**MEMORANDUM**

To: David Pratt, Assistant Director

 Transportation Safety

From: Sharon Wallace, Assistant Director
 Consumer Protection and Communications

CC: Sally Brown, Senior Assistant Attorney General
 Mike Fassio, Assistant Attorney General
 Steve King, Director, Safety and Consumer Protection
 Rayne Pearson, Compliance Investigator

Date: July 3, 2012

Subject: Commission Staff’s Response to Application for Household Goods Moving Company Permit for Oracle Marketing d/b/a Oracle Marketing Inc.,

 Docket TV-120766

On May 24, 2012, the Utilities and Transportation Commission received household goods permit application 122579, filed in Docket TV-120766, for Oracle Marketing d/b/a Oracle Marketing Inc., a corporation. The application lists Chana Green as the applicant, but does not provide information regarding shareholders or other governing individuals. Staff recommends the application be denied for the reasons set forth below.

**Background**
Ms. Green’s first contact with the commission was on May 28, 2010, when she submitted a household goods permit application for C.E.G. Marketing d/b/a Olympic Van Lines. That application was withdrawn on September 2, 2010. In March 2011, staff received information that Olympic Van Lines was operating within the state of Washington without a permit. The company was contacted, and Ms. Green submitted a second application on May 2, 2011, for C.E.G. Marketing d/b/a Olympic Van Lines. That application was amended on August 31, 2011, changing the company’s name to Oracle Marketing d/b/a Infinity Relocation.

During the course of the 2011 investigation, staff discovered numerous consumer complaints related to C.E.G. Marketing’s business practices in other states. Staff learned that the company, doing business as Mayflower Moving & Storage, was the target of a sting led by a special task force in the state of California that shut down the company’s operations and arrested several of its employees. Staff also received information regarding four complaints from Washington consumers that hired Olympic Van Lines to perform interstate moves. Each of the complaints alleged that the company demanded additional payments of between $1,800 and $4,000 before it would agree to release the customer’s goods.[[1]](#footnote-1)

Staff recommended that Oracle Marketing d/b/a Infinity Relocation’s permit application be denied. That application was ultimately dismissed for failure to meet application requirements on September 1, 2011, in Docket TV-110805.

On May 24, 2012, Ms. Green submitted the most recent application for household goods authority as Oracle Marketing d/b/a Oracle Marketing Inc.

**Grounds for Denying Application for Household Goods Permit

1. WAC 480-15-330(4)(b) The application indicates evidence of fraud,
 misrepresentation, or erroneous information.**
The commission’s household goods permit application includes the following question: “Do you have, or have you ever had a business-related legal proceeding against you in Washington, or in any other state?” Ms. Green answered “No” on the application.[[2]](#footnote-2)

Chana Green was a named officer and the designated Qualifier[[3]](#footnote-3) for the California corporation City Transport, Inc. d/b/a Mayflower Moving & Storage (City Transport). In July 2010, the California Public Utilities Commission conducted an investigation into the business practices of City Transport and issued a $10,000 penalty for violations of California laws and rules related to household goods carriers. City Transport was ordered to refund more than $19,000 to affected customers.[[4]](#footnote-4) The $10,000 penalty remains unpaid, and only four of the 15 affected customers have been refunded a total of $1,488.34 to date. On November 20, 2010, City Transport’s household goods permit was revoked for noncompliance with the CPUC’s citation and order.[[5]](#footnote-5)

Ms. Green’s answer that she has never had a business-related legal proceeding against her in any other state is a misrepresentation of a material fact, at best.

**2. WAC 480-15-330(4)(g) Other circumstances exist that cause the commission to
 believe issuing the permit is not in the public interest.**

In addition to the four Washington consumers cited in staff’s 2011 memorandum that were negatively impacted by Ms. Green’s former corporate incarnation, C.E.G. Marketing, the Washington Better Business Bureau has records of 15 consumer complaints filed in the last year. Information on the BBB’s website states that “BBB has received a pattern of complaints from consumers alleging this company originally offers a low quote, then substantially increases the cost once the move is in progress and consumers are unable to cancel services. Complaints further allege consumers’ household goods are not delivered within the agreed-upon time frame, and when the goods do arrive, the belongings are damaged and items are missing.”[[6]](#footnote-6)

The CPUC’s investigation of City Transport alleged the same pattern of consumer harm. Fifteen consumers were overcharged a total of $19,057.97. The CPUC received 20 consumer complaints alleging overcharge and/or loss and damage of customer goods.

The Federal Motor Carrier Safety Administration’s website, [www.protectyourmove.gov](http://www.protectyourmove.gov), shows records for 13 complaints against City Transport between 2009 and 2011. Seven of those complaints contained allegations that the company held the customer’s goods hostage.[[7]](#footnote-7) The website also shows records for 18 complaints against Oracle Marketing Inc., DOT Number 2029028 (the same DOT number on Oracle Marketing’s application with the commission) between 2010 and 2012. Six of those complaints alleged that the company held the customer’s goods hostage.[[8]](#footnote-8)

**Recommendation**Staff recommends that Oracle Marketing d/b/a Oracle Marketing Inc.’s application for a household goods permit be denied on the grounds stated above.

1. See June 15, 2011, Staff Memorandum recommending that C.E.G. Marketing d/b/a Olympic Van Lines permit be denied, attached as Appendix A. [↑](#footnote-ref-1)
2. See page 4 of the HHG Application for Oracle Marketing, attached as Appendix B. [↑](#footnote-ref-2)
3. California law requires all household goods carriers to designate a “Qualifier” who is responsible for (and tested on) household goods laws and the tariff. [↑](#footnote-ref-3)
4. See June 12, 2012, email between Joe Iljas, Investigator for the CPUC and myself, attached as Appendix C, as well as copies of Mr. Iljas’s investigation report and the corresponding citation CF-51751, attached as Appendix D. [↑](#footnote-ref-4)
5. See permit information obtained from CPUC’s website on June 27, 2012, attached as Appendix E. [↑](#footnote-ref-5)
6. See information obtained from the BBB’s website on June 8, 2012, attached as Appendix E. [↑](#footnote-ref-6)
7. See information regarding City Transport obtained from the FMCSA’s website on June 28, 2012, attached as Appendix F. [↑](#footnote-ref-7)
8. See information regarding Oracle Marketing obtained from the FMCSA’s website on June 28, 2012, attached as Appendix G. [↑](#footnote-ref-8)