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Untangling a move

* Under a proposed state law, consumers can get the goods on unscrupulous movers.

By Marnell Jameson, Special to The Times

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SEE CORRECTION APPENDED

When Wende Jones was looking for a mover to relocate from one Santa Monica condo to another, her broker told her to call Mr. Move Moving & Storage, unaware that the company had more than 100 complaints on file at the Better Business Bureau.

"I was just moving a few blocks," said Jones, who moved in January and is still dealing with the nightmare that followed. "I figured how hard can this be," she said, noting her former two-story condo is 1,200 square feet and opens onto the street.

Because she had three days between the close of escrows on her old and new condos, Jones asked the moving company, which operates many affiliates, including Load Lock-N-Roll Moving & Storage, to keep her belongings for a few days before delivering. She said that a company representative came out and gave her a written estimate with a "not to exceed" price of \$2,500 for moving and storage.

But the day after Mr. Move loaded her goods, Jones said, the company told her she would need to pay \$14,000 or she wouldn't get her belongings. Jones refused and contacted the Public Utilities Commission, the state agency that oversees the moving industry. That night a PUC agent went with Jones to the police department to obtain a police report. Police said they couldn't intervene in a civil matter.

Outrageous as it sounds, stories such as Jones' are legion in the moving industry, where industry oversight is scant and enforcement weak. However, such stories may soon become less common.

Last week the state Legislature passed Assembly Bill 845, which now awaits the governor's signature. Written by state Assemblyman Juan Vargas (D-San Diego), the bill would hold movers accountable, give consumers more protection and make recourse swift and penalties severe.

If the governor signs the bill, it will go into effect Jan. 1. Gov. Gray Davis has not yet taken a position on the bill, spokesman Russ Lopez said.

Doug Hill, president of Los Alamitos-based California Moving & Storage Assn., consulted with Vargas during the bill's drafting. "The bill will make it quicker and easier for consumers to seek recourse and get their goods out of hock. It will give enforcement agencies and wronged consumers more weapons," he said. "We want to go after the people who give our legitimate industry a black eye."

It took one month after Mr. Move hauled away her things for Jones to get them back, she said. But that happened only after the PUC got the L.A. city attorney to order the company to release Jones' belongings for the \$2,500 fee she was initially quoted.

Still, Jones said she had to pay almost \$3,000 more to another moving company to pick up her belongings at the storage facility and deliver them.

Then she discovered more problems that occurred at some point in the process. Jones claims that some of her valuables were missing, including her television and computer, and that her shipment included boxes that weren't hers. Many of her household goods were damaged or broken, she added.

Eli Galam, owner of Mr. Move, said Jones signed an agreement to pay the additional costs after the movers arrived at her home and "saw the difficulty of the job." The company called in six more men to help. "It would have been physically impossible for any moving company to perform that job for \$2,500," Galam said.

L.A. City Atty. Rocky Delgadillo, one of the sponsors of Vargas' bill, has taken Jones' case and added her name to a list of 18 others who have filed complaints against the company. Galam and the moving crew foreman have been charged with 29 misdemeanor counts, including 10 counts of attempted extortion and 15 counts of failing to observe PUC rules, according to Eric Moses, spokesman for the city attorney's office. Arraignment is set for Wednesday.

"Mr. Move performs 3,000 moves a year," Galam's attorney and cousin, A. Eli Galam, said. "It's inevitable that in a few cases there will be some complaints. When we go to court, we will prove all these allegations are without merit."

In the 12-month period ending in May, the Better Business Bureau logged 1,278 consumer complaints about movers in the Los Angeles area, Delgadillo said. "The most troubling of those calls are the ones that involve unlicensed movers holding goods hostage for a higher price."

Even more cases go unreported, Hill said. "Often people, particularly seniors or women, won't prosecute because they're intimidated." Others simply write it off as a bad experience and never seek recourse.

Usually additional charges amount to a few thousand dollars, not nearly the \$12,000 allegedly requested in Jones' case. And although the amount is significant to the average individual, it doesn't usually warrant much legal attention.

Consumers can take their cases to Small Claims Court, but collecting is difficult. Hiring an attorney to sue in a higher court often costs more than the amount disputed.

Stephanie Loosvelt, who moved from San Diego to Las Vegas in May, is still trying to recoup \$2,700 in extra fees that she claims a moving company charged her. She found National Moving Network on the Internet. National allegedly gave Loosvelt a written estimate stating that her costs would not exceed \$2,500, then sent an affiliate, AY Transport, to do the job. When AY Transport arrived, Loosvelt said she confirmed the written estimate.

"They told me it would probably be a few hundred dollars less," Loosvelt said. But when AY Transport delivered the goods, the price was \$5,200.

Loosvelt, a recent law school graduate, paid the bill, then enlisted a couple of lawyer friends to go after the moving company.

"The only reason I can afford to do this is because my friends are doing it for free," she said. "Otherwise legal fees would cost three times what I was owed."

The owner of AY Transport did not return phone calls.

As it stands today, when consumers have a problem with a mover, they are usually advised to do what Loosvelt did: pay, then report the problem to the appropriate government agency. For moves within California, that agency is the PUC. For interstate moves, jurisdiction falls to the Federal Motor Carrier Safety Administration. But intervention can take time.

"When someone's furniture is in a hostage situation, people need help now, not in three months," Hill said. "This bill allows consumers to go straight to the police, the city attorney or the attorney general, who can respond in the moment. This kind of authority is over and above what the PUC or federal agencies can now do."

If the governor signs the bill, police and other enforcement agencies will be able to force movers to turn over goods. They will be able to levy fines, revoke licenses, impound trucks and put movers in jail. If the customer pays the full price on the "not to exceed" contract, a mover cannot hold the goods hostage. For out-of-state moves, consumers are obligated to pay only up to 10% more than the written estimate.

Penalties for unlicensed movers would increase from a fine of up to \$1,000 and a jail sentence of up to three months to fines of up to \$10,000 and up to one year in jail, Delgadillo added.

If a licensed mover hires an unlicensed sub-hauler to handle a move, penalties apply to both companies. A consumer who finds out after a move that the mover was unlicensed is entitled to a refund.

The law covers not only intrastate but also interstate moves, provided the mover is found to be unlicensed and the move begins or ends in California, Hill said, adding that 60% of all moves within the United States are across state lines.

When consumers move between states they're at greater risk, because the federal motor carrier agency, which is part of the Department of Transportation, doesn't have the resources to do much intervention.

Its primary role is to reduce the number of bus and train accidents, but it receives 10,000 calls a year to its moving hotline, said spokesman David Longo. About one-third are complaints about a mover overcharging or holding a load hostage, lost or damaged goods and lateness.

"We try to speak with the consumers and movers involved in these situations on a real-time basis but have limited success," said Longo, adding that only a handful of people are on staff to field calls. Representatives can advise parties of their rights and responsibilities but have no authority to resolve disputes.

Although the relief that the Assembly bill is expected to bring will come too late to help Jones or Loosvelt, it's likely to spare others the same grief.

"It will give me great satisfaction to be able to direct someone to an enforcement agency or to call myself or call a mover directly and resolve situations quickly," Hill said. "This gives me a lot more clout."

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PHOTO: (no caption)

ID NUMBER:20030907hkpjyjkf

PHOTOGRAPHER: Stephen Sedam Los Angeles Times

PHOTO: SEEKING COMPENSATION: Wende Jones says movers held her property hostage when she moved to a new condo.

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--- START OF CORRECTION ---

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Type of Material: Correction

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