

California Public Utilities Commission
505 Van Ness Ave., San Francisco

FOR IMMEDIATE RELEASE

PRESS RELEASE

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**CPUC INVESTIGATIONS RESULT IN ENFORCEMENT ACTIONS AND
FINES IMPOSED ON VARIOUS MOVING COMPANIES**

SAN FRANCISCO, November 1, 2010 – The California Public Utilities Commission (CPUC), in its ongoing commitment to consumer protection, has recently taken a number of actions to protect consumers from illegally operating moving companies.

During the third quarter of 2010, CPUC staff took the following enforcement actions against moving companies for violations of the Public Utilities Code and CPUC rules and regulations, including Maximum Rate Tariff 4 (MAX 4), which contains maximum rates that carriers must observe as well as rules and regulations governing intrastate moves.

Administrative Citation

Three companies were cited and fined (totaling \$11,750) for one or more of the violations listed below. One of the companies was ordered to refund \$ 19,057.97 in consumer restitutions. Citations included:

1. Charged more than the maximum rates by the use of a device
2. Deviated from packing materials charges to be observed in MAX 4, Item 340
3. Deviated from the maximum rates allowed on flight/long carry charges
4. Failed to apply correct charges based on weight certificates
5. Failed to charge distance rate on moves that exceed 100 constructive miles
6. Failed to disclose all charges and willfully quoted a lower rate or charge knowing the actual rate or charges will be more than the quoted rate
7. Failed to issue the Important Information Booklet
8. Failed to provide access to records
9. Failed to provide Agreement three days prior to scheduled move
10. Failed to provide Important Notice About Your Move three days prior to scheduled move
11. Failed to respond to claims for loss and/or damage according established timeframes
12. Failed to state valuation rates on Combined Agreement for Services and Freight Bills
13. Operated and advertised without a valid permit (unlicensed and suspension)

14. Underpayment of TRF fees

Companies cited:

1. City Transport Inc., dba Mayflower Moving & Storage, Santa Clara (MTR 190494)
2. Leonel Antonio Fuentes dba Beltran Moving and Delivery Service, Riverside (MTR 190644)
3. Shuk J. Hong, CEO, Calwest Prime Corporation Inc., Los Angeles (MTR 190736)

Phone Disconnect

In its ongoing efforts to clamp down on illegal moving companies, the CPUC had telephone service shut off to a moving company operating in California without a household goods permit. The company continued to advertise and hold itself out to engage in the business of transporting used household goods, notwithstanding CPUC staff directives to immediately cease and desist unlawful acts and to obtain a household goods permit.

1. **Thomas Flanagan dbas Artist Moving & Hauling, Artist Moving Systems, Artist Moving and More, San Francisco (Unlicensed).** Carrier advertised on the Internet offering moving services. Notwithstanding a CPUC staff Cease and Desist letter directing the carrier to immediately cease all unlawful advertisements and operations, the carrier continued to violate the law as evidenced by sting calls conducted by staff. On July 22, 2010, CPUC staff obtained a Finding of Probable Cause signed by a San Francisco Superior Court Judge. The Finding orders disconnection of telephone service to the one number advertised and used by carrier to violate criminal laws in the State of California.

Criminal Filings

CPUC staff investigations of unlicensed operations resulted in criminal complaints filed with the local prosecutor's office. Following are status updates on criminal cases filed:

1. **Amex Movers, Inc., Los Angeles (MTR 190039) - Complaint #9CA01177** - Carrier was charged with 30 counts of violating various provisions of the Public Utilities Code, and Commission's MAX 4 Tariff including but not limited to operating and advertising after permit suspension and revocation; engaging employees without workers' compensation insurance; failing to maintain in effect public liability property damage and cargo insurance; and failing to issue Important Notice with Not To Exceed Price. A jury trial is pending.
2. **L.A. Transport Inc. and its president Hassan Velashierdi, Tarzana (MTR 190257) - Complaint #9CA01215** - Carrier charged with nine counts of violating various provisions of the Public Utilities Code, and the CPUC's MAX 4 Tariff including but not limited to operating and advertising after permit suspension and revocation; engaging employees without workers' compensation insurance; failing to maintain in effect public liability property damage and

cargo insurance; and failing to issue Important Notice with Not To Exceed Price. Carrier is also charged with one count of probation violation (36 months probation) from previous misdemeanor filed in 2006 for operating without CPUC authority. Carrier appeared in court on March 26, 2010 and pled Not Guilty. Carrier appeared in court on July 15, 2010, and agreed to admit to probation violation, with current misdemeanor to be dismissed. Carrier's probation time was extended another 36 months. Carrier was ordered to pay \$547 in consumer restitution and perform 50 hours community service. Carrier appeared in court on August 20, 2010, and paid restitution to shipper in full and also showed proof of enrollment in community service program.

3. **Aleksey Posunko, Larysa Posunko, Stanislav Kirsanov, partners doing business as ALG Moving, Los Angeles (Unlicensed) - Complaint #0CA01202** – Carrier charged with eight counts of violating various provisions of the Public Utilities Code, and the CPUC's MAX 4 Tariff including but not limited to operating and advertising without CPUC authority; failed to maintain in effect requisite insurance (PLPD, cargo, and workers' compensation); failed to issue Important Notice with Not To Exceed Price; and Business and Profession Code 17200/17500 for unfair business practices. L. Posunko and Kirsanov appeared in court on July 27, 2010. A. Posunko did not show up. A bench warrant was issued for A. Posunko, but held until next arraignment on August 23, 2010, for him to show up. Arraignment continued until November 5, 2010.

Official Notice

Three companies were issued Official Notice for one or more of the following violations:

1. Agreement For Moving Services and Change Order For Services not properly completed
2. Estimated Cost sheet not properly recorded
3. Failed to provide the Important Notice about Your Move
4. Operated without a permit

Companies cited:

1. Bekins, Chatsworth (MTR 190304)
2. Gary Kitchenmaster dba Movin On Co., Simi Valley (Unlicensed)
3. Oz Moving & Storage California, Inc., Los Angeles (MTR 190439)

Cease and Desist Notice

Eleven companies were issued cease and desist notices for operating and advertising without a valid permit (unlicensed, suspended, or revoked).

Companies issued Cease and Desist notices:

1. All American (Student) Movers, Santa Barbara (Unlicensed)
2. America West Moving Corporation, San Jose (Unlicensed)
3. Bocao Incorporated, dba AAMovers, La Mesa (MTR 190185)
4. CSI Mini Storage, Alameda (Unlicensed)

5. David Huggon dba A Smart Move, Marina del Rey (Unlicensed)
6. Dong Ho Kim dba Best Moving Co., San Jose (Unlicensed)
7. Dustan Bartlett dba Sultans of Schlep, San Francisco (Unlicensed)
8. Jaime Palma dba Bay Area Small Moves, San Francisco (Unlicensed)
9. Kim Young Dal, Los Angeles (MTR 190736)
10. Laura Costello dba McGuire Movers of San Francisco and Good Lads Movers, San Francisco (Unlicensed)
11. Louis Pacheco dba Louie's Moving Services, Lancaster (Unlicensed)
12. Movers4Me, various cities (Unlicensed)
13. Reese Farrow dba Genuine Moving, Emeryville (Unlicensed)
14. Sean J. Sullivan dba Movers Anonymous, Oakland (Unlicensed)
15. Tam Nguyen dba Tam Moving (Unlicensed)
16. Tian Tai Moving Company, Fremont (Unlicensed)
17. Yi Zhao and Terry Lee dba Tian Tai Moving Company and Lucky Moving Services, Fremont (Unlicensed)

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