{7^{+h}}{}$ day of January, 1999 at Mount Vernon, Washington.

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