



# Investigation Report

## Metropolitan Movers, Inc. DBA The Family Movers

TV-120113

Rayne Pearson  
Compliance Investigations

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## **PURPOSE, SCOPE AND AUTHORITY**

### **Purpose**

The purpose of this investigation is to determine whether Metropolitan Movers, Inc. d/b/a The Family Movers (Metropolitan Movers) has corrected violations of commission rules identified in a 2010 staff investigation report that provided the company with comprehensive technical assistance.

### **Scope**

The scope of this investigation focuses on the intrastate transportation of household goods in Washington by Metropolitan Movers for 41 moves performed between April 1 and December 30, 2011, and the company's compliance with state laws and commission rules during that period.

### **Authority**

Staff conducts this investigation pursuant to Revised Code of Washington (RCW) 81.04.070, RCW 81.80.130, and RCW 81.80.330. Washington Administrative Code (WAC) 480-15-010 gives the commission authority to regulate companies that transport household goods within the state of Washington.

### **Staff**

Rayne Pearson, Compliance Investigator  
(360) 664-1111  
rpearson@utc.wa.gov

## EXECUTIVE SUMMARY

In December 2010, staff conducted an investigation into the business practices of Metropolitan Movers as part of a routine review of permitted carriers. As a result of that investigation, the company received a \$1,500 penalty in Docket No. TV-101791 for violations of Washington Administrative Code (WAC) 480-15, which governs the operations of permitted household goods carriers. The company requested a full mitigation of the \$1,500 penalty. Staff supported the company's request subject to the conditions that the company submit corrected forms to staff for review within 30 days, and that the company attend household goods training on April 26, 2011, in Olympia, Washington. The company provided corrected forms to staff as requested, and two employees attended the household goods training on April 26.

The December 2010 investigation report required a follow-up investigation in one year. Staff reviewed 41 moves conducted by Metropolitan Movers between April 1 and December 30, 2011, and finds that the company has come into compliance in the following areas:

### **Estimates**

- Providing a signature space for customers to acknowledge receipt of the brochure "Your Guide to Moving in Washington State."
- Providing a complete and accurate valuation section for charges for loss or damage protection coverage.
- Providing accurate information required for non-binding estimates regarding release of shipment and payment.
- Removing improper language regarding minimum charges.
- Corrected language on supplemental estimate forms regarding payment of charges for mileage-rated moves.
- Corrected language on supplemental estimate forms regarding valuation options.

### **Bills of Lading**

- Removing language that gave customers the option to decline a written estimate.
- Corrected language regarding release of shipment and payment.
- Corrected language regarding valuation options.
- Corrected language regarding contract terms and conditions.
- Consistently recording form of payment information.

### **Tariff Rates and Charges**

- Removal of an impermissible "tariff transportation allowance."

Staff also finds, however, that Metropolitan Movers continues to be in violation of commission rules and Household Goods Tariff 15-C in a number of areas, as follows:

**Estimates**

- Failure to properly identify charges for materials in violation of WAC 480-15-630 and Tariff 15-C, Item 85.
- Failure to obtain the customer's initials next to the chosen valuation option in violation of WAC 480-15-630 and Tariff 15-C, Item 85.
- Failure to obtain the estimator's signature in violation of WAC 480-15-630 and Tariff 15-C, Item 85.
- Failure to issue a cube sheet inventory in connection with each move in violation of WAC 480-15-630 and Tariff 15-C, Item 85.

**Bills of Lading**

- Failure to record interruption times in violation of WAC 480-15-710 and Tariff 15-C, Item 95.

**Tariff Rates and Charges**

- Assessing an unauthorized additional vehicle charge in violation of Tariff 15-C and WAC 480-15-490(3).

Staff also identified new violations in the following areas:

**Estimates**

- Failure to obtain the customer's signature to acknowledge receipt of "Your Guide to Moving in Washington State," in violation of WAC 480-15-630 and Tariff 15-C, Item 85.
- Failure to obtain the customer's initials to indicate whether the estimate was binding or non-binding.
- Failure to obtain the customer's signature on supplemental estimates.
- Failure to include a date next to the customer's signature.
- Failure to include a date next to the estimator's signature.

**Bills of Lading**

- Including a line item for a "fuel surcharge."
- Failure to obtain the driver's signature.
- Failure to obtain the customer's signature.
- Failure to include a date next to the customer's signature.
- Failure to include a date next to the driver's signature.

## **Recommendation**

For repeat and continuing violations identified in the 2010 investigation report, staff recommends a total penalty of \$2,600 for the following violations:

- \$100 for one violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(m) for failing to obtain customers' initials next to their chosen valuation selection on estimate forms.
- \$100 for one violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(s) for failing to obtain the estimator's signature on estimate forms.
- \$100 for one violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(g) for failing to issue cube sheets as part of the estimate.
- \$100 for one violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(m) for failing to record interruption times on the bill of lading.
- \$100 for one violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(n) for failing to clearly identify charges for materials on the bill of lading.
- \$1,500 for 15 violations of WAC 480-15-490(3) and Tariff 15-C, Item 225 for charging unauthorized rates for mattress covers in connection with 15 moves.
- \$600 for six violations of WAC 480-15-490(3) and Tariff 15-C, Item 225 for charging an unauthorized "additional van" fee in connection with six moves.

Additionally, staff recommends that Metropolitan Movers attend commission-conducted rule and tariff training on July 11, 2012, in Olympia. Staff also recommends that Metropolitan Movers closely review this report because it provides valuable technical assistance in each of the areas that need improvement, including the completion of estimates, the format and completion of bills of lading, the calculation and recording of charges on bills of lading, and permissible tariff rates and charges.

## BACKGROUND

### Company History

Metropolitan Movers has held common carrier authority with the commission since 1982. On January 15, 1999, the company's common carrier permit was automatically transferred to permanent household goods authority, permit number HG-005966, in Docket No. TV-971477.

Metropolitan Movers was incorporated in the state of Washington in 1956. Jack Cronkhite is the president and 50 percent owner, and Ann Cronkhite is vice-president/shareholder and 50 percent owner. Ron Cronkhite is CEO.

### Company Information

Since 1999, when the commission automatically transferred the company's permanent authority to household goods carrier, two consumers have filed complaints against the company, one of which was company upheld. The technical assistance provided as a result of consumer complaint 96010 is documented in the "Background" section of the 2010 investigation report. That section is attached as Appendix A.

Revenue for Metropolitan Movers as reflected in its annual reports filed with the commission is as follows:

Reporting Year	Date Filed	Revenue
2008	May 6, 2009	\$234,944.17
2009	May 5, 2010	\$301,072.00
2010	May 5, 2011	\$65,527.85

### 2010 Investigation

In 2010, staff conducted an investigation into the business practices of Metropolitan Movers based on a routine review of permitted carriers. Staff made the following findings:

- Metropolitan Movers violated WAC 480-15-710 when it failed to record the customer's method of payment and failed to clearly identify charges for materials on its bills of lading. For two violations of WAC 480-15-710, staff recommended a penalty of \$100 per violation, for a total penalty of \$200.
- Metropolitan Movers violated WAC 480-15-490(3) when it assessed unauthorized charges for various non-tariff items on 49 of its 50 estimates, assessed improper charges for storage, and charged an unauthorized "tariff transportation allowance." For 13 violations of WAC 480-15-490(3), staff recommended a penalty of \$100 per violation, for a total penalty of \$1,300. The improper charges included an "additional van" charge and charging non-tariff rates for mattress covers.
- Metropolitan Movers violated WAC 480-15-630 by failing to provide a properly completed estimate to each customer prior to moving the customer's goods. The estimate form must include all information required in the rule and tariff,

including a cube sheet inventory. Additionally, the estimate may not state that Metropolitan Movers has a three-hour minimum, nor may the company charge customers a three-hour minimum.

- Metropolitan Movers violated WAC 480-15-710 by failing to provide a properly formatted bill of lading for every move. The bill of lading form must include all information required in the rule and tariff.
- Metropolitan Movers violated WAC 480-15-710 by failing to properly complete the bill of lading for every move, including designation of the customer's form of payment, identification of specific charges for materials and additional services, and recording interruption times as required by rule and tariff.
- Metropolitan Movers violated WAC 480-15-490(3) by charging for materials that are not authorized by Tariff 15-C, and by charging unauthorized rates for approved items.

### **Investigation**

Staff initiated this investigation into the business practices of Metropolitan Movers as a follow up to the 2010 investigation.



## INVESTIGATION

### Data Request

On December 15, 2011, staff requested the following records and information from Metropolitan Movers:

1. For the first 50 residential moves performed within the state of Washington from April 1, 2011, forward, please provide all supporting documents related to each customer's move, including, but not limited to, the bill of lading, estimate, supplemental estimate, inventory records, weight slips, and all documents related to temporary storage of the goods.
2. A copy of the company's customer complaint and claims register, listing all complaints and claims received from April 1, 2011, through June 30, 2011, and including all documents related to each complaint and claim.

A copy of the data request is attached as Appendix B.

Staff requested a response from Metropolitan Movers by December 30, 2011. On December 30, staff received records for 41 moves performed between April 1 and December 30, 2011. Metropolitan Movers reported one damage claim for the period of April 1 through December 30, 2011.

Staff used the documents and information related to the 41 moves furnished from this data request, as well as the 2010 investigation report, to conduct its investigation of the company's business practices. All of the moves reviewed were local, or hourly-rated.

## ESTIMATES –COMPLETION

WAC 480-15-630 requires a household goods company to issue an estimate prior to every move, and requires that the estimate include all of the elements listed in Tariff 15-C, Item 85.

### 2010 Investigation

For each of the 50 moves reviewed, the company failed to correctly complete the estimate. Staff found the following violations of Tariff 15-C, Item 85 on each of the 50 estimate forms reviewed:

- Failure to obtain the customer's initials next to the chosen valuation option.
- Failure to obtain the estimator's signature.

### 2012 Investigation

Staff found repeat and continuing violations in the following areas:

- For 13 of the 41 moves reviewed, the company failed to obtain the customer's initials next to the chosen valuation option, which constitutes 13 violations of WAC 480-15-630 and Tariff 15-C, Item 85(2)(m).
- For 26 of the 41 moves reviewed, the company failed to obtain the estimator's signature, which constitutes 26 violations of WAC 480-15-630 and Tariff 15-C, Item 85(2)(s).

Staff also found new violations in the following areas:

- For four of the 41 moves reviewed, the company failed to obtain the customer's signature to acknowledge receipt of "Your Guide to Moving in Washington State," which constitutes four violations of WAC 480-15-630 and Tariff 15-C, Item 85(2)(c).
- For customer Church, the company failed to obtain the customer's signature on the supplemental estimate, which constitutes one violation of WAC 480-15-630 and Tariff 15-C, Item 85(3)(f).
- For customer Church, there is a typewritten "x" next to the customer's valuation selection rather the customer's initials, which constitutes one violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(m).
- For customer Nicholson, the company failed to obtain the customer's initials to indicate the selection of a binding or non-binding estimate, which constitutes one violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(p)(q).
- For three of the 41 moves reviewed, no date appears next to the customer's signature, which constitutes three violations of WAC 480-15-630 and Tariff 15-C, Item 85(2)(s).
- For four of the 41 moves reviewed, no date appears next to the estimator's signature, which constitutes four violations of WAC 480-15-630 and Tariff 15-C, Item 85(2)(s).
- For 29 of the 41 moves reviewed, non-specific charges for "materials" are listed, which constitutes 29 violations of WAC 480-15-630 and Tariff 15-C, Item 85(2)(o).

## **Findings**

**Repeat Violations:** Metropolitan Movers failed to obtain the customer's initials next to the chosen valuation option on 13 of the 41 estimates reviewed, which constitutes a repeat and continuing violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(m). Metropolitan movers also failed to obtain the estimator's signature on 26 of the 41 estimates reviewed, which constitutes a repeat and continuing violation of WAC 480-15-630 and Tariff 15-C, Item 82(2)(s).

**New Violations:** Metropolitan Movers failed to obtain all required signatures, initials, and dates from customers and employees, as discussed above. Metropolitan Movers also failed clearly identify all charges for materials.

## **Recommendation**

**Penalty:** Staff recommends a \$100 penalty for one violation of WAC 480-15-630 for failing to obtain the customer's initials next to the chosen valuation option on 13 of the 41 estimates reviewed. Staff also recommends a \$100 penalty for one violation of WAC 480-15-630 for failing to obtain the estimator's signature on 26 of the 41 estimates reviewed, for a total penalty of \$200. Because Metropolitan Movers received technical assistance in each of these areas as a result of the 2010 investigation, staff believes a penalty is warranted. Staff cited one violation for each violation category (rather than 13 and 26 separate violations, respectively) because these are the first penalties the company has received for these particular violations. Future violations may result in escalated penalties or other enforcement action.

**General:** Metropolitan Movers must provide a properly completed estimate to each customer prior to moving the customer's goods. The company must obtain all required signatures, initials, and dates from customers and employees. Metropolitan Movers must also clearly identify all charges for materials (i.e. label the item as it's listed in the tariff, as well as the amount charged).

## **ESTIMATES – CUBE SHEETS**

Tariff 15-C, Item 85(2)(g) requires, with each estimate, “a household goods cube sheet.” A cube sheet, or table of measurements, is an inventory of the items upon which the estimate is based, and lists the estimated cubic footage for each item. A cube sheet must be filled out before estimated costs for services can be given.

### **2010 Investigation**

Metropolitan Movers failed to complete and provide cube sheets for each of the 50 moves performed during the review period. Although inventory lists were completed for six of the 50 moves, the lists were created to inventory the customers’ goods for storage rather than for estimating the cost of the move itself.

### **2012 Investigation**

Metropolitan Movers failed to complete and provide cube sheets for each of the 41 moves performed during the review period.

### **Findings**

Metropolitan Movers failed to issue cube sheets in connection with each of the 41 moves reviewed, which constitutes a repeat and continuing violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(g).

### **Recommendation**

Staff recommends a \$100 penalty for one violation of WAC 480-15-630. Because Metropolitan Movers received technical assistance in this area as a result of the 2010 investigation, staff believes a penalty is warranted. Staff cited one violation for the violation category (rather than 41 separate violations) because this is the first penalty the company has received for this particular violation. Future violations may result in escalated penalties or other enforcement action.

## **BILLS OF LADING – FORMAT**

WAC 480-15-710 requires a household goods company to issue a bill of lading for every move that includes all of the requirements listed in Tariff 15-C, Item 95. Additionally, WAC 480-15-490(3) requires that bills of lading only include charges for items that are expressly authorized by Tariff 15-C.

The bill of lading form used by Metropolitan Movers for each of the 41 moves reviewed includes a “fuel surcharge” line item. Tariff 15-C does not authorize household goods carriers to collect a fuel surcharge. Although staff recognizes that no fuel surcharges were assessed on any of the 41 bills of lading reviewed, Metropolitan Movers should be particularly sensitive to this violation because the company was penalized for assessing a fuel surcharge in connection with the 2010 investigation.

A copy of the bill of lading form used by Metropolitan Movers is attached as Appendix C.

### **Findings**

Metropolitan Movers violated WAC 480-15-490(3) and Tariff 15-C, Item 95 when it issued improper bills of lading for each of the 41 moves performed during the review period.

### **Recommendation**

Metropolitan Movers must provide a properly formatted bill of lading for every move, and must remove the “fuel surcharge” line item from its current bill of lading. The bill of lading form may only include items expressly authorized by Tariff 15-C, Item 95 to comply with WAC 480-15-490(3). A commission-approved bill of lading can be found on the commission’s website at [www.utc.wa.gov/mover](http://www.utc.wa.gov/mover). Staff considers this investigation as the company’s technical assistance regarding removal of the “fuel surcharge” line item. If future violations are found, staff may recommend penalties or take other enforcement action.

## BILLS OF LADING – COMPLETION

WAC 480-15-710 requires a household goods company to issue a properly completed bill of lading for every move that includes all of the requirements listed in Tariff 15-C, Item 95.

### 2010 Investigation

Staff found that Metropolitan Movers consistently failed to complete its bills of lading as required by WAC 480-15-710 and Tariff 15-C, Item 95, as described below:

- **Start Times, Stop Times and Interruptions:** Metropolitan Movers failed to consistently record interruption times. Although employees worked for five or more consecutive hours, meal periods and breaks were not recorded as interruption times on the bills of lading. Because staff assumes that Metropolitan Movers employees took meal breaks as required by law, the company improperly billed customers for interruption times during 19 moves.
- **Form of Payment:** Metropolitan Movers failed to indicate the customer's form of payment on the bills of lading for each of the 50 moves reviewed.
- **Identification of Charges for Materials and Additional Services:** Metropolitan Movers failed to identify lump sum charges for unspecified "materials" on the bills of lading for 49 of the 50 moves reviewed.
- **Customer Choice for Storage:** For each of the six moves where storage was provided, Metropolitan Movers failed to obtain the customer's initials next to the customer's selection of storage options on the bill of lading, as required by Tariff 15-C, Item 100(2)(a).

### 2012 Investigation

Staff found repeat and continuing violations in the following areas:

- For 11 of the 41 moves reviewed, Metropolitan Movers failed to consistently record interruption times, which constitutes 11 violations of WAC 480-15-710 and Tariff 15-C, Item 95(1)(m). (See summary in Appendix D).
- The move for customer Halkais included a \$120 charge for unspecified "suppl. Material," which constitutes one violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(n).

Staff found new violations as follows:

- For 12 of the 41 moves reviewed, the company failed to obtain the driver's signature, which constitutes 12 violations of WAC 480-15-710 and Tariff 15-C, Item 95(1).
- For three of the 41 moves reviewed, the company failed obtain the customer's signature, which constitutes three violations of WAC 480-15-710 and Tariff 15-C, Item 95(1).
- For six of the 41 moves reviewed, no date appears next to the driver's signature, which constitutes six violations of WAC 480-15-710 and Tariff 15-C, Item 95(1).

- For six of the 41 moves reviewed, no date appears next to the customer's signature, which constitutes six violations of WAC 480-15-710 and Tariff 15-C, Item 95(1).
- For nine of the 41 moves reviewed, no date appears next to the driver's or customer's signature, which constitutes nine violations of WAC 480-15-710 and Tariff 15-C, Item 95(1).

### **Findings**

**Repeat Violations:** Staff finds that Metropolitan Movers did not properly complete the bill of lading to include interruption times for the 11 moves identified in Appendix D, which constitutes 11 repeat and continuing violations of WAC 480-15-710 and Tariff 15-C, Item 95(1)(m). Staff finds that Metropolitan Movers also failed to properly identify charges for materials on the bill of lading for customer Halkais, which constitutes a repeat and continuing violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(n).

**New Violations:** Staff also finds that Metropolitan Movers violated WAC 480-15-710 and Tariff 15-C, Item 95(1) when it failed to obtain signatures on 15 bills of lading, and signature dates on 21 bills of lading.

### **Recommendation**

**Penalty:** Staff recommends a penalty of \$100 for each of the repeat and continuing violations of WAC 480-15-710 identified in the 2010 investigation: failing to record interruption times for 11 of the 41 moves reviewed, and failing to clearly identify charges for materials, for a total penalty of \$200. Because Metropolitan Movers received technical assistance with respect to recording interruption times as a result of the 2010 investigation, staff believes a penalty is warranted. Staff cited one violation for the violation category (rather than 11 separate violations) because this is the first penalty the company has received for this particular violation. With respect to the company's failure to clearly identify charges for materials, staff believes that a penalty is appropriate for a single violation because the company was penalized for the same violation in 2010. Future violations in these areas may result in escalated penalties or other enforcement action.

**General:** Metropolitan Movers must properly complete the bill of lading for every move, including obtaining customer and employee signature and signature dates, as required by WAC 480-15-710 and Tariff 15-C, Item 95(1). Staff considers this investigation as the company's technical assistance regarding completion of the bill of lading with respect to signatures and signature dates. If future violations are found, staff may recommend penalties or take other enforcement action.

## TARIFF RATES AND CHARGES

Tariff 15-C authorizes charges for specific items and services for hourly-rated (local) moves, and sets a rate range for each authorized item or service. Charges for items or services not expressly authorized by Tariff 15-C violate WAC 480-15-490(3), which requires all household goods carriers to follow the terms, conditions, rates, and all other requirements imposed by Tariff 15-C.

### **2010 Investigation**

**Containers:** Tariff 15-C, Item 225 sets prices for containers and authorizes companies to assess minimum and maximum charges per container. For 49 of the 50 moves reviewed in the 2010 investigation, the company charged a lump sum of 10 percent of the total estimated cost for items not listed in Item 225. For 45 of the 50 moves, “mattress bags” were included in the lump sum. While “mattress covers” are a tariff item, the rate charge per mattress cover authorized by Item 225 ranges from a minimum of \$4.95 to a maximum of \$13.75, depending on the size of the mattress. Tariff 15-C does not permit companies to lump all materials together (even if Item 225 authorizes rates for the items) and charge customers a flat percentage of the estimate total. Each of the 45 instances where the company charged for mattress covers in this manner constituted a violation of WAC 480-15-490(3) and Tariff 15-C, Item 225.

**Vehicle Charge:** The moves for three customers contained a \$100 charge for an “additional van,” and the move for customer Foran contained a \$145 charge for an “additional van.” Tariff 15-C, Item 230 authorizes hourly rates ranging from \$39.20 to \$81.68 per hour for a vehicle and a driver. Flat rates for vehicles, either alone or with a driver, are not authorized.

**Storage in Transit:** Six customers were assessed charges for storage in transit that violated the rates set forth by Tariff 15-C, Item 100.

### **2012 Investigation**

Staff found repeat and continuing violations of WAC 480-15-490(3) as follows:

- For 15 of the 41 moves reviewed, Metropolitan Movers charged rates for mattress covers that violated Tariff 15-C, Item 255. Appendix E lists each improper charge by customer name.
- For six of the 41 moves reviewed, Metropolitan Movers charged an impermissible “additional van” fee. Appendix F lists those customers and charges.

Staff also found one new violation of WAC 480-15-490(3). For customer Little, Metropolitan Movers charged \$10 for a container measuring six cubic feet. Tariff 15-C, Item 225 authorizes a rate range of \$4.38 to \$9.13 for those containers. Assessing a \$10 charge violated WAC 480-15-490(3) and Tariff 15-C, Item 225.



## **Findings**

**Repeat Violations:** Staff finds that Metropolitan Movers charged unauthorized rates for mattress covers in connection with 15 of the 41 moves reviewed, which constitutes 15 repeat and continuing violations of WAC 480-15-490(3) and Tariff 15-C, Item 225. Staff also finds that Metropolitan Movers charged an unauthorized “additional van” fee in connection with six of the 41 moves reviewed, which constitutes six repeat and continuing violations of WAC 480-15-490(3).

**New Violation:** Staff finds that Metropolitan Movers charged an unauthorized rate for a six cubic foot container, which constitutes a violation of WAC 480-15-490(3) and Tariff 15-C, Item 225.

## **Recommendation**

**Penalty:** Staff recommends a penalty of \$100 for each of the repeat and continuing violations of WAC 480-15-490(3) identified in the 2010 investigation: a \$1,500 penalty for charging unauthorized rates for mattress covers in connection with 15 of the 41 moves reviewed, which constitutes 15 repeat and continuing violations of WAC 480-15-490(3) and Tariff 15-C, Item 225; and a \$600 penalty for charging an unauthorized “additional van” fee in connection with six of the 41 moves reviewed, which constitutes six repeat and continuing violations of WAC 480-15-490(3), for a total penalty of \$2,100. Because Metropolitan Movers was penalized \$100 per category for these violation types in 2010, staff recommends an escalated penalty of \$100 per violation. Future violations may result in additional penalties or other enforcement action.

**General:** Metropolitan Movers must ensure that all rates charged for containers fall within the range authorized by Tariff 15-C, Item 225. Staff considers this investigation as the company’s technical assistance regarding tariff charges with respect to containers. If future violations are found, staff may recommend penalties or take other enforcement action.

## SUMMARY OF RECOMMENDATIONS

1. Staff recommends a total penalty of \$2,600 for the following violations:
  - \$100 for one violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(m) for failing to obtain customers' initials next to their chosen valuation selection on estimate forms.
  - \$100 for one violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(s) for failing to obtain the estimator's signature on estimate forms.
  - \$100 for one violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(g) for failing to issue cube sheets in connection with estimates.
  - \$100 for one violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(m) for failing to record interruption times on the bills of lading.
  - \$100 for one violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(n) for failing to clearly identify charges for materials on the bill of lading.
  - \$1,500 for 15 repeat and continuing violations of WAC 480-15-490(3) and Tariff 15-C, Item 225 for charging unauthorized rates for mattress covers in connection with 15 moves.
  - \$600 for six repeat and continuing violations of WAC 480-15-490(3) and Tariff 15-C, Item 225 for charging an unauthorized "additional van" fee in connection with six moves.
  
2. Staff recommends Metropolitan Movers closely review this report because it provides valuable technical assistance in other areas that need improvement, as follows:
  - Metropolitan Movers must provide a properly completed estimate to each customer prior to moving the customer's goods. The company must obtain all required signatures, initials, and dates from customers and employees. Metropolitan Movers must also clearly identify all charges for materials.
  - Metropolitan Movers must provide a properly formatted bill of lading for every move, and must remove the "fuel surcharge" line item from its current bill of lading.
  - Metropolitan Movers must properly complete a bill of lading for every move, including obtaining customer and employee signatures and signature dates, as required by WAC 480-15-710 and Tariff 15-C, Item 95(1).
  - Metropolitan Movers must ensure that all rates charged for containers fall within the range authorized by Tariff 15-C, Item 225.

If future violations are found in any of these areas, staff may recommend penalties or take other enforcement action.
  
3. Staff recommends Metropolitan Movers attend commission-conducted rule and tariff training on July 11, 2012, in Olympia.

## APPENDIX A

### BACKGROUND

#### Company History

Metropolitan Movers has held common carrier authority with the commission since 1982. On January 15, 1999, the company's common carrier permit was automatically transferred to permanent household goods authority, permit number HG-005966, in Docket No. TV-971477.

Metropolitan Movers was incorporated in the state of Washington in 1956. Jack Cronkhite is the president and 50 percent owner; Ann Cronkhite is vice-president/shareholder and 50 percent owner; and Ron Cronkhite is CEO.

#### Company Information

Since 1999, when the commission automatically transferred the company's permanent authority to household goods carrier, two consumers have filed complaints against the company, one of which was company upheld.

On November 29, 2005, in Docket No. TV-051482, a Complaint and Order to Show Cause was issued against Metropolitan Movers for failure to pay regulatory fees and failure to file a 2004 annual report. A penalty assessment of \$100 was issued in Docket No. TV-052020. Metropolitan Movers filed its annual report and paid its regulatory fees in full on December 14, 2005, and the \$100 penalty was fully mitigated. In the company's request for mitigation, staff found that Metropolitan Movers was using a trade name, Metropolitan Family Movers, Inc., that was not registered with the commission in violation of WAC480-15-390. Staff also found that Metropolitan Movers failed to include its permit number on its letterhead in violation of WAC 480-15-610. Staff issued a compliance letter addressing those two issues.

In response to the compliance letter, Metropolitan Movers filed an application to add the trade names "Metropolitan Family Movers" and "The Family Movers," both of which were approved by the commission on March 13, 2006, in Docket No. TV-060388.

Revenue for Metropolitan Movers, as reflected in its annual reports filed with the commission, is as follows:

Reporting Year	Date Filed	Revenue
2007	May 5, 2008	\$465,442.43
2008	May 6, 2009	\$234,944.17
2009	May 5, 2010	\$301,072.00

### Previous Consumer Complaints

On February 24, 2006, a consumer filed a complaint with the commission against Metropolitan Movers (complaint 96010). At the conclusion of the complaint investigation, staff cited nine rule violations and provided technical assistance for each, as follows:

WAC 480-15-490(5)	Failure to comply with Tariff 15-A, three violations: 1) failure to record the customer's method of payment; 2) failure to describe a \$10 charge listed on the bill of lading; and 3) requiring the customer to sign a high-risk release form, which was not authorized by Tariff 15-A.
WAC 480-15-490(5)	Failure to charge rates in compliance with Tariff 15-A, two violations: 1) an unauthorized \$10 charge for sofa bags, mattress bags, and stretch wrap, which is not included in Tariff 15-A; 2) an unauthorized fuel surcharge, which was not included in Tariff 15-A.
WAC 480-15-650(1)	Failure to provide only one estimate. Company included three different estimated amounts on the same estimate.
WAC 480-15-650(1)(b)	Failure to include on the estimate the company affiliation, title and telephone number of the person preparing the estimate.
WAC 480-15-740(1)	Failure to include the date the shipment was packed, loaded, transported delivered, unloaded, and unpacked on the bill of lading.
WAC 480-15-740(3)	Failure to include the exact address where the shipment was unloaded.

A copy of complaint 96010 is attached as Appendix A.

### Investigation

Staff initiated this investigation into the business practices of Metropolitan Movers based on a routine review of permitted carriers.

## APPENDIX B



STATE OF WASHINGTON  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION  
1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250  
(360) 664-1160 • TTY (360) 586-8203

December 15, 2011

Ron Cronkhite  
Metropolitan Movers, Inc.  
d/b/a The Family Movers  
10303 Portland Avenue  
Tacoma, WA 98445

### **RE: Data Request**

Dear Mr. Cronkhite:

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

As part of a staff follow-up review of your household goods moving company, please send us the following information and documents:

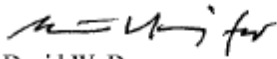
1. For the first 50 residential moves performed within the state of Washington from April 1, 2011, forward, please provide all supporting documents related to each customer's move, including, but not limited to, the bill of lading, estimate, supplemental estimate, inventory records, weight slips, and all documents related to temporary storage of the goods.
2. A copy of the company's customer complaint and claims register, listing all complaints and claims received from April 1, 2011, through June 30, 2011, and including all documents related to each complaint and claim.

Ron Cronkhite  
December 15, 2011  
Page 2

You are required to furnish the above requested documents to commission staff by no later than 5:00 p.m. on December 30, 2011. Please attach a copy of this letter to the documents for reference.

If you have any questions you may contact Rayne Pearson, Compliance Investigator. Ms. Pearson can be reached at (360) 664-1111 or by email at [rpearson@utc.wa.gov](mailto:rpearson@utc.wa.gov).

Sincerely,



David W. Danner  
Executive Director and Secretary

## APPENDIX C

### Uniform Household Goods Bill of Lading

Job Code 120001

**Customer:** The bill of lading establishes a contract between you and the household goods carrier. It confirms instructions and authorizes the carrier to move, pack, store, and/or perform services shown. Before you sign this document it is important that you first read the entire document, including the back, and that you ask for an explanation of anything that is not clear or that is different from any previous information received from the carrier or carrier's representative(s). This contract is subject to conditions on the back of this form.

From	To
Customer <u>Kristin Rasmussen</u>	Customer <u>Kristin Rasmussen</u>
Address <u>1501 Tacoma Ave. S</u>	Address <u>127 18th Avenue SW</u>
City/State/Zip <u>Tacoma WA 98402</u>	City/State/Zip <u>Olympia WA 98501</u>
H/Phone <u>(202) 412-3139</u> Cell _____	H/Phone <u>(202) 412-3139</u> Cell _____
W/Phone _____ Pager _____	W/Phone _____ Pager _____
email _____	email _____
Add'l Pickup _____	Extra-Stop _____
Billing Address <u>Kristin Rasmussen</u>	Other _____

Day	Vans	Personnel	Start	Arrive	Breaks	Depart	End	Total Hrs	Rate	Charges
5/11		2	7:00 AM				3:45 PM	7.75	94.00	1021.50

**Storage**  
 Statement will be placed into storage. the customer must initial option selected.

\_\_\_\_\_ Shipment is to be placed in storage for a period of 90 days or less (Storage-in-transit). I understand that on the 91st day of storage the shipment becomes permanent storage.

\_\_\_\_\_ The storage location will be \_\_\_\_\_

\_\_\_\_\_ Shipment is to be placed in storage for more than 90 days.

\_\_\_\_\_ I certify that I have requested storage-in-vehicle for a period of \_\_\_\_\_ days at an agreed upon rate of \$ \_\_\_\_\_ per day.

**Storage in Transit**

Trans to/from Warehouse \_\_\_\_\_ Cwt \_\_\_\_\_ lbs at \_\_\_\_\_ Cwt \_\_\_\_\_

Storage per month \_\_\_\_\_ lbs at \_\_\_\_\_ Cwt \_\_\_\_\_

Warehouse Handling in/out \_\_\_\_\_ lbs at \_\_\_\_\_ Cwt \_\_\_\_\_

Add'l Valuation \$ \_\_\_\_\_ at \_\_\_\_\_ per \$100 \_\_\_\_\_

Permanent Storage \_\_\_\_\_ Cwt \_\_\_\_\_

Labor \_\_\_\_\_ at \_\_\_\_\_ per hour \_\_\_\_\_

Storage per month \_\_\_\_\_ lbs at \_\_\_\_\_ Cwt \_\_\_\_\_

Warehouse Handling in/out \_\_\_\_\_ lbs at \_\_\_\_\_ Cwt \_\_\_\_\_

Add'l Valuation \$ \_\_\_\_\_ at \_\_\_\_\_ per \$100 \_\_\_\_\_

Pickup/Load Vaults \_\_\_\_\_ at \_\_\_\_\_ per vault \_\_\_\_\_

Oversized Items \_\_\_\_\_ at \_\_\_\_\_ ea \_\_\_\_\_

Storage \_\_\_\_\_ months \_\_\_\_\_ per month \_\_\_\_\_

Delivery of Vaults \_\_\_\_\_

**Mileage Rated Moves**

Actual Shipment Weight (lbs)	%	Net	Chg
Billed Shipment Weight _____	at _____		Cwt _____
Long Carry _____	at _____		Cwt _____
Stairs/Elevator _____	at _____		Cwt _____
Extra pickup/del _____	at _____		ea _____
Pinch/Tighten Cray _____	at _____		ea _____
Overtime Labor _____	at _____		per hour _____
Mileage _____			
Other _____	at _____		ea _____

**Materials, Additional Services**

Dehpacks _____	at _____	per unit _____
Less than 3.0 cuft ctns _____	at _____	per unit _____
3.0 cuft ctns _____	at _____	per unit _____
4.5 cuft ctns _____	at _____	per unit _____
6.0 cuft ctns _____	at _____	per unit _____
Wardrobe ctns _____	at _____	per unit _____
Crb matt cartons/cover _____	at _____	per unit _____
Single matt cartons/cover _____	at _____	per unit _____
Double matt cartons/cover _____	at _____	per unit _____
Queen matt cartons/cover _____	at _____	per unit _____
King matt cartons/cover <u>1</u>	at <u>30.00</u>	per unit <u>30.00</u>
King box ctn _____	at _____	per unit _____
Mirror ctn _____	at _____	per unit _____
Lamp Carton _____	at _____	per unit _____
Plasma TV Carton _____	at _____	per unit _____
Crates cuft _____	at _____	per unit _____
Appliances _____	at _____	per unit _____
Add'l Labor _____	at _____	per hour _____
Ferry or Bridge Toll _____	at _____	per hour _____

**Declarations** (Customer must initial preferences)

**LOSS AND DAMAGE PROTECTION (VALUATION):** The customer must select and initial only one of the following options:

**Basic Value Protection:** I release this shipment to a value of 60 cents per pound per article, at no cost to me. This means I will be paid 60 cents per pound for the net weight of the lost or damaged item, regardless of the actual value of the item.

\_\_\_\_\_ **Replacement Cost Coverage with Deductible** which includes a \$300 deductible paid by me. This option will cost \$ \_\_\_\_\_. The value I declare must be at least \$5.00 times the net weight of the shipment.

\_\_\_\_\_ **Replacement Cost Coverage with no Deductible** at a cost of \$ \_\_\_\_\_. The value I declare must be at least \$5.00 times net weight of the shipment.

**Estimate:** The customer must initial option selected.

\_\_\_\_\_ I understand this shipment is moving under a binding estimate and that I will be required to pay the amount shown on the estimate.

\_\_\_\_\_ I understand this shipment is moving under a non-binding estimate. If the charges shown on the bill of lading exceed the charges on the non-binding estimate given me by the carrier, the carrier must release the shipment to me upon payment of no more than 110% of the estimated charges and will extend credit for at least 30 days in which I must pay the remainder due. In no case will I be required to pay more than 125% of the estimate (plus any supplements) for mileage rated shipment, or more than 125% of the estimate plus supplements for hourly rated shipments.

I declare a lump sum total dollar valuation of this entire shipment at \$ 4,500

Subtotal Moving, Packing, Materials, Storage Charges	<u>111.50</u>
Dr. pos it	<u>1064.50</u>
Additional Valuation	<u>0</u>
Fuel Surcharge _____ %	<u>0</u>
<b>Total Relocation Charges</b>	<u>111.50</u>
Total Amount Paid	<u>1064.50</u>
Discount	<u>47.00</u>
<b>Balance Due</b>	<u>0</u>

**Method of Payment:**

Cash     Check     CREDIT CARD

Comments \_\_\_\_\_

## APPENDIX D

<b>Customer name</b>	<b>Date of move</b>	<b>Hours worked without recorded interruption</b>
Barton	04/29/11	5.75
Brown	12/19/11	5
Davis	07/11/11	6
Fairchild	04/18/11	5
Franklin	08/25/11	6
Halkais	07/28/11	6
Hazzard	08/12/11	5
Little	05/27/11	5.5
Rasmussen	05/27/11	7.25
Sabol	05/20/11	8
Stewart	09/21/11	8



## APPENDIX E

<b>Customer name</b>	<b>Type and amount of charge</b>	<b>Tariff rate range</b>
Wilson	King Mattress Cover \$30	\$13.05-27.19
Rasmussen	King Mattress Cover \$30	\$13.05-27.19
Pearson	King Mattress Cover \$30	\$13.05-27.19
Keith	King Mattress Cover \$30	\$13.05-27.19
Frederick	King Mattress Cover \$30 (x2)	\$13.05-27.19
Gano	King Mattress Cover \$30 (x2)	\$13.05-27.19
Damron	King Mattress Cover \$30 (x2)	\$13.05-27.19
Barton	King Mattress Cover \$30 (x2)	\$13.05-27.19
Brown	King Mattress Cover \$30	\$13.05-27.19
Halkais	King Mattress Cover \$30 (x2)	\$13.05-27.19
Fine	King Mattress Cover \$30	\$13.05-27.19
Dillion	Queen Mattress Cover \$25 (x2)	\$9.11-18.98
Church	King Mattress Cover \$31 (x2)	\$13.05-27.19
Hazzard	King Mattress Cover \$30 (x4)	\$13.05-27.19
Huprich	King Mattress Cover \$30 (x2)	\$13.05-27.19

## APPENDIX F

<b>Customer name</b>	<b>Number of Additional Vans</b>	<b>Charge to Customer</b>
Damron	1	\$120
Fine	1	\$70
Church	3	\$240
Hazzard	1	\$240
McArthur	1	\$120
Voires	1	\$70