



Investigation Report

All Star Transfer, Laron Williams Inc.

d/b/a All Star Moving & Storage; Careful Movers; Allstar Movers; and Allstar Moving and Storage

TV-180236

Jason Hoxit
Compliance Investigations

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PURPOSE, SCOPE, AND AUTHORITY

Purpose

All Star Transfer, Laron Williams Inc. d/b/a All Star Moving & Storage; Careful Movers; Allstar Movers; and Allstar Moving & Storage (All Star or Company) holds a permit issued by the Washington Utilities and Transportation Commission (Commission) to transport household goods within the state of Washington. The purpose of this investigation is to determine the Company's compliance with state of Washington laws and Commission rules.

Scope

The scope of the investigation focuses on the intrastate transportation of household goods in Washington by All Star between the dates of July 1, 2016, through Oct. 4, 2016, and the Company's compliance with state laws and Commission rules during that period.

Authority

The Commission conducts this investigation pursuant to Revised Code of Washington (RCW) 81.04.070 and RCW 81.80.330, which gives the Commission the right to inspect the books, papers, and documents of household goods carriers. Under RCW 80.01.040 and RCW 81.80.130, the Commission has authority to regulate companies that transport household goods within the state of Washington.

Staff

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EXECUTIVE SUMMARY

Staff conducted this investigation as a follow-up investigation to determine if All Star is complying with applicable statutes and rules pertaining to the household goods industry. Staff reviewed household goods moves conducted by All Star from July 1, 2016, through Oct. 4, 2016, and determined that 13 moves were jurisdictional. Staff used the documents from the jurisdictional moves for this investigation. Staff believes that All Star violated state laws and rules and Household Goods Tariff 15-C as follows:

- Failing to comply with a direction made by the Commission under the authority of RCW 81.04.070, in violation of RCW 81.04.380.
- Failing to charge tariffed rates in violation of WAC 480-15-490(3) and Tariff 15-C, Item 230.
- Failing to completely and accurately fill out estimate forms in violation of WAC 480-15-630 and Tariff 15-C, Item 85.
- Failing to complete a supplemental estimate in violation of WAC 480-15-660 and Tariff 15-C, Item 85(2)(q)(iv).
- Failing to provide a table of measurements (cube sheet) in conjunction with an estimate in violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(g).
- Failing to completely and accurately fill out bills of lading in violation of WAC 480-15-710 and Tariff 15-C, Item 95.

Recommendations

Staff recommends the Commission issue a formal complaint and assess a total penalty up to \$21,000 for the following violations:

- Up to \$1,000 for one violation of RCW 81.04.380 for failing to comply with a direction made by the Commission under the authority of RCW 81.04.070.
- Up to \$2,000 for two violations of failing to charge tariffed rates in violation of WAC 480-15-490(3) and Tariff 15-C, Item 230.
- Up to \$6,000 for six violations of failing to completely and accurately fill out the estimate forms in violation of WAC 480-15-630 and Tariff 15-C, Item 85.
- Up to \$6,000 for six violations of failing to provide a table of measurements (cube sheet) in conjunction with the estimate in violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(g).
- Up to \$6,000 for six violations of failing to completely and accurately fill out the bills of lading in violation of WAC 480-15-710 and Tariff 15-C, Item 95.

In addition to these penalties, Staff recommends the Commission order the Company to remit to affected consumers a total refund of \$617.75 for the following violations:

- \$57.50 for packing materials charged in violation of Tariff 15-C, Item 205(3).
- \$560.25 for an overage fee the Company charged the consumer without completing a supplemental estimate in violation of WAC 480-15-660 and Tariff 15-C, Item 85(2)(q)(iv).

Staff also recommends that the Commission require All Star to include its Commission-issued permit number in all advertising and remove all deceptive advertising.

Staff further recommends that the Commission order Laron Williams and employees of All Star to attend a future household goods training session.

Staff will conduct a follow-up investigation in one year to determine if All Star is in compliance with laws and rules enforced by the Commission.

BACKGROUND

Company Background

The Commission granted permanent operating authority to All Star on Aug. 17, 2001.¹ The Washington Secretary of State (SOS) online record for All Star reflects that Laron Williams is the governing person of All Star, but also shows that the corporation was administratively dissolved on Nov. 1, 2016. All Star has the following trade names on file with the Commission: All Star Moving & Storage; Careful Movers; Allstar Movers; and Allstar Moving & Storage. The Company's physical address on file with the Commission is 24111 Hwy. 99, Suite 303, Edmonds, WA 98026. There is no record of Laron Williams having ever attended the Commission's Household Goods Training.

Annual revenue for All Star as reflected in its most recent annual reports filed with the Commission is as follows:

| Reporting Year | Date Filed | Total Revenue |
|-----------------------|-------------------|----------------------|
| 2016 | Oct. 16, 2017 | \$360,640 |
| 2015 | Sept. 14, 2016 | \$13,500 |
| 2014 | April 30, 2015 | \$49,183.69 |

Compliance History

Since 2001, when All Star received permanent operating authority, the Commission has assessed penalties for violations and initiated enforcement proceedings against the Company as follows:

- July 23, 2012: Assessed a \$350 penalty in Docket TV-120908 for failure to file a timely 2011 annual report and pay its 2012 regulatory fees. The Company filed its report and paid the penalty in full on July 30, 2012.
- Aug. 12, 2013: Assessed a \$750 penalty in Docket TV-130958 for failure to file a timely 2012 annual report and pay its 2013 regulatory fees. The Company filed its report and paid the penalty in full on Aug. 12, 2013.
- April 2, 2015: Assessed a \$1,700 penalty in a complaint proceeding in Docket TV-143648 based on a compliance investigation completed November 2014. The entire \$1,700 penalty was suspended for a period of one year on the condition that All Star

¹ Order MV-150278.

comply with Commission rules and Tariff 15-C during a follow-up investigation conducted by Staff.

- June 23, 2016: Assessed a \$1,000 penalty in Docket TV-160612 for failure to file a timely 2015 annual report and pay its 2016 regulatory fees. The Company sent a letter to Staff, dated Sept. 1, 2016, stating it did not agree with the penalties and included a voided check for \$1,000.² On Feb. 3, 2017, the Company was notified by the Attorney General's Office of the Commission's intent to send this debt to collections and that the Company would likely incur additional expenses and fees, including costs of collection, attorney's fees, and interest.³ The Company paid the penalty in full on Oct. 18, 2017.
- June 30, 2017: Assessed a \$1,000 penalty in Docket TV-170506 for failure to file a timely 2016 annual report and pay its 2017 regulatory fees. The Company paid the penalty in full on Oct. 18, 2017.
- Sept. 7, 2017: In Docket TV-170902 the Commission gave notice to All Star that it intended to cancel its household goods carrier permit because the Company failed to file its 2016 annual report and pay regulatory fees for 2017. The Company filed its 2016 annual report and paid its regulatory fees on Oct. 18, 2017.

November 2012 Consumer Complaint CAS-04185-Q4J0N9

On Nov. 19, 2012, a consumer filed an informal complaint with the Commission against All Star. During the complaint investigation, Staff directed the Company to refund the consumer \$168.13. Staff recorded 42 rule violations related to incomplete estimates and bills of lading, and provided technical assistance for each, as follows:⁴

| | |
|----------------------|---|
| WAC 480-15-390(1) | 4 violations: Failure to conduct operations under the exact name shown on the Company's household goods permit. |
| WAC 480-15-620(1) | 1 violation: Failure to provide the customer with a copy of the brochure <i>Consumer Guide to Moving in Washington State</i> . |
| WAC 480-15-630(6)(b) | 1 violation: Failure to have the customer sign and date the customer completed hard-copy calculation sheet. |
| WAC 480-15-630(8) | 1 violation: Failure to have both the carrier and customer sign the estimate form. |
| WAC 480-15-810(1) | 1 violation: Failure to notify the customer in writing, within ten business days, that it has received the claim or complaint and advise the customer of the availability of the Commission for further review by providing the Commission's toll-free number and mailing address. |

² See Appendix A for a copy of All Star's letter regarding non-payment of annual fees, dated Sept. 1, 2016.

³ See Appendix B for a copy of the Notice of Intent to Send to Collections, dated Feb. 3, 2017.

⁴ See Appendix C for a copy of consumer complaint CAS-04185-Q4J0N9.

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| WAC 480-15-890(2) | 7 violations: Failure to respond to Staff inquiries requesting additional information or documentation within five business days. |
| Tariff 15-C, Item 85(2)(a) | 1 violation: Failure to include the Company's email address on the estimate form. |
| Tariff 15-C, Item 85(2)(b) | 1 violation: Failure to include whether the estimate is binding or non-binding on the estimate form. |
| Tariff 15-C, Item 85(2)(c) | 1 violation: Failure to include a space on the estimate for the customer to sign or initial that the customer was provided a copy of the brochure <i>Consumer Guide to Moving in Washington State</i> . |
| Tariff 15-C, Item 85(2)(m) | 1 violation: Failure to include the customer's options for loss or damage protection coverage (valuation) and the associated charges for each option on the estimate form. |
| Tariff 15-C, Item 85(2)(q) | 4 violations: Failure to include the required language for non-binding estimates on the estimate form. |
| Tariff 15-C, Item 85(2)(r) | 1 violation: Failure to include the forms of payment the carrier will accept on the estimate form. |
| Tariff 15-C, Item 90(9) | 1 violation: Failure to have the customer select one of the three valuation options on the bill of lading. |
| Tariff 15-C, Item 95(1)(a) | 4 violations: Failure to include the Company's permit number, website, fax number or email address on the bill of lading. |
| Tariff 15-C, Item 95(1)(g) | 1 violation: Failure to include required language pertaining to storage on the bill of lading. |
| Tariff 15-C, Item 95(1)(h) | 1 violation: Failure to include a separate section on the bill of lading that indicates whether the associated estimate is binding or non-binding. |
| Tariff 15-C, Item 95(1)(j) | 1 violation: Failure to charge no more than 125 percent of the estimated cost of the move without a supplemental estimate. |
| Tariff 15-C, Item 95(1)(k) | 1 violation: Failure to include the required language for valuation options on the bill of lading. |
| Tariff 15-C, Item 95(1)(m) | 2 violations: Failure to include on the bill of lading the time the vehicle leaves the carrier's terminal and the time it returns to the terminal, or when the carrier was released to go to another customer, and the start, stop, and any interruption time for each employee involved in the move. |
| Tariff 15-C, Item 95(2) | 1 violation: Failure to include the required language on the back of the bill of lading. |
| Tariff 15-C, Item 225 | 5 violations: Failure to charge the permissible container rates provided in the tariff. |

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| Tariff 15-C, Item 230(7)(a) | 1 violation: Failure to charge a one hour minimum, Monday through Friday, excluding state-recognized holidays, between 8 a.m. and 5 p.m. The Company's estimate form states that it has a two hour minimum on all jobs. |
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November 2014 Staff Investigation

In November 2014, Staff conducted a formal investigation under Docket TV-143648 into the business practices of All Star. Staff cited 254 violations of Commission rules and Tariff 15-C, as follows:

- Failure to properly complete written estimates in violation of WAC 480-15-630 and Tariff 15-C, Item 85.
- Failure to properly complete bills of lading in violation of WAC 480-15-710 and Tariff 15-C, Item 95.
- Failure to operate under the exact trade name on file with the Commission in violation of WAC 480-15-390(1).
- Charging in excess of Commission-allowed percentages, failure to record interruption times, failure to correctly calculate charges, and failure to document assessed charges, in violation of WAC 480-15-390(1).

Staff also recommended that \$2,378.32 be refunded to affected consumers for the following violations:

- A refund of \$1,107.50 for excess charges to consumers for breaks and interruptions in violation of WAC 480-15-490(3) and Tariff 15-C, Item 230(2).
- A refund of \$434.50 for excess charges to consumers for incorrectly calculating charges in violation of WAC 480-15-490(3).
- A refund of \$836.32 for excess charges to consumers issued non-binding estimates in violation of WAC 480-15-490(3) and Tariff 15-C, Item 80(3).

As a result of the investigation, the Commission issued a complaint against All Star in Docket TV-143648. The parties settled the matter prior to hearing, stipulating that All Star committed the violations alleged in the complaint, that the Commission would assess a penalty of \$1,700 against All Star, and that the Commission would suspend the penalty for one year. At the end of one year, Staff would conduct a follow up investigation. If Staff found that All Star had not substantially complied with applicable statutes and rules, the suspended \$1,700 penalty would become immediately due and payable. The Commission approved the settlement agreement on April 2, 2015.⁵ Staff did not complete a follow-up investigation within the one year timeframe that was established in the settlement agreement.

July 2015 Consumer Complaint CAS-07484-G0S4G7

On July 14, 2015, a consumer filed an informal complaint with the Commission against All Star. At the conclusion of the complaint investigation, Staff directed the Company to refund the consumer \$62.50. Staff recorded 13 rule violations and provided technical assistance for each as follows:⁶

⁵ See Appendix D for a copy of Commission Order 01 in Docket TV-143648.

⁶ See Appendix E for a copy of consumer complaint CAS-07484-G0S4G7.

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| WAC 480-15-620(1) | 1 violation: Failure to obtain signature acknowledging receipt of <i>Consumer Guide to Moving in Washington State</i> brochure. |
| WAC 480-15-630(8) | 1 violation: Failure to obtain signatures of carrier personnel and consumer. |
| WAC 480-15-630(7) | 2 violations: Failure to complete the estimate as required by tariff. The estimate failed to have a valuation option selected and did not identify whether the estimate was binding or non-binding. |
| WAC 480-15-630(5) | 1 violation: Failure to perform a visual inspection of goods to be shipped prior to conducting a move. |
| WAC 480-15-660(3) | 1 violation: Failure to include the carrier's name, address, and phone number on the supplemental estimate. |
| Tariff 15-C, Item 230 (6)(b)(ii) | 1 violation: Failure to charge tariff rates for an additional worker for a move more than three hours in duration. |
| WAC 480-15-710(3) | 6 violations: Failure to include the information in a bill of lading as described in the tariff. The Company failed to include its website, email address, and permit number; failed to provide the telephone number of the consumer; failed to list the start and stop times for each employee, and failed to list any interruption times for each employee. |

INVESTIGATION

Data Request

On Sept. 26, 2016, Staff requested the following records and information from All Star:⁷

1. For the last 25 residential moves performed within the state of Washington, please provide all original 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. Please note that the commission requires original documents. Photocopies will not be accepted.
2. A copy of the company's customer complaint and claims register, listing all complaints and claims received from Jan. 1, 2016, to present, and including all documents related to each complaint and claim.

⁷ See Appendix F for a copy of data request, dated Sept. 26, 2016. Staff sent an initial data request on April 28, 2016, requesting residential moves during a specific time period. All Star Transfer responded that it did not conduct residential moves during the requested period, which prompted Staff to reframe its request to obtain relevant documents.

Staff received a letter dated Oct. 10, 2016, from the Company, along with move related documents for the time period requested.⁸ Staff used the documents and information furnished by All Star to conduct its investigation of the Company's business practices. Staff reviewed 13 jurisdictional moves conducted from July 1, 2016, through Oct. 4, 2016. All but one were hourly-rated moves. Although the documents from each of the moves reviewed contain violations, Staff recommends the Commission assess penalties for violations that occurred on or after Aug. 22, 2016, due to the statute of limitations.

INSPECTION OF DOCUMENTS

RCW 80.04.070 gives the Commission the right to inspect the books, papers, and documents of any public service company.

Documents

One of the estimates submitted by All Star for a move dated Aug. 22, 2016, was titled "Non-Binding" with an estimated total of \$975.⁹ Staff contacted the consumer associated with this move and asked if she had retained the original copies of the move documents. The consumer stated she had not, but would contact All Star to request them. The consumer emailed Staff on July 17, 2017, and provided a copy of the Aug. 22, 2016, document obtained from All Star. The document provided by the consumer to Staff was different from the document provided by All Star. The customer's document is marked "FLAT" and displays a total of \$1,140.¹⁰

Recommendation

Staff recommends a penalty of up to \$1,000 for violating RCW 81.04.380 by failing to comply with the Commission's direction to provide "all original 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." All Star provided the Commission with an estimate that is different from the document that the Company provided to the customer associated with the move dated Aug. 22, 2016.

TARIFF RATES AND CHARGES

WAC 480-15-490(3) requires household goods carriers to follow the terms, conditions, and rates authorized by Tariff 15-C. Staff found that All Star failed to comply with Commission rules and Tariff 15-C in each of the areas discussed below.

Three Hour Minimum: An estimate dated Aug. 22, 2016, states that the Company will charge the consumer a three hour minimum for the move to be conducted on Aug. 23, 2016.¹¹ The bill of lading dated Aug. 23, 2016, was incomplete and signed by All Star on Aug. 22, 2016, one day

⁸ See Appendix G for a copy of Company's response to data request, dated Oct. 10, 2016.

⁹ See Appendix H for a copy of the estimate submitted by All Star for a move, dated Aug. 22, 2016.

¹⁰ See Appendix I for a copy of the email dated, July 17, 2017; the estimate submitted by consumer for the move, dated Aug. 22, 2016; and a copy of the consumer's payment, dated Aug. 22, 2016.

¹¹ See Appendix J for a copy of the estimate with a three hour minimum, dated Aug. 22, 2016.

prior to the move, and lists the move start time as 1:30 p.m. and the move end time of 4:30 p.m.¹² A separate estimate dated Aug. 17, 2016, states that All Star will charge the consumer a three hour flat rate for the move to be conducted on Aug. 26, 2016.¹³ Charging a three hour minimum is prohibited by Tariff 15-C.

Packing supply charges: A bill of lading, dated July 26, 2016, had additional charges billed to the consumer that are not allowable in Tariff 15-C. All Star improperly billed the consumer \$57.50 for paper pads, tape, and paper.¹⁴ Staff recommends the Commission require All Star to refund the consumer \$57.50 for incorrectly charging the consumer for packing materials.

Findings

All Star not only is overcharging consumers, but is also operating in violation of WAC 480-15 and Tariff 15-C. Failure to properly complete bills of lading and charging consumers for items not allowed by Tariff 15-C demonstrate ongoing non-compliance with Commission rules. Staff addressed the Company's practices of overcharging consumers and not properly documenting charges in its November 2014 investigation.

Recommendations

Staff recommends a penalty for both moves in which All Star charged the consumer a three hour minimum charge in violation of WAC 480-15-490(3) and Tariff 15-C, Item 230. Staff recommends a penalty of up to \$2,000.

Additionally, Staff recommends the Commission require the Company to refund the consumer \$57.50 for packing material charges in violation of Tariff 15-C, Item 205(3).

ESTIMATE DOCUMENTS

Estimates

WAC 480-15-630 requires household goods carriers 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. Estimates are intended to protect consumers from deceptive practices and hidden charges. Of the 13 moves reviewed, Staff found that each estimate violated state laws and Commission rules.

Staff documented one or more of the following violations of Tariff 15-C, Item 85, in each of the six estimates from Aug. 22, 2016, through Oct. 4, 2016.¹⁵

- Failure to provide consumers the *Consumer Guide to Moving in Washington State* and a place to sign or initial that the consumer received this guide in violation of WAC 480-15-620, Item 85(1) and Item 85(2)(c). **Repeat violation.**

¹² See Appendix K for a copy of the bill of lading with a three hour minimum, dated Aug. 23, 2016.

¹³ See Appendix L for a copy of the estimate with a three hour flat rate, dated Aug. 17, 2016. See Appendix U for a copy of the associated bill of lading, dated Aug. 26, 2016.

¹⁴ See Appendix M for a copy of the bill of lading, dated July 26, 2016, with packing material charges.

¹⁵ See Appendix N for copies of the 13 estimates completed by All Star from July 1, 2016, to Oct. 4, 2016.

- Failure to list the number of carrier personnel and vehicles that will be used in violation of Item 85(2)(i).
- Failure to include a statement on binding estimates that the estimate is a guarantee of the cost of the move and that a supplemental estimate will be completed if the charges exceed the estimated charges in violation of Item 85(2)(p).
- Failure to use Tariff 15-C language on non-binding estimates in violation of Item 85(2)(q).
- Failure to include the forms of payment the carrier will accept in violation of Item 85(2)(r). **Repeat violation.**
- Failure to obtain signatures and dates of carrier personnel and/or consumer in violation of WAC 480-15-630(8) and Item 85(2)(t). **Repeat violation.**

Findings

Staff found that all of the estimates were either incomplete or otherwise violated WAC 480-15-630 and Tariff 15-C, Item 85. Incomplete and inaccurate estimates continue to be an ongoing compliance issue for All Star. Staff documented estimate violations and provided technical assistance in Complaint CAS-04185-Q4J0N9,¹⁶ Complaint CAS-07484-G0S4G7,¹⁷ and in its November 2014 Investigation Report.

Recommendations

Staff recommends a penalty up to \$1,000 for each of the incomplete estimates associated with the Aug. 22, 2016, through Oct. 4, 2016, moves, which violated WAC 480-15-630 and Tariff 15-C, Item 85, for a total penalty of up to \$6,000.

Estimates-Supplemental Estimate

WAC 480-15-630 requires household goods carriers to issue an estimate prior to every move. In addition, the rule requires a company to issue a supplemental estimate if, at the customer's request, circumstances change that cause the cost of the move to exceed 125 percent of the original estimate. A supplemental estimate is a document separate from the original estimate that lists a complete description of the additional products or services to be provided and the associated charges.

All Star failed to provide a consumer with a supplemental estimate for a residential move performed on July 26, 2016. The estimated total was \$750;¹⁸ however, the bill of lading for this same move totaled \$1,497.75,¹⁹ which is \$560.25 more than 125 percent of the original estimate, and therefore a supplemental estimate is required.

Findings

The customer changed the circumstances of the move, which required the Company to issue a supplemental estimate for charges that exceeded 125 percent of the original estimate. All Star received technical assistance from Staff on July 14, 2015, for failing to complete a supplemental

¹⁶ See Appendix C for a copy of consumer complaint CAS-04185-Q4J0N9.

¹⁷ See Appendix E for a copy of consumer complaint CAS-07484-G0S4G7.

¹⁸ See Appendix O for a copy of the estimate for \$750, dated July 25, 2016.

¹⁹ See Appendix M for a copy of the bill of lading for \$1497.75, dated July 26, 2016.

estimate when required. The Company also received penalties in the November 2014 investigation for this same violation.

Recommendations

The Company has previously received both technical assistance and penalties for failing to provide supplemental estimates, yet the Company continues to perform moves without completing a supplemental estimate when required. Because the Company did not complete a supplemental estimate in violation of WAC 480-15-660 and Tariff 15-C, Item 85(2)(q)(iv), Staff recommends the Commission require All Star refund the consumer \$560.25 for the overcharge.

Table of Measurements (Cube Sheets)

WAC 480-15-630 requires household goods carriers to provide a written estimate to every consumer before a move. Tariff 15-C, Item 85(2)(g), also requires with each estimate, “a household goods cube sheet.” A Table of Measurements, also known as a cube sheet, is an inventory of the items upon which the estimate is based, and includes the estimated cubic footage of each item. The Company must complete a cube sheet before providing an estimate to a potential customer.

All Star provided a handwritten items list with estimates for five separate moves from July 1, 2016, through Oct. 4, 2016; however, the list fails to establish the estimated cubic footage for each item or the estimated total weight of the shipment, both of which are required to complete critical components of an estimate. The item lists provided by the Company fail to meet the requirements of a cube sheet.²⁰

Staff also found that All Star has an “Items List” on its website for prospective customers to complete so that the Company can calculate the cubic footage and estimated weight associated with that move. Of the 13 move documents reviewed, only one move included a consumer-completed list.

Staff sent an email to All Star on June 8, 2017, requesting additional documents related to the estimates.²¹

All Star responded to Staff via email on June 9, 2017, stating it “supplied the required docs with the packet including the hand written or website generated items lists.”²²

Staff responded to this email on June 12, 2017, asking the Company for any additional documents, specifically “a table of measurements (cube sheet).”²³ All Star failed to respond to Staff’s request.

²⁰ See Appendix P for a copy of the inventory list completed by All Star, dated Sept. 16, 2016.

²¹ See Appendix Q for a copy of the email from Staff requesting additional documentation, dated June 8, 2017.

²² See Appendix R for a copy of the email from All Star, dated June 9, 2017.

²³ See Appendix S for a copy of the email from Staff requesting cube sheets, dated June 12, 2017.

Findings

All Star failed to provide cube sheets prior to transporting consumers' goods for 12 of the 13 moves reviewed. Without completing a cube sheet, the Company cannot accurately or reasonably estimate the time it will take to perform the move. The missing cube sheets demonstrate that All Star has failed to come into compliance and ensure its employees are correctly and completely filling out the required moving documents despite receiving previous technical assistance and penalties.

Recommendations

The Commission provided technical assistance to All Star in conjunction with the July 2015 informal complaint,²⁴ and assessed penalties for not completing cube sheets as a result of the November 2014 investigation. Staff recommends a penalty of up to \$1,000 for each of the six moves (Aug. 22, 2016, through Oct. 4, 2016) for which All Star failed to include a cube sheet in violation of WAC 480-15-630 and Tariff 15-C, Item 85(2)(g).

BILLS OF LADING

WAC 480-15-710(3) requires household goods carriers to issue a properly completed bill of lading for every move that includes all of the requirements listed in Tariff 15-C, Item 95. The bill of lading provides an itemized overview of all of the charges related to a given move, and explains when and how a carrier is required to release a shipment and extend credit. The back of the bill of lading includes specific language regarding the terms and conditions of the contract. The purpose of this required information is to ensure that consumers are aware of their rights and obligations under the law.

Each bill of lading Staff reviewed from Aug. 22, 2016, through Oct. 4, 2016,²⁵ contained one or more of the following violations of state laws, Commission rules, and Household Goods Tariff 15-C, Item 95:

- Missing signatures and/or the dates in violation of WAC 480-15-710 and Tariff 15-C, Item 95(1). **Repeat violation.**
- Incomplete consumer information in violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(b). **Repeat violation.**
- Incomplete origin addresses in violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(d).
- Failure to match tariff language in multiple areas of the loss and damage protection (valuation) section in violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(k).
- Not listing the start, stop, and interruption times for each employee and also the end time of the move in violation of WAC 480-15-710 and Tariff 15-C, Item 95(1)(m). **Repeat violation.**

²⁴ See Appendix E for a copy of consumer complaint CAS-07484-G0S4G7.

²⁵ See Appendix T for copies of the 13 bills of lading completed by All Star from July 1, 2016, to Oct. 4, 2016.

- Failure to bill charges according to Tariff 15-C. Company did not break down individual charges and instead wrote “Flat” and the total cost of the move in violation of Item 95(1)(n).²⁶

Findings

The Commission previously provided technical assistance in July 2015,²⁷ and assessed penalties as a result of the November 2014 investigation for not properly completing bills of lading. The missing documentation on these bills of lading demonstrates that All Star has failed to come into compliance despite receiving previous technical assistance and penalties.

Recommendations

Because All Star previously received both technical assistance and penalties for these same violations, Staff believes a larger penalty is appropriate. Staff identified at least one violation for each of the separate 13 bills of lading, which contained missing or incorrect information in violation of WAC 480-15-710(3) and Tariff 15-C, Item 95. Staff recommends a penalty of up to \$6,000 for the Aug. 22, 2016, through Oct. 4, 2016, violations.

ADVERTISING

WAC 480-15-610(1) requires a household goods carrier to include its Commission-issued permit number, name, or trade name as recorded at the Commission; physical address; and telephone number in any advertisement for household goods moving services. Staff found that All Star failed to display its Commission-issued permit number on the Company’s website, Facebook page, and claimed Yelp page in violation of WAC 480-15-610(1).²⁸

WAC 480-15-610(2) states that carriers’ advertisements may not be misleading, false, or deceptive. Staff has concerns with All Star’s advertising on its webpage. All Star claims its prices are 30 to 50 percent lower than other moving companies, but fails to provide prices or documentation. The Company advertises: “Save Up to 60% on Local and Nationwide Long Distance Moving” without providing any data to support this statement.²⁹ In addition, the moving coupons advertised on the Company webpage are not an actual link, and do not route consumers to a coupon. Staff is unable to determine if these coupons and claims offer rates that are allowable within Tariff 15-C’s rate band.

Findings

Staff finds that the Company’s advertisements are potentially misleading because they do not provide enough information to allow consumers to verify its claims.

All Star has not received prior technical assistance or penalties for not including the Company’s Commission-issued permit number in its advertising, or for misleading advertisements.

²⁶ See Appendix U for a copy of the bill of lading marked “Flat”, dated Aug. 26, 2016.

²⁷ See Appendix E for a copy of consumer complaint CAS-07484-G0S4G7.

²⁸ See Appendix V for a copy of the Company’s website (under its trade name Careful Movers), Facebook (under Careful Movers), and Yelp, captured on March 15, 2018.

²⁹ See Appendix W for a copy of the Company’s website showing discounts and coupons, captured on March 15, 2018.

Recommendations

Staff recommends that All Star use this report as technical assistance for the violations of WAC 480-15-610(1) and WAC 480-15-610(2) regarding the failure to include its Commission-issued permit number on its websites and for advertising misleading claims about discounts for services. All advertising must include the Company's Commission-issued permit number. All Star must validate its claims or remove them from its advertising. Future violations may result in escalated enforcement action, including penalties.

SUMMARY OF RECOMMENDATIONS

Upon finding, at the conclusion of an inspection or investigation, that a company has violated an applicable statute, rule, order, or tariff, the Commission will consider whether an enforcement action, beyond technical assistance, is appropriate and, if so, which action to take. The Commission will consider factors that include but are not limited to:³⁰

1. How serious or harmful the violation is to the public.

Staff believes the violations cited in this report caused serious harm to consumers. The fact that All Star is not completing cube sheets, provides incomplete estimates and bills of lading, and often charges a flat amount demonstrates the Company is not charging rates that comply with the requirements of Tariff 15-C. Staff believes the harm to consumers is great due to the Company's failure to produce the breakdown of charges associated with a move. This lack of documentation prevents both consumers and Staff from knowing whether All Star is overcharging.

2. Whether the violation is intentional.

Staff believes the violations are intentional because the Commission has previously provided technical assistance and cited violations for the same types of violations identified in this investigation. Staff has provided guidance to the Company over several years. The Company has had numerous opportunities to change the way it operates and conducts its business to be in compliance with Tariff 15-C and WAC 480-15. All Star has deliberately chosen not to make the required corrections. The repeat violations suggest that compliance with Commission regulations is not a priority for All Star.

3. Whether the Company self-reported the violations.

The Company did not self-report any of the violations cited in this report.

4. Whether the Company was cooperative and responsive.

Staff sent two separate data requests to the Company requesting the consumer complaint and claims register. All Star did not submit this register in either instance. The Company was responsive to Staff's June 8, 2017, email asking for clarification on documents that were furnished by All Star; however, the Company failed to respond to Staff's later request on June 12, 2017, which asked for additional moving documents.

³⁰ Docket A-120061 – Enforcement Policy of the Washington Utilities and Transportation Commission – Section V.

5. Whether the Company promptly corrected the violations and remedied the impacts.

All Star had corrected previous violations noted in the July 2014 report, such as registering its additional trade names and having the complete address listed for the destination of the move. However, All Star has failed to remedy a number of the same types of violations identified in prior technical assistance provided in connection with informal consumer complaints and the enforcement proceeding arising from the November 2014 investigation (identified here as repeat violations). The high number of repeat violations and violations associated with prior technical assistance in this investigation demonstrates that All Star has chosen not to remedy the violations.

6. The number of violations.

Staff reviewed 13 jurisdictional moves performed by All Star. Of the 13 moves reviewed, Staff documented violations on every bill of lading and estimate. Staff also documented violations for failing to complete cube sheets on all but one move. The number of violations found during this investigation is significant.

7. The number of consumers affected.

The violations documented in this report affected all 13 of the consumers whose moves were reviewed. Staff believes that all consumers who have contracted a household goods move with All Star have been affected by the Company's failure to complete cube sheets, estimates, and bills of lading.

8. The likelihood of recurrence.

The likelihood of recurrence is significant. All Star has demonstrated an inability or unwillingness to correct previous violations. Staff believes that, without a larger penalty, the Company will not correct these violations and will remain out of compliance. Also, by choosing to not attend the Commission's free quarterly household goods training, the Company is not receiving the most up-to-date industry information available to prevent future violations.

9. The Company's past performance regarding compliance, violations, and penalties.

All Star has a history of non-compliance with Commission rules and Tariff 15-C. The Company has repeatedly chosen not to comply with previous technical assistance and violations found in the 2014 investigation.

In addition, All Star filed its 2015 annual report more than four months past the due date of May 2, 2016, and received a \$1,000 penalty for the late filing. The Company paid the \$1,000 penalty on Oct. 18, 2017. All Star also filed its 2016 annual report more than five months past the due date of May 1, 2017, and received a \$1,000 penalty for the late filing. All Star paid the \$1,000 penalty on Oct. 18, 2017. It appears to Staff that these relatively low monetary penalties have had little effect in promoting compliance.

10. The Company's existing compliance program.

Staff is unaware of any formal compliance program.

11. The size of the Company.

All Star reported an annual revenue of \$360,640 for the 2016 reporting period. The 2016 annual report states that All Star owns and operates five vehicles and employs three drivers.

Considering the eleven factors above, Staff recommends the Commission issue a formal complaint and assess a total penalty of up to \$21,000 for the following violations:

- Up to \$1,000 for one violation of RCW 81.04.380 for failing to comply with a direction made by the Commission under the authority of RCW 81.04.070.
- Up to \$2,000 for two violations of WAC 480-15-490(3) and Tariff 15-C, Item 230, for failing to charge tariffed rates.
- Up to \$6,000 for six violations of WAC 480-15-630 and Tariff 15-C, Item 85, for failing to completely and accurately fill out the estimate forms.
- Up to \$6,000 for six violations of WAC 480-15-630 and Tariff 15-C, Item 85(2)(g), for failing to provide a table of measurements (cube sheet) in conjunction with the estimate.
- Up to \$6,000 for six violations of WAC 480-15-710 and Tariff 15-C, Item 95, for failing to completely and accurately fill out the bills of lading.

In addition to these penalties, Staff recommends the Commission order the Company to refund to affected consumers a total of \$617.75 for the following violations:

- \$57.50 for packing materials charged in violation of Tariff 15-C, Item 205(3).
- \$560.25 for an overage charge the Company charged the consumer without completing a supplemental estimate in violation of WAC 480-15-660 and Tariff 15-C, Item 85(2)(q)(iv).

Staff recommends that the Commission recognize the technical assistance given to All Star in this investigation report with respect to advertising, and that the Commission require All Star to comply with all applicable advertising requirements. This includes ensuring that all advertisements display the Commission-issued permit number, and that deceptive or misleading statements are removed.

Staff also recommends the Commission require All Star management and its employees attend the Commission's free household goods training.

Staff will conduct a follow-up investigation in one year to determine if All Star is in compliance with Commission rules and state laws enforced by the Commission.