

**STATE OF WASHINGTON**

UTILITIES AND TRANSPORTATION COMMISSION

***1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 ● Olympia, Washington 98504-7250***

***(360) 664-1160 ● www.utc.wa.gov***

September 10, 2013

Steven V. King, Executive Director and Secretary

Utilities and Transportation Commission

1300 S. Evergreen Park Dr. SW

P.O. Box 47250

Olympia, WA 98504-7250

RE: *Washington Utilities and Transportation Commission v Olympic Moving & Storage, Inc., Kris and Lauri O’Bannon* Commission Staff’s Response to Application for Mitigation of Penalties Docket TV-131510

Dear Mr. King:

On August 16, 2013, the Utilities and Transportation Commission issued a $4,700 Penalty Assessment in Docket TV-131510 against Olympic Moving & Storage, Inc. (Olympic Moving), Kris and Lauri O’Bannon for 47 violations of Washington Administrative Code (WAC) 480-15-187, which requires household goods carriers to file an application with the commission prior to transferring or acquiring control of an existing household goods permit.[[1]](#footnote-1)

On August 29, 2013, Kris O’Bannon, wrote the commission requesting mitigation of penalties (Mitigation Request). In its Mitigation Request, Olympic Moving does not dispute that the violation occurred.[[2]](#footnote-2) The company owner stated, “We understand that we failed to file an application to acquire control of Bekins Northwest, which warrants a penalty. Immediately following this acquisition, we were diligently working on gathering all the information and documents required, however it took more time that what was allotted. Our applications have since been submitted and received by you. We respectfully request your consideration for a reduced penalty. Thank you for your consideration.”

It is the company’s responsibility to file an application with the commission prior to transferring or acquiring control of an existing household goods permit. Kris and Lauri O’Bannon acquired at least two locations operated by Bekins Moving & Storage Co., d/b/a Bekins Northwest (Bekins Northwest) on July 1, 2013.

Staff found the Mountlake Terrace and Yakima locations for Bekins Northwest (permit number HG-908) are now owned and operated by Kris and/or Lauri O’Bannon. Staff contacted the Licensing Services Section of the commission on August 16, 2013, and confirmed that an application to transfer permit number HG-908 had not been received.

Washington State Department of Revenue (DOR) records identify the following accounts:

Entity Name Business Name Acct. Opened Location

Northwest Movers, LLC Bekins Northwest 07/01/13 Mt. Lake Terrace
Northwest Movers Central LLC Bekins Northwest 07/01/13 Yakima

The Corporations Division of the Secretary of State (SOS) shows the following:

Entity Name Date Filed Governing Person or Agent

Northwest Movers LLC 12/11/12 Lauri O’Bannon
Northwest Movers Central LLC 06/20/13 Kris O’Bannon / Lauri O’Bannon

According to commission records, Bekins Northwest is a trade name registered to Bekins Moving & Storage Co. under permit No. HG-908. When staff contacted the Bekins Northwest Mt. Lake Terrace office by telephone on Aug. 16, 2013, the employee who answered the telephone stated that the company was purchased by Olympic on July 1, 2013. The employee’s report is consistent with DOR records.

Staff believes the acquisition of Bekins Northwest has been in process for many months, as evidenced by registration of the entity name Northwest Movers LLC on Dec.11, 2012, with the SOS.

Staff additionally believes the following factors support the recommended penalties:

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

These violations were potentially harmful to the public. If the commission does not have accurate ownership information about a regulated company, it cannot assist consumers with informal complaints. The commission is also unable to provide accurate information about the company’s complaint history and permit status to consumers.

1. **Whether the violation is intentional.**

Kris and Lauri O’Bannon are familiar with the commission’s requirement to submit an application prior to acquiring control of a permitted company, as outlined in WAC 480-15-187. For example, the O’Bannons filed the application as required on March 4, 2009, in Docket TV-081849, when Kris O’Bannon acquired control of Nowadnick and Sons, Inc. Again, on June 26, 2013, in Docket TV-130497, Lauri O’Bannon acquired control of Bellingham Transfer & Storage, Inc. and filed the application as required. Past compliance with commission rules creates a presumption that non-compliance is intentional.

 Commission staff has an unrelated pending compliance investigation into the business practices of Olympic.

1. **Whether the company self-reported the violation.**

The company’s failure to self-report gave rise to the violation. The company did not file its application until it received the $4,700 penalty assessment. But for the commission staff investigation and resulting penalty, the company may have failed to report the acquisition for an indefinite period of time.

**Recommendation**

Because the company has not presented any new or compelling information, staff does not support mitigation. Staff recommends a penalty of $100 per day from July 1 to Aug. 16, 2013, for failure to file an application with the commission to transfer or acquire control of the two Bekins Northwest locations, in violation of WAC 480-15-187 for a total penalty of $4,700.

If you have any questions regarding this recommendation, please contact Lynda Holloway, Compliance Investigator, at (360) 664-1129, or lholloway@utc.wa.gov.

Sincerely,

Sharon Wallace, Assistant Director

Consumer Protection and Communications

**ATTACHMENT A**

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**ATTACHMENT B**

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1. See attachment A for a copy of the penalty assessment sent on August 16, 2013 to Olympic Moving & Storage, Kris and Lauri O’Bannon. [↑](#footnote-ref-1)
2. See attachment B for a copy of Olympic Moving & Storage, Kris and Lauri O’Bannon Mitigation Request received by the Commission on August 29, 2013. [↑](#footnote-ref-2)