

**IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION**

OFFICE OF THE ATTORNEY GENERAL, STATE OF FLORIDA, DEPARTMENT OF LEGAL AFFAIRS,)	
)	
)	CASE NO.
)	
Plaintiff,)	
)	
-vs-)	
)	
)	
MOVING AND STORAGE ACCOUNTING INC, a Florida corporation, d/b/a Full Service Van Lines and Remax Van Lines,)	
MOVING AND STORAGE ACCOUNTING SERVICES INC, a Florida corporation, d/b/a Full Service Van Lines,)	
MOVING SERVICES ACCOUNTING AND STORAGE INC, a Florida corporation, DR SCHLEPPER INC, a Florida corporation, d/b/a Full Service Van Lines, and MAXX J. SOCHER and GRACE METZGER, Individually, and as Owners, Officers and/or Principals of MOVING AND STORAGE ACCOUNTING INC, MOVING AND STORAGE ACCOUNTING SERVICES INC, MOVING SERVICES ACCOUNTING AND STORAGE INC, and DR SCHLEPPER INC,)	
)	
Defendants.)	
)	

**COMPLAINT FOR INJUNCTIVE RELIEF, EQUITABLE RESTITUTION,
CIVIL PENALTIES AND OTHER STATUTORY RELIEF**

The Plaintiff, OFFICE OF THE ATTORNEY GENERAL, STATE OF FLORIDA, DEPARTMENT OF LEGAL AFFAIRS (“Attorney General” and/or “Plaintiff”), by and through the undersigned Assistant Attorney General, hereby sues the Defendants, MOVING AND STORAGE ACCOUNTING INC, a Florida corporation, d/b/a Full Service Van Lines and

Remax Van Lines (“MSA INC”), MOVING AND STORAGE ACCOUNTING SERVICES INC, a Florida corporation, d/b/a Full Service Van Lines (“MSA SERVICES”), MOVING SERVICES ACCOUNTING AND STORAGE INC, a Florida corporation (“MSAS”), DR SCHLEPPER INC, a Florida corporation, d/b/a Full Service Van Lines (“SCHLEPPER”), and MAXX J. SOCHER (“SOCHER”) and GRACE METZGER (“METZGER”), Individually, and as Owners, Officers and/or Principals of MSA INC., MSA SERVICES, MSAS, and SCHLEPPER (hereafter collectively referred to as the “DEFENDANTS”).

SUMMARY OF COMPLAINT

1. From at least in or about January 2014 to at least in or about May 2016, Defendants have advertised themselves as being professional movers staffed by well-trained employees who use the utmost care with shippers’ belongings and are scrupulous in preparing and following estimates. The reality is far different. Defendants have regularly used unskilled, untrained laborers who often damage or steal property, and routinely provide deceptive, low ball estimates then extort higher fees by holding shippers’ property hostage. Defendants have harmed hundreds of consumers and Plaintiff respectfully asks this Court to impose civil penalties, grant restitution and permanently enjoin further abuses. ¹

2. This action is brought by the Attorney General: (1) under Section 14711 of Title 49 U.S.C., Subtitle IV, Part B (hereinafter the “Interstate Transportation Code” or “I.T.C.”) on behalf of Florida residents based on violations of the consumer protection provisions of that title, including the regulations promulgated by the Federal Motor Carrier Safety Administration (“FMCSA”) contained in Title 49 C.F.R., Chapter III, Subchapter B, Sections 350-399

¹ For purposes of this Complaint, all consumers referenced herein are either actual or prospective shippers or individual shippers, as those terms are further defined herein.

(hereinafter “FMCSA Regulations” or “the Regulations”);² (2) based on direct violations of Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes (hereinafter “FDUTPA”); and (3) based on violations of Florida Household Moving Services Act, Chapter 507, Sections 507.01-507.13, *Florida Statutes* (hereinafter “Florida Moving Act” or F.M.A.), the I.T.C. and FMCSA Regulations, which constitute *per se* violations of FDUTPA.

3. At all times material hereto, the Defendants have engaged in deceptive acts and practices in connection with the transportation of household goods by shippers (who are individual consumers) either solely within the State of Florida (intrastate moves) or crossing state boundaries or involving more than one state (interstate moves).³ In connection with these activities, the Defendants have acted as “movers or “household goods motor carriers,” as those terms are defined by Florida and federal law.

4. Defendants SOCHER and METZGER control the acts and practices of Defendants MSA INC, MSA SERVICES, MSAS and SCHLEPPER (collectively referred to as “Corporate Defendants”). Defendants SOCHER and METZGER have operated the Corporate

² FMCSA was established within the U.S. Department of Transportation on January 1, 2000, pursuant to the Motor Carrier Safety Improvement Act of 1999 (Title 49 U.S.C., Subtitle I, §113).

³ As used in this Complaint, the term “household goods” or “goods” shall have the same meaning as contained within Section 13102 of the I.T.C. and Section 507.01(7) of the F.M.A., and shall include personal effects and other personal property used, to be used or commonly found in a home, personal residence, or other dwelling, including, but not limited to, household furniture. The term “motor carrier” or “carrier” shall mean any “person” (including an individual) who provides “motor vehicle” “transportation” for compensation as those terms are defined in Section 13102 of the I.T.C. (See also, Title 49 U.S.C. 13102 (14) and Title 1 U.S.C. 1). The term “shipper” shall mean a person who uses the services of a “mover” to transport or ship household goods as part of a “household move,” as those terms are defined within Section 507.01 of the F.M.A.

Defendants as part of a common enterprise (hereinafter the “Enterprise” or “Full Service Enterprise”).

5. While engaged in trade or commerce as movers or household goods motor carriers, the Defendants have utilized unfair and deceptive trade practices in connection with advertising, soliciting, providing, offering, selling or distributing services relating to the moving, transportation, arranging for the transportation or the physical movement and/or storage of household goods (hereinafter “Moving Services”) for consumers residing in Florida and elsewhere throughout the United States.

6. The Defendants misrepresented or deceptively represented to these consumers the price, nature, extent, qualities, timing or characteristics of the Moving Services offered by the Enterprise. Essentially, the Defendants often quoted consumers an artificially low estimate for providing their Moving Services. Thereafter, in numerous instances, the Full Service Enterprise then failed to honor that “low ball” estimate, but instead, substantially increased the price charged at the time the move occurred. In addition, in numerous instances, the new higher price was not disclosed to the consumer until after loading of the consumer’s household goods had been partially or fully completed.

7. In numerous instances, the Defendants’ agents provide estimates for the transportation and other [accessorial] charges to be incurred in connection with the move, that do not comply with applicable Florida law and/or FMCSA Regulations.⁴ For example, in numerous

⁴ As used in this Complaint, “accessorial services” means any service performed by a mover which results in a charge to the shipper and is incidental to the transportation or shipment of household goods, as described in Section 507.01(1) of the F.M.A., including, but not limited to, valuation coverage; preparation of written inventory; equipment, including dollies, hand trucks, pads, blankets, and straps; storage, packing, unpacking, or crating of articles; hoisting or lowering; waiting time; carrying articles excessive distances to or from the mover’s vehicle, which may be cited as “long carry”; overtime loading and unloading; reweighing; disassembly or

instances, the Defendants failed to: (1) provide the estimate to the consumer in writing; (2) base the estimate on a physical survey of the household goods when otherwise required to do so; (3) include in the estimate all of the charges for transportation and related (accessorial) services to be provided; and/or (4) clearly indicate whether a “binding” or a “non-binding” estimate was being provided.

8. The Defendants and their agents provided consumers with these deceptive, “low ball” estimates to induce the consumers to enter into a service agreement with the Enterprise relating to their household move, and often to induce the consumer to pay the Enterprise a portion of the anticipated fees as an up-front “deposit.”

9. In numerous instances, after the Defendants’ agents arrived and began loading the consumers’ household goods onto the moving trucks, the consumers were then confronted with a significantly higher monetary demand than previously quoted to them, in order to obtain a release of their property from the Full Service Enterprise or their affiliates. In numerous instances, the new price demanded at the time of delivery was significantly more than the amount of the “binding estimate,” or more than 110% of the “non-binding” estimate that the Enterprise previously provided to the consumer, in violation of FMCSA Regulations and Florida law.

10. The Defendants and/or their affiliates often refused to deliver the consumer’s household goods notwithstanding the consumer’s attempts to tender the amount specified in the service agreement or estimate they were previously provided. Instead, in numerous instances, the Defendants and their agents refused to relinquish the consumer’s household goods until the consumer paid in full the new, higher amount (which the Enterprise often demanded be paid only

reassembly; elevator or stair carrying; boxing or servicing of appliances; and furnishing of packing or crating materials.

in cash). If a consumer refused to pay the new higher amount, the Defendants and their affiliates often threatened to retain the consumers' household goods and to add "storage" or other "redelivery" fees to the amount they were demanding from the consumer. In other words, the household goods were held hostage until the consumer paid the higher fees.

11. In addition, the Defendants misrepresented or deceptively represented to consumers (in their marketing materials and otherwise) that their agents were highly trained, experts and would provide exceptional care for the consumers' household goods during the move. In fact, however, the Defendants and their affiliates regularly employed unskilled and untrained laborers, who often delivered the consumers' goods in a completely broken or severely damaged condition, or with various items missing. The Defendants generally provided only *de minimis* compensation to these consumers (if anything at all) for the damage and/or loss resulting from the often intentional or reckless misconduct of their agents.

12. Likewise, the Defendants and their agents often misrepresented or deceptively represented the timeframe or schedule for pickup, delivery and/or storage of the household goods estimated. In numerous instances, the Defendants' agents arrived late to pick up the consumers' goods or delivered the consumers' goods well beyond (sometimes many weeks beyond) the promised delivery dates, with insufficient notice and little or no recompense provided to the consumer.

13. Numerous consumers have filed complaints with the Attorney General and/or other consumer protection agencies regarding the Defendants' deceptive and unfair business practices.

14. The Attorney General brings this action to halt the Defendants' unlawful acts and practices; to prevent consumers from suffering irreparable harm from such unlawful acts and

practices; to hold the Defendants accountable; and to provide equitable relief to consumers that the Defendants have victimized.

JURISDICTION AND VENUE

15. This Court has subject matter jurisdiction pursuant to Section 14711(a) of the Interstate Transportation Code.

16. This Court has supplemental jurisdiction over the state of Florida's claims pursuant to 28 U.S.C. Section 1367 and FDUTPA.

17. Venue is proper in this district under Section 14711(e) of the Interstate Transportation Code as the Defendants operated either as a broker or motor carrier in Broward County Florida, within the Southern District of Florida.

THE PLAINTIFF

18. The Attorney General is an "enforcing authority" of FDUTPA and is authorized to bring this action and to seek injunctive relief and all other available equitable or statutory relief.

19. Pursuant to Section 14711 of the Interstate Transportation Code, the Plaintiff may bring a civil action on behalf of the residents of the State of Florida in an appropriate district court of the United States to enforce the consumer protection provisions of the Interstate Transportation Code that apply to individual shippers and are related to the delivery and transportation of household goods by a household goods motor carrier subject to jurisdiction under subchapter I of Chapter 135 of the I.T.C.⁵

⁵ As used in this Complaint, the term "individual shipper" shall have the same meaning as contained within Section 13102(13) of the I.T.C., and shall mean any person who— (A) is the shipper, consignor, or consignee of a household goods shipment; (B) is identified as the shipper, consignor, or consignee on the face of the bill of lading; (C) owns the goods being transported; and (D) pays his or her own tariff transportation charges.

20. Section 14711 also enables the Plaintiff to seek civil penalties authorized under the Interstate Transportation Code whenever the Plaintiff has reason to believe that the interests of the residents of the State of Florida have been or are being threatened or adversely affected by a carrier providing transportation.⁶

21. The Attorney General has conducted an investigation of the matters alleged herein, and Attorney General Pamela Jo Bondi has determined that this enforcement action serves the public interest, as set forth in Section 501.207(2), Florida Statutes.

22. The Attorney General has reason to believe that the interests of the residents of the State have been or are being threatened or adversely affected by the Defendants, who are motor carriers or brokers providing transportation subject to jurisdiction under subchapters I or III of Chapter 135 of the Interstate Transportation Code and are engaged in household goods transportation that violates the I.T.C. and/or the FMCSA Regulations issued thereunder. The Plaintiff has complied with the notice and consent requirements set forth in Section 14711(b) of the I.T.C.

THE DEFENDANTS

23. Defendant MSA INC is a Florida for-profit corporation that was authorized to transact business in Florida from at least on or about April 2, 2013 until it was administratively dissolved on September 23, 2016. Defendant MSA INC had its principal office located at 6601 Lyons Rd., L3, Pompano Beach (Coconut Creek), Broward County, Florida 33073. Defendants

⁶ Under the I.T.C., the term “carrier” is defined to include a “motor carrier,” which is further defined to mean any “person” who provides motor vehicle transportation for compensation. (See §§13102 (3) and (14) of the I.T.C.). As used within the I.T.C., the words “person” and “whoever” include corporations, companies, associations, firms, partnerships, societies, and joint stock companies, as well as individuals. (See §13102(18) of the I.T.C. and Title 1 U.S.C. §1). Accordingly, Defendants SOCHER and METZGER and each of the Corporate Defendants are “carriers” under the I.T.C., and subject to the civil penalty provisions contained within Chapter 149, thereunder.

METZGER and SOCHER initially formed MSA INC in about September 2011, and thereafter, served as the company's only registered officers with the Florida Department of State, Division of Corporations ("FDOS"). On or about October 29, 2013, Defendant MSA INC registered with the FDOS to conduct business under the fictitious name, "Full Service Van Lines."

24. Defendant MSA INC was registered with the US Department of Transportation ("USDOT") and was granted authority to operate (under USDOT No. 2283481) as an interstate household goods motor carrier on or May 3, 2013. Defendant MSA INC's operating authority was revoked on or about April 29, 2015 and, thereafter, was never reinstated. On September 30, 2015, the USDOT issued Defendant MSA INC an Order To Cease All Transportation in Interstate and Intrastate Commerce and Revocation of Registration, effective October 5, 2015, based on serious violations of the FMCSA safety regulations. Since then, Defendant MSA INC's registration has never been reinstated by the USDOT.

25. Defendant MSA SERVICES is a Florida for-profit corporation that was authorized to transact business in Florida from on or about March 13, 2013 until it was administratively dissolved on September 22, 2017. Defendant MSA SERVICES had its principal office located at 6601 Lyons Rd., L1, Coconut Creek, Broward County, Florida 33073. Defendant METZGER formed Defendant MSA SERVICES and served as its only registered officer with the FDOS.

26. On or about July 8, 2014, MSA SERVICES registered with the FDOS to conduct business under the same fictitious name ("Full Service Van Lines") that was also previously registered by Defendant MSA INC. Defendant MSA SERVICES has never been registered with the USDOT or granted authority to operate as a household goods motor carrier. Defendants SOCHER and METZGER opened and controlled at least one bank account on behalf of

Defendant MSA SERVICES, which was used by the Enterprise for, among other things, receiving funds from consumers/shippers for Moving Services and disbursing those funds to enrich Defendants SOCHER and METZGER and to continue operating the Enterprise.

27. Defendant MSAS is a Florida for-profit corporation that was authorized to transact business in Florida from at on or about December 17, 2012 until it was administratively dissolved on September 27, 2013. Defendant SOCHER formed Defendant MSAS, served as its only registered officer with the FDOS, and upon information and belief operated the company from his then current residence in Fort Lauderdale, Florida. Defendant MSAS has never been registered with the USDOT or granted authority to operate as a household goods motor carrier. Although it was administratively dissolved by the FDOS in about September 2013, Defendant SOCHER continued to maintain and utilize bank accounts he opened on behalf of Defendant MSAS to further the Enterprise's unlawful and deceptive operations.

28. Defendant SCHLEPPER is a Florida for-profit corporation that was authorized to transact business in Florida from at least on or about May 20, 2014 until it was administratively dissolved on September 23, 2016. Defendant SCHLEPPER had its principal office located at 6601 Lyons Rd., L4, Coconut Creek, Broward County, Florida 33073. Defendant SOCHER formed Defendant SCHLEPPER and served as its only registered officer with the FDOS. On or about April 17, 2015, Defendant SCHLEPPER registered with the FDOS to conduct business under the same fictitious name ("Full Service Van Lines") that was also previously registered by Defendants MSA INC and MSA SERVICES.

29. Defendant SCHLEPPER was registered with the USDOT and was granted authority to operate (under USDOT No. 2492913) as an interstate motor carrier under its fictitious name, Full Service Van Lines. However, Defendant SCHLEPPER's operating

authority was revoked by the USDOT from on or about June 1, 2015 until July 20, 2015. On September 30, 2015, the USDOT issued Defendant SCHLEPPER an Order To Cease All Transportation in Interstate and Intrastate Commerce and Revocation of Registration, effective October 5, 2015, based on serious violations of the FMCSA safety regulations. Since then, Defendant SCHLEPPER's registration has never been reinstated by the USDOT.

30. Although Defendants MSA INC and SCHLEPPER had no authority from the USDOT to operate as an interstate motor carrier during the period from on or about June 1, 2015 until on or about July 20, 2015, the Enterprise continued to offer, sell and purportedly provide Moving Services to consumers/shippers during that period. Likewise, even after the USDOT issued an Order To Cease All Transportation in Interstate and Intrastate Commerce and Revocation of Registration against Defendants MSA INC and SCHLEPPER, effective October 5, 2015, the Enterprise continued to offer, sell and purportedly provide Moving Services to consumers/shippers until at least in or about February 2016.

31. In numerous instances, as described further herein, the Defendants utilized bank accounts opened by Defendants MSA SERVICES and/or MSAS to receive funds from consumers and to pay operating expenses relating to Moving Services that were offered, sold or provided to consumers by the Enterprise while the Defendants had no authority from the USDOT to operate as a motor carrier. As noted above, Defendants MSA SERVICES and MSAS had no authority to receive or disburse these funds, as they have never been registered with the USDOT to operate as a household goods broker or motor carrier.

32. Defendant SOCHER is an adult, natural person who, upon information and belief, resides in Broward County, Florida within the Southern District of Florida. Defendant SOCHER,

at all times material to this Complaint, was registered with the FDOS, as vice-president of Defendant MSA INC and president of Defendants MSAS and SCHLEPPER.

33. Defendant METZGER is an adult natural person who, upon information and belief, resides in Broward County, Florida within the Southern District of Florida. Defendant METZGER, at all times material to this Complaint, was registered with the FDOS as president of Defendants MSA INC and MSA SERVICES.

34. As officers, owners and/or principals of the Corporate Defendants that comprised the Full Service Enterprise, Defendants SOCHER and METZGER at all times material to the allegations in this Complaint, participated in, controlled and/or possessed the authority to control the acts and practices of the Enterprise entities. Defendants SOCHER and METZGER also possessed actual or constructive knowledge of all material acts and practices complained of herein.

35. The Defendants, at various times material hereto, have acted in numerous instances as interstate “household goods motor carriers,” as defined by Section 13102 (12) of the I.T.C. and Section 375.103 of the Regulations (see paragraphs 46 through 59, below). In numerous other instances, the Defendants have acted as intrastate “movers” as defined in Section 507.01(9) of the F.M.A. (see paragraph 60 through 67, below).

36. At all times while acting as an intrastate “mover” in connection with the transportation or shipment of household goods originating and terminating in the State of Florida, the Defendants were required to comply with the Florida Moving Act.

37. At all times while acting as “household goods motor carriers” in connection with the transportation or shipment of household goods that cross state boundaries or involve more than one state, the Defendants were “carriers” subject to jurisdiction under subchapter I of

Chapter 135 of the I.T.C. and FMCSA Regulations, and were required (under Section 375.101 of the Regulations) to follow all FMCSA Regulations as set forth in Title 49 C.F.R., Subtitle B, Chapter III, Subchapter B, Part 375.

38. The Defendants, at all times material hereto, have solicited “consumers” within the definition of Section 501.203(7) of FDUTPA. Those persons who used the Defendants’ Moving Services as part of a household move were “shippers” or “individual shippers” within the meaning of the Florida Moving Act (Section 507.01(12)) or the I.T.C. (Section 13102(13)), as well as being “consumers” under FDUTPA.

39. The Defendants, at all times material hereto, have engaged in a “trade or commerce” within the definition of Section 501.203(8), Florida Statutes.

40. The Defendants, at all times material hereto, have advertised, offered, solicited, or provided Moving Services to consumers, which constitute “goods, services or property” within the meaning of Section 501.203(8), Florida Statutes, in Florida and elsewhere throughout the United States.

ROLE OF CORPORATE DEFENDANTS AS A COMMON ENTERPRISE

41. At all times material hereto, Defendants SOCHER and METZGER operated the Corporate Defendants as a “common enterprise” while engaging in the unlawful and deceptive acts and practices alleged herein. This common enterprise constituted an ongoing organization which functioned as a continuing unit for the principal purpose of generating proceeds to unjustly enrich Defendants SOCHER and METZGER at the expense of consumers seeking assistance with their household moves.

42. Defendants SOCHER and METZGER operated the Full Service Enterprise through these interrelated companies that had common or overlapping ownership, officers,

employees, business functions, marketing activities and office and warehouse locations. Indeed, the Corporate Defendants existed to participate in the same deceptive practices, offering the same purported Moving Services to consumers in Florida and elsewhere throughout the United States. These entities used the same business model, provided the same purported services to consumers, commingled funds and shared other resources such as office space, corporate systems, mailing addresses, employees, advertising and marketing methods and materials.

43. The Corporate Defendants operated under the common control of Defendants SOCHER and METZGER, who were listed as the registered officers of these entities and exercised control over their financial accounts. The Corporate Defendants essentially existed for the single purpose of arranging and selling the Enterprise's Moving Services to consumers. They were created by Defendants SOCHER and/or METZGER using substantially similar names, and they were operated and promoted to the public using the same fictitious name, i.e., "Full Service Van Lines."

44. The Defendants have also commingled consumers' monies between several of the Corporate Defendants' accounts. For example, consumers' funds received by the Enterprise for Moving Services supposedly to be provided by Defendant MSA INC were routinely deposited into accounts opened on behalf of Defendant MSA SERVICES (an entity that was not registered with the USDOT as a motor carrier). In addition, consumers' funds received by the Enterprise for Moving Services supposedly provided by Defendant SCHLEPPER were also deposited into accounts maintained by Defendant MSA SERVICES, before being funneled to other Enterprise entities and/or affiliates or used to pay the shared operating expenses of the Enterprise. The Enterprise continued to use bank accounts opened on behalf of Defendants MSA SERVICES and/or MSAS to receive funds from consumers/shippers for Moving Services even while the

operating authority of both Defendants MSA INC and SCHLEPPER had been revoked by the USDOT in about June 2015, as well as after both of those carriers were placed “out of service” by the USDOT on or about October 15, 2016.

45. As members of a common enterprise, each of the Corporate Defendants is jointly and severally liable for the acts and practices of the common enterprise alleged herein.

INTERSTATE TRANSPORTATION OF HOUSEHOLD GOODS

A. Transportation of Household Goods (Part 375)

46. Title 49 C.F.R., Subtitle B, Chapter III, Subchapter B, Part 375 sets for the FMCSA Regulations relating to the Transportation of Household Goods in Interstate Commerce by household goods motor carriers, and related consumer protection regulations. Section 375.101 specifically provides that a household goods motor carrier engaged in the interstate transportation of household goods must follow all of the regulations set forth in Part 375.⁷

47. Section 375.103 of the Regulations (and Section 13102 (12) of the I.T.C.) generally define a “household goods motor carrier” as a motor carrier that, in the ordinary course of its business of providing transportation of household goods, offers some or all of the following additional services: (1) binding and nonbinding estimates; (2) inventorying; (3) protective packing and unpacking of individual items at personal residences; (4) loading and unloading at personal residences.

⁷ The term “transportation” is defined in §13102 (23) of the I.T.C. to include:

- (A) a motor vehicle, vessel, warehouse, wharf, pier, dock, yard, property, facility, instrumentality, or equipment of any kind related to the movement of passengers or property, or both, regardless of ownership or an agreement concerning use; and
- (B) services related to that movement, including arranging for, receipt, delivery, elevation, transfer in transit, refrigeration, icing, ventilation, storage, handling, packing, unpacking, and interchange of passengers and property.

48. Section 375.207 permits a household goods motor carrier to publish and use advertisements, but requires that any such advertisements be “truthful, straightforward, and honest.”⁸

49. Pursuant to Section 375.217 the household goods motor carrier is required to specify the form of payment required when the estimate is prepared, and that same form of payment must be specified in the order for service and bill of lading. Thereafter, the household goods motor carrier and its agents must honor that form of payment at delivery, except when a shipper agrees to a change in writing.

50. Section 375.401(a) of the Regulations (and Section 14104(b) of the I.T.C.) requires that the household motor carrier conduct a physical survey of the household goods to be transported and provide the prospective individual shipper with a written estimate, based on the physical survey, of the charges for the transportation of the household goods and all related services. This Section provides the following two exceptions to the requirement to conduct a physical survey:

- (1) If the household goods are located beyond a 50-mile radius of the location of the household goods motor carrier's agent preparing the estimate, the requirement to base the estimate on a physical survey does not apply.
- (2) An individual shipper may elect to waive the physical survey, provided that the waiver agreement is in writing; it is signed by the shipper before the shipment is loaded; and the household goods motor carrier retains a copy of the waiver agreement as an addendum to the bill of lading.

51. Before executing an order for service for a shipment of household goods for an individual shipper, Section 375.401(b) of the Regulations (and Section 14104(b)(1)(C) of the

⁸ Section 375.103 defines the term “advertisement” to mean, “any communication to the public in connection with an offer or sale of any interstate household goods transportation service.” This includes written or electronic database listings [other than in a telephone directory or similar publication] of your name, address, and telephone number in an on-line database or displayed on an Internet web site.

I.T.C.) requires that the household goods motor carrier provide the shipper with a written estimate of the total charges for the transportation and all related services (including accessorial services such as elevators, long carries, etc.) and indicate whether it is a binding or a non-binding estimate. Both the household goods motor carrier and the shipper must sign the estimate of charges, and a dated copy of the estimate of charges must be provided to the shipper at the time it is signed. Thereafter, Section 375.401(i) provides that the estimate of charges may only be amended upon mutual agreement of the parties before loading a household goods shipment.

Use of Binding Estimates

52. Section 375.403 of the Regulations requires that a “binding estimate” clearly indicate on its face that the estimate is binding upon the household goods motor carrier and the individual shipper, and that the charges shown apply only to those services specifically identified in the estimate.

53. If it appears an individual shipper has tendered additional household goods or requires additional services not identified in the binding estimate, and an agreement as to those additional goods or services cannot be reached, Section 375.403(6) provides that the motor carrier is not required to service the shipment. However, if the motor carrier does service the shipment, before loading the shipment the motor carrier must either: (1) do one of the following three things: (i) reaffirm the prior binding estimate; (ii) negotiate a revised written binding estimate accurately listing, in detail, the additional household goods or services; or (iii) agree with the individual shipper, in writing, that they will both consider the original binding estimate as a non-binding estimate subject to Section 375.405 of the Regulations. *Id.*⁹

⁹ Once the motor carrier loads a shipment, failure to execute a new binding estimate or a non-binding estimate signifies they have reaffirmed the original binding estimate, and the motor

54. A household goods motor carrier is required to relinquish possession of a shipment of household goods upon the individual shipper's offer to pay the binding estimate amount (plus charges for any additional services requested by the shipper after the bill of lading has been issued and charges, if applicable, for “impracticable operations” not to exceed 15 percent of all other charges due at delivery).¹⁰ Id. The failure to relinquish such household goods under these circumstances constitutes a failure to transport with “reasonable dispatch” under 375.403(a)(10), and a violation of the I.T.C. (Section 13707(b)(3))¹¹ and FMCSA Regulations (Sections 375.403(7) and/or 375.703(a)).¹²

Use of Non-Binding Estimates

55. If a “binding” written estimate is not provided to an individual shipper, Section 375.405(a) of the Regulations requires that the household goods motor carrier provide the shipper with a “non-binding” written estimate. The “non-binding” estimate must be “reasonably

carrier may not collect more than the amount of the original binding estimate, except as specifically provided in Section 375.403(a)(8) and (9). (§375.403(7)).

¹⁰ “Impracticable operations” are defined within the carrier’s tariff and generally refer to services required when operating conditions make it physically impossible for the carrier to perform pickup or delivery with its normally assigned road-haul equipment.

¹¹ Section 13707(b)(3) of the I.T.C. provides, in pertinent part, that: “**(A)In general.**—A carrier providing transportation of a shipment of household goods shall give up possession of the household goods being transported at the destination upon payment of— **(i)** 100 percent of the charges contained in a binding estimate provided by the carrier; [or] **(ii)** not more than 110 percent of the charges contained in a nonbinding estimate provided by the carrier; ...” Pursuant to Section 13707(b)(3)(D), the carrier may also collect at delivery charges for “impracticable operations” not to exceed 15 percent of all other charges due at delivery.

¹² Section 375.703(a) of the FMCSA Regulations provides that, with respect to a binding estimate, the maximum amount that a household goods motor carrier may collect-on-delivery is “the exact estimate of the charges, plus charges for any additional services requested by the shipper after the bill of lading has been issued and charges, if applicable, for impracticable operations as defined in [the carrier’s] tariff. The maximum amount of charges for impracticable operations [the carrier] may collect on delivery is an amount equal to 15 percent of all other charges due at delivery.”

accurate,” provided without charge, based on the estimated weight or volume of the shipment and services required (and the physical survey of the household goods if required), and clearly describe the entire shipment and all services being provided. *Id.*, at Section 375.405(b).

56. Section 375.405(b)(5) further provides that the “non-binding” estimate must clearly indicate on its face that the estimate is not binding on the household goods motor carrier, that the charges shown are the approximate charges to be assessed for the service identified in the estimate, and that the shipper will not be required to pay more than 110 percent of the “non-binding” estimate at the time of delivery.

57. Once a shipment of household goods is loaded, Section 375.405(8) provides that a household goods motor carrier may not collect at delivery more than 110 percent of the amount of the original non-binding estimate at destination, except as provided in Section 375.405(b)(9) and (10), relating to “impracticable operations” not to exceed 15 percent of all other charges due at delivery.¹³ The failure of a household goods motor carrier to relinquish possession of a shipment upon the individual shipper's payment (or offer to pay) up to 110 percent of the approximate costs of a non-binding estimate (plus charges for any additional services requested by the shipper after the bill of lading has been issued and charges, if applicable, for “impracticable operations” not to exceed 15 percent of all other charges due at delivery) constitutes a failure to transport with “reasonable dispatch” under Section 375.407(b), and a

¹³ As with a binding estimate, Section 375.405(8) provides that, once a motor carrier loads a shipment, failure to execute a new non-binding estimate (when an individual shipper tenders additional household goods or requires additional services not identified in the original non-binding estimate), signifies the motor carrier have reaffirmed the original non-binding estimate; the motor carrier may not collect more than 110 percent of the amount of the original non-binding estimate at destination, except as provided in Sections 375.405 (b)(9) and (10).

violation of the I.T.C. (Section 13707(b)(3)) and FMCSA Regulations (Sections 375.405(8), 375.407(a) and/or 375.703(b)).¹⁴

58. Section 375.603 of the Regulations provides that the household goods motor carrier must tender a shipment for delivery for an individual consumer on the agreed delivery date or within the period specified on the bill of lading. When a carrier is unable to perform either the pickup or delivery of a shipment on the dates or during the periods specified in the order for service, as soon as the delay becomes apparent, the carrier must notify the individual shipper of the delay, at the carrier's expense, and advise the individual shipper of the dates or periods when the carrier expects to be able to pick up and/or deliver the shipment, as set forth in Section 375.605.

59. Pursuant to Section 375.901, the penalty provisions of 49 U.S.C. Chapter 149 apply to this part. Section 14911 of the I.T.C. further provides that: "An act or omission that would be a violation of this part if committed by a director, officer, receiver, trustee, lessee, agent, or employee of a carrier providing transportation or service subject to jurisdiction under chapter 135 that is a corporation is also a violation of this part by that corporation. The penalties of this chapter apply to that violation. When acting in the scope of their employment, the actions and omissions of individuals acting for or employed by that carrier are considered to be the actions and omissions of that carrier as well as that individual."¹⁵

¹⁴ Section 375.703(b) of the FMCSA Regulations provides that, with respect to a non-binding estimate, the maximum amount that a household goods motor carrier may collect on delivery is "110 percent of the non-binding estimate of the charges, plus charges for any additional services requested by the shipper after the bill of lading has been issued and charges, if applicable, for impracticable operations as defined in [the carrier's] tariff. The maximum amount of charges for impracticable operations [the carrier] may collect on delivery is an amount equal to 15 percent of all other charges due at delivery."

¹⁵ Likewise, Section 13907 of the I.T.C. provides that: "Each motor carrier providing transportation of household goods shall be responsible for all acts or omissions of any of its

FLORIDA HOUSEHOLD MOVING SERVICES ACT

60. The Florida Moving Act sets forth the law in Florida governing the loading, transportation or shipment, unloading, and affiliated storage of household goods as part of household moves.¹⁶

61. Section 507.01(9) of the F.M.A. defines a “mover” as a person who, for compensation, contracts for or engages in the loading, transportation or shipment, or unloading of household goods as part of a household move.

62. Section 507.01(10) of the F.M.A. defines a “moving broker” or “broker” as a person who, for compensation, arranges for another person to load, transport or ship, or unload household goods as part of a household move or who, for compensation, refers a shipper to a mover by telephone, postal or electronic mail, Internet website, or other means.

63. The Florida Moving Act also requires that before providing any moving or accessorial services, a contract and estimate must be provided to a prospective shipper in writing, must be signed and dated by the shipper and the mover, and must include, among other things, “an itemized breakdown and description and total of all costs and services for loading,

agents which relate to the performance of household goods transportation services (including accessorial or terminal services) and which are within the actual or apparent authority of the agent from the carrier or which are ratified by the carrier.”

¹⁶ The term “household move” or “move” is defined in Section 507.01(8) of the Florida Moving Act as “the loading of household goods into a vehicle, moving container, or other mode of transportation or shipment; the transportation or shipment of those household goods; and the unloading of those household goods, when the transportation or shipment originates and terminates at one of the following ultimate locations... :

- (a) From one dwelling to another dwelling;
- (b) From a dwelling to a storehouse or warehouse that is owned or rented by the shipper or the shipper’s agents; or
- (c) From a storehouse or warehouse that is owned or rented by the shipper or the shipper’s agent to a dwelling.”

transportation or shipment, unloading and accessorial services to be provided during a household move or storage of household goods.” (See §507.05(5) of the F.M.A.)

64. Section 507.05(5) of the F.M.A. further requires that the contract and estimate must clearly and conspicuously disclose to the shipper the acceptable forms of payment, and requires that a mover accept a minimum of two of the three following forms of payment: (a) cash, cashier’s check, money order, or traveler’s check; (b) valid personal check, showing upon its face the name and address of the shipper or authorized representative; or (c) valid credit card, which shall include, but not be limited to, Visa or MasterCard.

65. Pursuant to Section 507.06 (1), “[a] mover must relinquish household goods to a shipper and place the goods inside a shipper’s dwelling..., unless the shipper has not tendered payment in the amount specified in a written contract or estimate signed and dated by the shipper.” Nor may a mover refuse to relinquish prescription medicines and goods for use by children, including children’s furniture, clothing, or toys, under any circumstances. [Id.].

66. Likewise, pursuant to Section 507.06(2), “[a] mover may not refuse to relinquish household goods to a shipper or fail to place the goods inside a shipper’s dwelling..., based on the mover’s refusal to accept an acceptable form of payment.”

67. The Florida Moving Act, Section 507.07, expressly provides, among other things, that:

“Violations.-- It is a violation of this chapter to: ...

(3) Misrepresent or deceptively represent:

- a. The contract for services, bill of lading, or inventory of household goods for the move estimated.
- b. The timeframe or schedule for delivery or storage of household good estimated.
- c. The price, size, nature, extent, qualities, or characteristic of accessorial or moving services offered.
- d. The nature or extent of other goods, services, or amenities offered.

e. A shipper's rights, privileges, or benefits.

(4) Fail to honor and comply with all provisions of the contract for services or bill of lading regarding the purchaser's rights, benefits, and privileges thereunder.

(5) Withhold delivery of household goods or in any way hold goods in storage against the express wishes of the shipper if payment has been made as delineated in the estimate or contract for services.

* * * * *

(6) a. Include in any contract any provision purporting to waive or limit any right or benefit provided to shoppers under this chapter.

b. Seek or solicit a waiver or acceptance of limitation from a shipper concerning rights or benefits provided under this chapter.

* * * * *

d. Commit any other act of fraud, misrepresentation, or failure to disclose a material fact.

**STATEMENT OF FACTS AND
THE DEFENDANTS' DECEPTIVE COURSE OF CONDUCT**

Deceptive Marketing Activities

68. At all times material hereto, the Defendants deceptively solicited consumers to purchase their Moving Services, by making materially false or misleading representations to shippers and potential shippers concerning, among other things, the nature and quality of those services. In that regard, the Defendants utilized various marketing methods to advertise their Moving Services to consumers, including but not limited to, Internet websites, social media and telemarketing. In connection with these solicitations, the Defendants have, among other things,

deceptively promised (expressly and implicitly) to provide honest, reliable and professional moving services to consumers in Florida and elsewhere throughout the United States.¹⁷

69. The Defendants' marketing materials repeatedly represented to consumers that the Enterprises' Moving Services would be provided by highly trained and closely supervised, professional movers who would load, transport and unload the consumers' household goods with the utmost care. In reality, the Defendants often employed inexperienced, unskilled and/or untrained laborers who were not properly supervised or monitored and who regularly damaged, destroyed and/or misappropriated the consumers' property. Defendants' marketing materials failed to disclose the substantial risk of loss and/or damage to consumers' property that existed from these acts and practices.

70. For example, to induce consumers to purchase their Moving Services, the Defendants made numerous false and/or misleading representations throughout their website pages (at www.fullservicevanlines.com) regarding the nature and quality of Moving Services its agents would provide, including, among others:

a. About Us

"For the past 27 years we have continued to maintain the utmost level of professionalism, and customer satisfaction in the industry. We are one of the most respected and recommended moving companies in florida usa." (sic)¹⁸ "At **Full Service Van Lines Moving Company, our customers come first. We listen to and understand**

¹⁷ Section 375.207 of the FMCSA Regulations permits a household goods motor carrier to publish and use advertisements, but requires that any such advertisements be "truthful, straightforward, and honest." The term "advertisement" is defined in Section 375.103 to mean, "any communication to the public in connection with an offer or sale of any interstate household goods transportation service." This includes written or electronic database listings [other than in a telephone directory or similar publication] of your name, address, and telephone number in an on-line database or displayed on an Internet web site. *Id.*

¹⁸ In truth and in fact and as Defendants well knew, none of the enterprise entities had been in existence, let alone operated, for 27 years. Defendant MSA INC, the oldest entity in the Full Service Enterprise was formed in September 2011, it obtained operating authority from the USDOT in or about May 2013 and was revoked on or about April 29, 2015.

every individual need, while **skillfully handling every step** of the moving process in a **professional manner**. Full Service Van Lines offers full service moving, packing and storage services at **competitive prices** and **guarantee to exceed** all your expectations. Full Service Van Lines Moving Company has moved thousands of families... while establishing a **great reputation of dependability and trust**. We pride ourselves in providing **affordable moving services**, with the **best movers** who care for each and every customer. ... the customer is the top priority and we ensure that the entire moving process goes **as smooth and stress-free as possible...** (emphasis added);

b. Integrity Assured

“When you associate yourself with us, you can get **complete peace of mind**. Our **experts** will **take care of everything...** [O]ur team which is made up of **trained professionals** and **experts...** have solid experience in the job. **With over a decade of experience** in this field, we specialize not only in residential moving.... Trust us with your valuables...” (emphasis added);

c. Going the Distance

“Every moving company may not be able to associate and send goods to long distances. But, we do because it’s not just us but a **team of movers spread across the country**, as well as the world. **We have a stronghold on every area, every city, state and country**. Just sign up with us and tell us your location. **The items will be delivered in excellent condition without any damage and within the specified time period...**”(emphasis added);

d. Packing the Right Way

“... **Our experts** will spend hours to determine what the item requires. It can be extra padding, additional shipping cartons required or moving your pricey piano. We do them all with **utmost perfection and dedication** to the job. ... our team has the penchant to make sure the **client can actually feel safe** leaving their belongings with us.” (emphasis added);

e. Reliable Loading, Unloading

“Full Service Vanlines is a service provider who **stands apart** in terms of **rendering perfect servicing with professional loading and unloading methods**. The team is comprised of **full time employees** who are fully dedicated to their job and make sure, all the sentimental fragile items found in a household are loaded promptly.... **This ensures that products to be delivered are done in perfect condition without any scratches or damages.**” (emphasis added);

f. Get Expert Help

“...Rather than trying to hire a truck and cover the labor with help from friends or colleagues, going for a professional company offers better security for your products and save you from the trouble of losing your mind. **Besides, moving companies that have years of experience in the industry are full insured and have valid license** which can

be obtained only if they meet the quality standards set by the government.¹⁹
(emphasis added);

g. How do we help for moving?

“Our specialty lies in our personalized services. When moving process begins, our **supervising team will monitor** other people at work and make sure your product are delivered **with utmost care**.... Talk to **our experts** to know the services we offer, pricing and the value added stuff we provide before making your decision...” (emphasis added);

h. Perfection Delivered

“Being one of the **most reputable** Moving Companies in Florida takes a long time. We are **in the industry for years** and we can strongly say that our service **will never disappoint** you. ... Such is the level of **perfect moving solution** that we offer and our company will be your one stop source for all relocation needs... Contact us to know more... and plan your next moving schedule with **carefree mindset**.” (emphasis added);

i. Positive Reviews

“...Our **team of experts** have solid experience in moving any type of goods.... **Fragile and high profile items** like pianos will be moved with **utmost care**, because we understand that it is quite pricey and **you can’t afford even a single scratch** on the item during transportation...” (emphasis added);

j. Shipping with Care

“.... We not only pack your items **with extra care** but our team will also help you set them up in your new home. Every customer is our first customer.... **Trust your valuables with us and you will never feel worried again. Experience professional are deployed on the job to ensure your most precious items arrive in one piece.**” (emphasis added);

k. Specialized Customer Solutions

“We treat your products as ours when we transport them. **The packaging done is supervised by people with decades of experience and the loading as well as unloading process will be monitored as well.** Because of the high value of the specialized items, you would want it delivered **without even a scratch** which is something we understand deeply.... We will get it **done with perfection**, within your budget and with uncompromised service quality.” (emphasis added).

71. In addition to touting the purported skill and expertise of their employees and agents, the Defendants’ marketing materials also touted their integrity, reliability and

¹⁹ As discussed below, the Defendants continued to use this website to solicit consumers to purchase their Moving Services even after being taken “out of service” by the USDOT on or about October 5, 2015. The Defendants failed to disclose at that time (on their website or otherwise) that they were continuing to conduct household moves without having a “valid license” and/or being “fully insured.”

trustworthiness. The Defendants claim that these qualities are evidenced by the supposed lack of consumer complaints or negative feedback posted on their website. In truth and in fact, and as the Defendants well knew, the Full Service Enterprise received numerous complaints from their customers regarding their Moving Services. In fact, the Defendants offered to pay some of their customers to remove unfavorable online reviews or to post favorable ones.

72. In other instances, the Defendants caused Enterprise affiliates to post fake online reviews or otherwise make favorable comments about them on several websites. Thereafter, the Defendants deceptively recommended that consumers read their online reviews, without disclosing (on Defendants' website or in their other marketing materials) that certain online "reviews" had been posted by company affiliates and/or consumers who received remuneration for making their "positive posting." In order to steer potential shippers to their deceptive online reviews, the Defendants included the following misleading representations, among others, their website (at www.fullservicevanlines.com):

a. Integrity Assured

"...[E]very task that is allotted to us will be **treated with utmost care**.... Our **positive customer reviews** stand proof to this claim and you can always know more about us in our official website." (emphasis added);

b. Looking for Local Movers in Your locality

"... Do you want a reliable moving company which will take care of your requirement at affordable rates? Come to us.... You can always go through **our positive customer feedbacks** which have been left by people who associated with us and wanted us to do the moving job." (emphasis added);

c. Plan Ahead

"... We have a dedicated set of people who knows their job and have years of experience. All you have to do is to choose us and **if you are hesitant about our work, read through the slew of positive reviews that our customers have left**...." (emphasis added);

d. Reputation Matters

"While there are so many companies in your locality and state, finding the most affordable moving company might sound like a difficult task. But, **the reputation of a**

company is the first and foremost thing that you should look out for. If they have a positive feedback online and in your neighborhood, you can definitely trust their services...." (emphasis added);

e. Check for Reviews

"Finding the right moving company requires plenty of research.... Before you finalize one based on the Moving company rates offered by them, check for reviews to make sure they are the right people...." (emphasis added);

f. Reading Reviews

"**Reading multiple Moving Reviews** on the reputation of a company before you get moving quotes from them will definitely help. Make sure you don't read from only one website but rather get those words from multiple sources. Stick to website which focus more on user content and not client generated content. **Some clever scammers will write their own reviews and post them online....**" (emphasis added);

g. Explore Moving Reviews to Pick the Best Moving Company

"... Before you make your final decision on choosing the company which you think is most suitable for your needs, **consider going through consumer moving reviews to know which moving company managed to gain the most positive reviews.** Customer who are satisfied with the solutions offered by these companies will definitely leave positive reviews and the more they are, (sic) it is evident that they are a preferred choice among them." (emphasis added);

h. Positive Reviews

"Companies can gain **positive review only when they have managed to satisfy** the customer. We have always made sure our customers feel safe in handling their precious goods to us and have continued to offer the best possible solution for years to come. **This helped us gain some excellent moving reviews** and our patrons **rate us as the best company in town....**" (emphasis added);

i. Convenient Moving

"Such level of convenience is offered by our **Professional moving company** and you can find us earning **positive moving reviews** everywhere we go." (emphasis added).

73. In many instances, consumers were led to believe that their household goods would be loaded onto trucks owned by the Defendants and immediately transported to the consumers' new dwellings by the Defendants' highly trained, supervised and professional staff. In fact, however, the Defendants often completed the consumers' moves by using other, third-party carriers whose employees were not trained or supervised by the Defendants, and who often carelessly damaged or failed to deliver the consumers' property. On numerous occasions, the

Defendants or their agents arrived to pick up or deliver the consumers' household goods using unmarked or obviously rented vehicles (such as U-Haul, Penske or Budget Rental trucks).

74. In numerous instances, after the Defendants' agents loaded the consumers' household goods onto moving trucks, those goods were not then immediately transported to the consumers' new dwellings. Instead, the Defendants' agents unloaded the consumers' goods at an undisclosed storage facility, and then stored those goods until they could be combined with the household goods of one or more other shippers who were moving to the same geographic region or vicinity. Those practices, which often resulted in substantial delivery delays or loss of the consumers' household goods through theft or mis-delivery, were not disclosed to consumers on Defendants' websites or otherwise.

75. The Defendants' website contained a toll-free telephone number for consumers to call for information regarding their Moving Services. The Enterprise also utilized third party marketers and lead generators to solicit consumers or refer consumers to the Defendants' sales representatives. Consumers who contacted the Enterprise's agents over the telephone were again reassured that their household goods would be moved with the utmost care by the Defendants' "professional," "highly trained" or "expert" movers.

76. In reality, many consumers who hired the Defendants to move their household goods (either within Florida or in interstate commerce) were often confronted with unskilled, day laborers who loaded and unloaded the consumers' belongings with little regard for their property. Consumers who complained about damage to their property during the move were regularly met with rude, aggressive, threatening and even abusive language, both from the movers and office personnel.

77. Although the Defendants and their agents promised consumers that they would take exceptionally good care of the consumers' household goods during the move, they routinely did not provide such care. Moreover, the Defendants did not compensate consumers for the damage or loss of their property (through theft or otherwise) that occurred during the move, often due to the intentional or reckless conduct of the Defendants' agents.

78. The Defendants repeatedly made these false promises and deceptive representations to consumers despite knowing that their agents routinely damaged, lost or misappropriated consumers' valuable property during the moves. Likewise, the Defendants had knowledge that their deceptive acts and practices regularly resulted in significant financial harm to consumers. Nevertheless, the Defendants failed to disclose these material facts to their customers (including the substantial risk of loss to the consumers' household goods resulting from the likely malfeasance by Defendants' representatives).

79. The Defendants, implicitly or explicitly, condoned their agents' misbehavior in connection with providing their Moving Services. To allay consumers' fears regarding the damage or loss of property, the Defendants advised consumers on their website that they were "fully insured" and "licensed" movers. Some consumers were told that they would receive, at no additional charge, insurance coverage required by law (totaling up to 60 cents per pound). However, the Defendants did not disclose (on their website or otherwise) that their customers would likely need to purchase additional, supplemental insurance to protect themselves from a known and likely loss resulting from the Defendants' use of untrained, day laborers who often engaged in intentional or reckless malfeasance during the move.

80. In numerous instances, the consumers' expensive household goods (such as computers, flat screen televisions, electronics, appliances, artwork or tools) were simply not

delivered or were delivered in a severely damaged or unusable condition. The Defendants, however, often provided either no recompense or only a *de minimis* amount of compensation. In essence, the Defendants and their agents often deceptively used the statutory insurance “cap” provided under Florida law (limiting liability for missing or damaged items to 60 cents per pound), as a “license to steal.”

Additional Deceptive Activities as “Mover” or “Household Goods Motor Carrier”

81. In numerous instances, while acting as an intrastate “mover” or as an interstate “household goods motor carrier,” the Defendants made various misrepresentations and deceptive representations to their consumer customers. Among other things, the Defendants often misrepresented or failed to properly disclose material facts concerning the true price, nature, extent, qualities, or characteristics of the Moving Services (including accessorial services) being offered or provided.

82. For example, although Defendants typically provided consumers with a written estimate for their Moving Services, the estimates often did not comply with Florida law or federal (FMCSA) regulations. For example, the estimates were not always dated; they often did not reflect the proposed date of the move; nor did they identify the physical address of the location where the goods will be held pending further transportation. In many instances, the estimates were not signed by the Defendants’ representative and the individual shipper, nor was a dated copy of the estimate provided to the individual shipper at the time it was executed by the Defendants. Likewise, in some instances, the written estimate did not clearly indicate to the consumer/shipper whether it was a “binding” or a “non-binding” estimate.

83. In numerous instances, the Defendants provided consumers with written estimates (either “binding” or “non-binding”) that were false or misleading. In many cases, for example,

the estimates materially understated the total charges that would likely be generated in connection with the household goods move. More specifically, in numerous instances, the Defendants' written estimates were deceptive, in that they, among other things:

- a.** failed to reflect all of the Moving Services and other related services (including for loading, transportation or shipment, unloading and accessorial services) the Defendants knew would be charged for the move;
- b.** were not properly based on a physical survey of the consumer's household goods;
- c.** did not contain a reasonably accurate estimate of the approximate costs the individual shipper should expect to pay for the transportation and other services to be provided;
- d.** were falsely denoted as being "binding estimates," with total costs not to exceed the estimated amount, in order to induce consumers to forgo their right to an estimate based on a physical survey of the household goods;
- e.** were routinely ignored by the Defendants and their agents at the time of the move, and were not honored for purposes of relinquishing possession of the consumer's household goods;
- f.** did not clearly and conspicuously disclose the form of payment the Defendants or their agents would actually honor at delivery;
- g.** contained dates or date ranges for the pickup or delivery of the consumer's household goods that the Defendants routinely ignored; and/or
- h.** were amended by the Defendants or their agents after loading the shipment.

84. As noted above, although the Defendants generally provided consumers with either a "binding" or "non-binding" estimate, they often did not honor those estimates at the time of the move. Instead, in numerous instances, after the Defendants' agents arrived and began loading the consumers' household goods onto moving trucks, the consumers were then confronted with a significantly higher monetary demand than previously quoted to them to obtain release of their property from the Defendants and/or their affiliates. In some instances,

the Defendants demanded payment from consumers for services and fees that the consumers had not previously requested, nor had they previously been informed about.

85. Often, the Defendants or their agents demanded that the new, higher amount be paid by the consumers in cash, although this form of payment had not previously been clearly and conspicuously specified as being required in the original estimate or in other documents agreed to by the consumer/shipper. In other instances, the Defendants refused to relinquish the consumers' household goods notwithstanding that an acceptable form of payment under the estimate or service agreement was tendered. If the consumers refused to pay the new, higher amount demanded for the move (or refused to submit to their demand for cash), the Defendants and their affiliates would often threaten to retain the consumers' household goods and to add "storage" or other "redelivery" fees to the amount they were demanding be paid.

86. In numerous instances, the Defendants provided consumers with a document purporting to be a "binding" estimate. The consumers were led to believe that these "binding" estimates would lock-in the rate the consumer would be required to pay to complete their household move. Notwithstanding the issuance of a "binding" estimate, the Defendants and their agents often refused to relinquish possession of the consumers' goods at the time of delivery, despite attempts by the consumers to tender the full amount of the binding estimate (plus other statutorily authorized charges).

87. Likewise, in other instances, the Defendants provided consumers with "non-binding" estimates that were not reasonably accurate and materially underestimated the total cost of the move. Notwithstanding that estimate, the Defendants or their agents often failed to relinquish possession of the consumers' goods until after the consumer paid substantially more than 110 percent of the non-binding estimate (plus other statutorily authorized charges, including

for “impracticable operations”) at the time of delivery. Often, the Defendants’ agents required that this “ransom” be paid in cash.

88. The Defendants continued to provide consumers with these supposed “binding” or “non-binding” estimates despite knowing that the estimates were unfair and deceptive. In numerous instance, the estimates were artificially low; they were illusory; and they were routinely ignored by the Defendants’ agents during the moves.

89. In addition, Defendants often misrepresented or deceptively represented the timeframe or schedule for pickup or delivery or storage of household goods estimated. In numerous instances, the Defendants or their agents arrived late to pick up the consumers’ goods or delivered the consumers’ goods well beyond (sometimes weeks beyond) the promised delivery dates/ranges. Nevertheless, the Defendants failed to provide these consumers with reasonable notice of those delays, and/or failed to provide appropriate recompense to those consumers.

90. In some instances, the Defendants or their agents refused to relinquish a consumer/shipper’s household goods that included prescription medicines and/or goods for use by children, including children’s furniture, clothing and toys.

91. Numerous consumers have filed complaints with the Attorney General and/or other consumer protection agencies regarding the Defendants’ deceptive and unfair business practices as it related to their intrastate and/or interstate Moving Services. Consumer complaints against the Defendants have included, but were not limited to, the following deceptive and unfair practices:

- a. the Defendants used “bait-and-switch” tactics by providing consumers/shippers with one moving quote **prior** to collecting consumers’ household goods and thereafter increasing the moving quote **after** the movers arrived and began loading the consumers’ household goods onto the Defendants’ moving trucks;

- b. the Defendants held consumers' household goods "hostage" **after** all or a portion of the household goods were loaded onto the moving truck and thereafter refused to release the household goods unless consumers made additional payments (often required to be paid in cash);
- c. the Defendants delivered consumers' household goods in broken or damaged condition and failed or refused to provide recompense to the consumers;
- d. the Defendants delivered consumers' household goods with various items missing and failed or refused to provide recompense to the consumers;
- e. the Defendants collected consumers' household goods on the contracted date (or date range), but thereafter failed to deliver the consumers' household goods and failed or refused to provide recompense to the consumers;
- f. the Defendants collected consumers' household goods on the contracted date/date range, but thereafter delivered the household goods to the contracted final destination **after** the contracted date/date range and failed or refused to provide recompense to the consumers;
- g. the Defendants collected consumers' household goods **after** the contracted date/date range and thereafter failed or refused to provide recompense to the consumers;
- h. The Defendants failed to promptly notify consumers about pickup and/or delivery delays; and
- i. The Defendants failed or refused to disclose to consumer the physical address of the location where the consumers' household goods were being held or were to be held.

92. As indicated above, Defendants SOCHER and METZGER were the sole officers of the Corporate Defendants and were actively involved in the Enterprise's ongoing operations. Defendants SOCHER and METZGER were both authorized signatories on several of the bank accounts that were opened by the Enterprise, including accounts opened in the name of Defendants MSA INC and MSA SERVICES. These accounts were used by the Enterprise to, among other things receive funds (directly and indirectly) from consumers and to disburse those funds to Defendants SOCHER, METZGER and other Enterprise affiliates.

93. Defendants SOCHER and METZGER also accessed funds from the Enterprise's accounts using ATM/debit cards issued under their individual names. These debit cards were used to pay, among other things, various expenses relating to the Moving Services that were offered and purportedly provided to consumers. For example, Defendants SOCHER and METZGER routinely used these debit cards to pay for, among other things, marketing and lead generation expenses, purchase of moving supplies, truck rentals (including from Penske Truck Leasing and U-Haul Moving & Storage), fuel charges, as well as various other personal expenditures.

94. Defendant METZGER also opened at least one merchant processing account that were used for receiving payments from consumers who purchased Moving Services from the Enterprise via their credit card(s). METZGER opened that account through Paymentech, LLC and JP Morgan Chase Bank, N.A. in the name of Defendant MSA SERVICES (an entity that was not licensed with USDOT as a household goods broker or motor carrier). METZGER listed herself on the applications as being the "primary contact" for the account, and directed them to transfer the funds received from consumers over to Defendant MSA SERVICES' checking account at JP Morgan Chase Bank, N.A. As the primary contact for the Enterprise's merchant account, METZGER would have received notice from that financial institution that numerous chargebacks had been requested from consumers who complained, among other things, that their Moving Services had not been rendered or provided as described.

95. As indicated above, the Defendants (including Defendants MSA INC and SCHLEPPER) had no authority from the USDOT to operate as a motor carrier in the transportation of household goods intrastate or in interstate commerce during the period from on or about June 1, 2015 until on or about July 20, 2015. Nevertheless, the Enterprise continued to

offer, sell and purportedly provide Moving Services to consumers in Florida and elsewhere during that period. Likewise, even after the USDOT issued on September 30, 2015 an Order To Cease All Transportation in Interstate and Intrastate Commerce and Revocation of Registration against Defendants MSA INC and SCHLEPPER, effective October 5, 2015, the Enterprise continued to offer, sell and purportedly provide Moving Services to consumers until at least in or about February 2016.

96. Defendants SOCHER and METZGER continued to utilize bank accounts the Enterprise opened under the name of Defendants MSA SERVICES and/or MSAS to receive funds from consumers and to pay operating expenses relating to Moving Services that were offered, sold and/or provided to consumers by the Enterprise while the Defendants had no authority from the USDOT to operate as a motor carrier. As noted above, Defendants MSA SERVICES and MSAS have never been registered with the USDOT to operate as a household goods broker or motor carrier, and accordingly, had no authority to receive or disburse funds from consumers or to otherwise solicit, offer, sell or provide Moving Services.

NEED FOR INJUNCTIVE RELIEF

97. Defendants' acts and practices have misled consumers acting reasonably under the circumstances throughout the State of Florida and elsewhere, in direct and indirect (per se) violation of FDUTPA. Among other things, the Enterprise continued to operate as a motor carrier (using rental trucks) even after the USDOT had ordered them "out of service" and stripped the Defendants of their registration and operating licenses. Such flagrant, unlawful and deceptive acts and practices by the Defendants, which could easily be repeated by them at any time unless enjoined, would likely cause further injure and prejudice the public.

98. In addition, Defendants SOCHER and METZGER have continued to be employed by or associated with other household goods motor carriers since their registered entities, who did business under the trade name Full Service Van Lines, were officially closed. Thus, unless Defendants are permanently enjoined from engaging further in the acts and practices complained of herein in direct and indirect violation of FDUTPA, the continued activities of Defendants will result in irreparable injury to the public for which there is no adequate remedy at law.

COUNT 1

Advertising Violations by Household Goods Motor Carrier (Title 49 C.F.R. Part 375 (§375.207))

99. Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

100. Section 375.207 of the Regulations permits a household goods motor carrier to publish and use advertisements, but requires that any such advertisements be “truthful, straightforward, and honest.”

101. The Defendants, while operating as carriers (and specifically, household goods motor carriers), have engaged in advertising, as defined in Section 375.103 of the Regulations, including on its Internet web site, which advertising includes false, dishonest and misleading representations as described in paragraphs 68 through 80, above. Among other things, the Defendants have repeatedly advertised that their Moving Services were performed by “highly trained,” “professional,” or “expert” movers, when in truth and in fact, and as the Defendants well knew, in numerous instances their Moving Services were performed with employed unskilled and untrained laborers who regularly damaged, destroyed or stole the consumers’ property.

102. Accordingly, the Defendants have committed violations of Section 375.207 of the Regulations, and (pursuant to Section 375.901 of the Regulations) are subject to the penalty provisions of Title 49 U.S.C. Chapter 149.

103. Section 14901 (General civil penalties) provides, in pertinent part: “...(d) Protection of Household Goods Shippers.— (1) In general.— If a carrier providing transportation of household goods subject to jurisdiction under subchapter I or III of chapter 135 or a receiver or trustee of such carrier fails or refuses to comply with any regulation issued by the Secretary or the Board relating to protection of individual shippers, such carrier, receiver, or trustee is liable to the United States for a civil penalty of not less than \$1,000 for each violation and for each additional day during which the violation continues. Pursuant to the Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Appendix B to Title 49 C.F.R. Part 386), a motor carrier of household goods that does not comply with any regulation relating to the protection of individual shippers, is liable for a minimum penalty of \$1,572 per violation.

104. Based on the violations set forth above, Defendants SOCHER and METZGER, and the Corporate Defendants operating in the Enterprise, are liable, jointly and severally, for civil penalties under Section 14901 of the I.T.C., as adjusted for inflation pursuant to Appendix B to Title 49 C.F.R. Part 386.

COUNT 2

Failure to Provide Proper Written Estimates by Household Goods Motor Carrier (Title 49 U.S.C. §14104(b) and C.F.R. Part 375 (§375.401))

105. Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

106. Before executing an order for service for a shipment of household goods for an individual shipper, Section 14104(b)(1)(C) of the I.T.C., and Section 375.401 of the Regulations require a household goods motor carrier to provide the shipper with a written estimate of the total charges for the transportation and all related services (including accessorial services such as elevators, long carries, etc.). These provisions further require that the written estimate indicate whether it is a binding or a non-binding estimate, and that it be based on a physical survey of the household goods to be transported, unless: (1) the household goods are located beyond a 50-mile radius of the location of the household goods motor carrier's agent preparing the estimate; or (2) the individual shipper elects to waive the physical survey, in writing and signed by the shipper before the shipment is loaded.

107. During various time periods material hereto, the Defendants, while operating as carriers (and specifically, household goods motor carriers), have executed orders for service for a shipment of household goods for individual shippers without providing the shipper(s) with a proper, written estimate in compliance with Section 14104(b)(1)(C) of the I.T.C., and Section 375.401 of the Regulations. As more fully described in paragraphs 81 through 96, above, in numerous instances, the Defendants violated these provisions by, among other things, providing estimates to shippers that:

- a. were not made in a writing that was dated, signed by the Defendants' agents and the individual shipper, and copied and supplied to the individual shipper;
- b. did not include the total amount for all charges for the transportation and related (accessorial) services to be provided;
- c. did not properly indicate whether it was a binding or a non-binding estimate;
- d. were not made based on a physical survey of the household goods to be transported and without a valid exemption from the requirement that such estimates be based on said physical survey;

- e. did not contain a reasonably accurate estimate of the approximate costs the individual shipper should expect to pay for the transportation and services of such shipments; and/or
- f. were amended by the Defendants or their agents after loading the shipment.

108. Accordingly, Defendants SOCHER and METZGER and the Corporate Defendants operating in the Enterprise have committed numerous violations of Section 14104(b)(1)(C) of the I.T.C., and Section 375.401 of the Regulations, and (pursuant to Section 375.901 of the Regulations) are liable, jointly and severally, for civil penalties under Chapter 149 of the I.T.C., including, but not limited to Section 14901 (General civil penalties), thereunder, as adjusted for inflation pursuant to Appendix B to Title 49 C.F.R. Part 386..

COUNT 3

**Failure to Relinquish Goods (Binding Estimate)
by Household Goods Motor Carrier
(Title 49 U.S.C. §13707(b)(3) and C.F.R. Part 375 (§§375.403(7) and 375.703(a))**

109. Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

110. In numerous instances, while operating as carriers (and specifically, household goods motor carriers), the Defendants have provided individual shippers with “binding” written estimates pursuant to Section 14104(b)(1)(C) of the I.T.C. and Section 375.401(b) of the Regulations.

111. Section 13707(b)(3) of the I.T.C. and Sections 375.403(7) and 375.703(a) of the Regulations require a household goods motor carrier to relinquish possession of a shipment of household goods upon the individual shipper's offer to pay the binding estimate amount (plus charges for any additional services requested by the shipper after the bill of lading has been

issued and charges, if applicable, for “impracticable operations” not to exceed 15 percent of all other charges due at delivery).

112. As more fully described in paragraphs 81 through 96, above, in numerous instances, the Defendants have failed to relinquish possession of a shipment of household goods to an individual shipper who offered to pay (and in some instances had paid) the binding estimate amount plus applicable charges for additional services requested by the shipper after the bill of lading has been issued and applicable charges for “impracticable operations” totaling up to 15 percent of all other charges due at delivery.

113. Accordingly, the Defendants have committed numerous violations of 13707(b)(3) of the I.T.C. and Sections 375.403(7) and 375.703(a)) of the Regulations, and (pursuant to Section 375.901 of the Regulations) are subject to the penalty provisions of Chapter 149 of the I.T.C., including, but not limited to Section 14901 (General civil penalties) and/or Section 14915 (Penalties for failure to give up possession of household goods) set forth therein.

114. Section 14915(a) (1) of the I.T.C. provides that whoever is found holding a household goods shipment hostage is liable to the United States for a civil penalty of not less than \$10,000 for each violation. Pursuant to Appendix B to Title 49 C.F.R. Part 386, the inflation adjusted amount for such a knowing and willful violation is not less than \$15,727 for each violation.

115. Each day a carrier is found to have failed to give up possession of household goods may constitute a separate violation under Section 14915(a)(2). For purposes of this section, the term “failed to give up possession of household goods” means the knowing and willful failure, in violation of a contract, to deliver to, or unload at, the destination of a shipment of household goods that is subject to jurisdiction under subchapter I or III of chapter 135 of this

title, for which charges have been estimated by the motor carrier providing transportation of such goods, and for which the shipper has tendered a payment described in clause (i), (ii), or (iii) of section 13707(b)(3)(A). (See §14915(c) of the I.T.C.).

116. Based on the violations set forth above, Defendants SOCHER and METZGER, and the Corporate Defendants operating in the Enterprise are liable, jointly and severally, for civil penalties under Sections 14901 and/or 14915 of the I.T.C., as adjusted for inflation pursuant to Appendix B to Title 49 C.F.R. Part 386.

COUNT 4

**Failure to Relinquish Goods (Non-Binding Estimate)
by Household Goods Motor Carrier
(Title 49 U.S.C. §13707(b)(3) and C.F.R. Part 375 (§§375.405(8), 375.407(a) and 375.703(b))**

117. Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

118. In numerous instances, while operating as carriers (and specifically, household goods motor carriers), the Defendants have provided individual shippers with “non-binding” written estimates pursuant to Section 14104(b)(1)(C) of the I.T.C. and Section 375.405(a) of the Regulations.

119. Section 13707(b)(3) of the I.T.C. and Sections 375.405(8), 375.407(a) and/or 375.703(b)) of the Regulations require a household goods motor carrier to relinquish possession of a shipment of household goods upon the individual shipper's offer to pay 110 percent of the non-binding estimate amount (plus charges for any additional services requested by the shipper after the bill of lading has been issued and charges, if applicable, for “impracticable operations” not to exceed 15 percent of all other charges due at delivery).

120. As more fully described in paragraphs 81 through 96, above, in numerous instances, the Defendants have failed to relinquish possession of a shipment of household good to an individual shipper who had offered to pay (and in some instances had paid) 110 percent of the non-binding estimate amount plus applicable charges for additional services requested by the shipper after the bill of lading has been issued and applicable charges for “impracticable operations” totaling up to 15 percent of all other charges due at delivery.

121. Accordingly, the Defendants have committed numerous violations of 13707(b)(3) of the I.T.C. and Sections 375.405(8), 375.407(a) and/or 375.703(b)) of the Regulations, and (pursuant to Section 375.901 of the Regulations) are subject to the penalty provisions of Title 49 U.S.C. Chapter 149 including, but not limited to Section 14901 (General civil penalties) and/or Section 14915 (Penalties for failure to give up possession of household goods) set forth therein.

122. Based on the violations set forth above, Defendants SOCHER and METZGER, and the Corporate Defendants operating in the Enterprise are liable, jointly and severally, for civil penalties under Sections 14901 and/or 14915 of the I.T.C., as adjusted for inflation pursuant to Appendix B to Title 49 C.F.R. Part 386.

COUNT 5

Failure to Pick Up/Tender Shipment and Provide Notification by Household Goods Motor Carrier (Title 49 C.F.R. Part 375 (§§375.603 and 375.605))

123. Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

124. Section 375.603 of the Regulations requires that a household goods motor carrier tender a shipment for delivery for an individual consumer on the agreed delivery date or within the period specified on the bill of lading. Section 375.605 provides that, when a motor carrier is

unable to perform either the pickup or delivery of a shipment on the dates or during the periods specified in the order for service, as soon as the delay becomes apparent, the carrier must notify the individual shipper of the delay, at the carrier's expense, and advise the individual shipper of the dates or periods when the carrier expects to be able to pick up and/or deliver the shipment, in one of the following six ways: (1) By telephone; (2) In person; (3) Fax transmission; (4) E-mail; (5) Overnight courier; or (6) Certified mail, receipt requested.

125. During various time periods material hereto, the Defendants, while operating as carriers (and specifically, household goods motor carriers), have in numerous instances failed to tender a shipment of household goods for delivery for an individual consumer on the agreed delivery date or within the period specified on the bill of lading in violation of Section 375.603 of the Regulations. In many of these instances, the Defendants knowingly and willfully failed to tender the shipment.

126. Similarly, during various time periods material hereto, the Defendants have failed to timely pick up a shipment of household goods from an individual shipper on the agreed delivery date or within the period specified in the order for service.

127. In many instances, when the Defendants were unable to perform either the pickup or delivery of a shipment on the dates or during the periods specified in the order for service, they failed to promptly notify the individual shipper as soon as the delay had become apparent, and/or advise the individual shipper of the dates or periods when they expected to be able to pick up and/or deliver the shipment, as set forth in Section 375.605.

128. Accordingly, as more fully described in paragraphs 81 through 96, above, the Defendants have committed numerous violations of Sections 375.603 and 375.605 of the Regulations, and (pursuant to Section 375.901 of the Regulations) are subject to the penalty

provisions of Chapter 149 of the I.T.C., including, but not limited to Section 14901 (General civil penalties) and/or Section 14915 (Penalties for failure to give up possession of household goods), thereunder.

129. Based on the violations set forth above, Defendants SOCHER and METZGER, and the Corporate Defendants operating in the Enterprise are liable, jointly and severally, for civil penalties under Sections 14901 and/or 14915 of the I.T.C., as adjusted for inflation pursuant to Appendix B to Title 49 C.F.R. Part 386.

COUNT 6

Operating Without Proper Registration by Household Goods Motor Carrier or Broker (Title 49 U.S.C. §§13901 and 13902)

130. Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

131. Section 13901(a) of the I.T.C., provides that “[a] person may provide transportation as a motor carrier subject to jurisdiction under subchapter I of chapter 135 [of the I.T.C.] or ... service as a broker for transportation subject to jurisdiction under subchapter I of such chapter only if the person is registered under this chapter to provide such transportation or service.” Section 13902(a)(6) of the I.T.C. further provides that “[a] motor carrier may not broker transportation services unless the motor carrier has registered as a broker under this chapter.”

132. At all times material hereto, the Defendants were never registered as a broker for transportation of property subject to jurisdiction under subchapter I of chapter 135 of the I.T.C.

133. On or about April 29, 2015, Defendant MSA INC’s registration with the USDOT as a motor carrier was revoked, and thereafter, was never reinstated. During the period from on

or about June 1, 2015 until July 20, 2015, Defendant SCHLEPPER's registration with the USDOT as a motor carrier was revoked.

134. On or about September 30, 2015, the USDOT issued to Defendants MSA INC and SCHLEPPER an Order To Cease All Transportation in Interstate and Intrastate Commerce and Revocation of Registration, effective October 5, 2015. Since then, none of the Defendants (including Defendants MSA INC and SCHLEPPER) have been properly registered by the USDOT to provide transportation or to broker transportation services in interstate or intrastate commerce.

135. In numerous instances, during the period from on or about June 1, 2015 until on or about July 20, 2015, the Defendants, through the Moving Enterprise, provided transportation of household goods subject to jurisdiction under subchapter I of chapter 135 of the I.T.C., or broker services for such transportation to consumers/shippers in Florida and elsewhere without being properly registered with the USDOT as a motor carrier or broker under chapter 139 of the I.T.C.

136. Likewise, in numerous instances, during the period from on or about October 5, 2015 until at least in or about February 2016, the Defendants, through the Moving Enterprise, provided transportation of household goods subject to jurisdiction under subchapter I of chapter 135 of the I.T.C., or broker services for such transportation to consumers/shippers in Florida and elsewhere without being properly registered with the USDOT as a motor carrier or broker under chapter 139 of the I.T.C.

137. Accordingly, the Defendants have committed violations of Sections 13901 and/or 13902(a)(6) of the I.T.C. and are subject to the penalty provisions of Title 49 U.S.C. Chapter 149.

138. Section 14901 (General civil penalties) provides, in pertinent part: “...(d) Protection of Household Goods Shippers.... (3) Unauthorized Transportation.— If a person provides transportation of household goods subject to jurisdiction under subchapter I of chapter 135 or provides broker services for such transportation without being registered under chapter 139 to provide such transportation or services as a motor carrier or broker, as the case may be, such person is liable to the United States for a civil penalty of not less than \$25,000 for each violation. Pursuant to Appendix B to Title 49 C.F.R. Part 386, the inflation adjusted amount for such a violation is not less than \$26,126 for each violation.

139. Accordingly, Defendants SOCHER and METZGER, and the Corporate Defendants operating in the Enterprise have committed numerous violations of Sections 13901 and 13902(a)(6) of the I.T.C., and are liable, jointly and severally, for civil penalties under Chapter 149 of the I.T.C., including, but not limited to Section 14901(d)(3) (Unauthorized Transportation penalties), thereunder, as adjusted for inflation pursuant to Appendix B to Title 49 C.F.R. Part 386.

COUNT 7

Deceptive and Unfair Trade Practices By Mover/Household Goods Motor Carrier (DIRECT VIOLATION OF FDUTPA)

140. The Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

141. Chapter 501.204(1) of FDUTPA (or “the Act”), declares that “[u]nfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce are hereby declared unlawful.” Misrepresentations, false

statements or omissions of material fact constitute deceptive acts or practices prohibited by FDUTPA.

142. The provisions of the Act are to be “construed liberally” to promote the protection of the “consuming public and legitimate business enterprises from those who engage in unfair methods of competition, or unconscionable, deceptive, or unfair acts or practices in the conduct of any trade or commerce.” §501.202, *Fla. Stat.*

143. Section 501.203(3) of FDUTPA defines a violation as any violation of the Act or the rules adopted under the Act and may be based upon, among other things, “[a]ny law, statute, rule, regulation, or ordinance which proscribes unfair methods of competition, or unfair, deceptive, or unconscionable acts or practices.”

144. Any person, firm, corporation, association, or entity, or any agent or employee thereof, who willfully engages in a deceptive or unfair act or practice is liable for a civil penalty of \$10,000 for each such violation, or a civil penalty of \$15,000 for each such violation if the deceptive or unfair act or practice victimizes or attempts to victimize a senior citizen; willful violations occur when the person knew or should have known that the conduct in question was deceptive or unfair or prohibited by rule. §§501.2075 and 501.2077 *Fla. Stat.*

145. In numerous instances, while engaged in trade or commerce, the Defendants have violated, and/or will continue to violate, Section 501.204 of FDUTPA by, among other things, using deceptive and unfair acts and practices in the advertising, marketing, soliciting, selling and/or providing of Moving Services to consumers in Florida and elsewhere, as more fully described in paragraphs 68 thorough 96, above. Among other things, the Defendants’ unfair and deceptive acts and practices have included:

- a. misrepresenting to consumer, in Defendants' advertising materials and other solicitations, expressly and by implication, the true nature, quality or extent of Moving Services to be provided by the Defendants and their agents;
- b. misrepresenting to consumers, in Defendants' advertising materials and other solicitations, expressly and by implication, that Defendants' Moving Services would be provided by "highly trained," "professional" or "expert" movers who would transport the consumers' household goods with the utmost care;
- c. using "bait-and-switch" tactics by providing consumers with one moving quote **prior** to collecting the consumer's household goods and thereafter materially increasing the price for the mover **after** the Defendants' agents have arrived at the consumer's dwelling and began loading the consumers' household goods onto the Defendants' moving trucks;
- d. holding consumers' household goods "hostage" **after** all or a portion of the consumer's household goods have been loaded onto moving trucks, by refusing thereafter to release the household goods unless consumers paid additional material amounts above their prior estimates to the Defendants' agents (often required to be paid only in cash);
- e. failing to disclose that Defendants' Moving Services are regularly performed by untrained and unskilled laborers who act in a careless and/or reckless manner that often results in substantial, unrecompensed damage to (or loss of) the consumers' household goods;
- f. failing to disclose that Defendants' Moving Services are regularly performed by inept, corrupt and/or dishonest agents who often damage, lose or misappropriate consumers' valuable property during the move;
- g. regularly failing or refusing to provide recompense to consumers whose shipment of household goods is delivered by Defendants' or their agents with various property items missing or damaged;
- h. regularly failing to deliver the consumers' household goods on the promised or agreed upon date/date range and thereafter failing or refusing to provide recompense to the consumers; and
- i. regularly failing to pick up the consumers' household goods after the promised or agreed upon date/date range and thereafter failing or refusing to provide recompense to the consumers.

146. The Defendants' acts and practices, as set forth herein are false, misleading or otherwise deceptive, and likely to mislead a consumer acting reasonably under the

circumstances. Numerous consumers within the State of Florida and elsewhere were misled by the acts and practices of Defendants alleged herein. The above-described acts and practices of the Defendants have injured and will likely continue to injure and prejudice the consuming public.

147. The Defendants have violated, and/or will continue to violate, Section 501.204 of the FDUTPA, by using deceptive and unfair practices in the marketing and selling of Moving Services, as described above. The Defendants willfully engaged in the acts and practices described herein when they knew or should have known that such acts and practices are unfair or deceptive or otherwise prohibited by law.

148. The Defendants are liable for injunctive and other equitable relief (including restitution). Defendants SOCHER and METZGER are liable, individually, as they participated in, controlled and/or possessed the authority to control the acts and practices of the Corporate Defendants, and they possessed actual and/or constructive knowledge of all material acts and practices complained of herein.

149. Defendants SOCHER and METZGER, and the Corporate Defendants operating in the Enterprise, are also liable, jointly and severally, for civil penalties (as prescribed by Sections 501.2075 and 501.2077, Florida Statutes) for each deceptive or unfair act or practice they willfully engaged in, as set forth above, found to be in violation of FDUTPA.

COUNT 8

Violations of the Florida Moving Act by Intrastate Mover (Constituting A Per Se FDUTPA Violation)

150. The Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

151. Section 501.204(1) of FDUTPA establishes that unfair or deceptive acts or practices in the conduct of any trade or commerce are unlawful.

152. Section 501.203(3)(c) of FDUTPA further establishes that a violation of “any law, statute, rule, regulation, or ordinance which proscribes unfair methods of competition, or unfair, deceptive, or unconscionable acts or practices” is a violation of FDUTPA.

153. Section 507.08 of the Florida Moving Act proscribes deceptive and unfair trade practices in connection with intrastate household moves. Specifically, this section provides that: “Acts, conduct, practices, omissions, failings, misrepresentations, or nondisclosures committed in violation of [the F.M.A.] are deceptive and unfair trade practices under [FDUTPA], and administrative rules adopted in accordance with the act.”

154. The Defendants, at various times material hereto, have operated in numerous instances as intrastate “movers” as defined by Section 507.01(9) of the F.M.A. At all times while acting as a mover in connection with the transportation or shipment of household goods originating and terminating in the State of Florida, the Defendants were required to comply with the F.M.A. As more fully described in paragraphs 68 thorough 96, above, the Defendants violated one or more provisions of the F.M.A. during various periods relevant hereto, which constitute per se FDUTPA violations.

155. In numerous instances, the Defendants violated Section 507.07(3) of the F.M.A. by misrepresenting or deceptively representing:

- a. The contract for services, bill of lading, or inventory of household goods for the move estimated.
- b. The timeframe or schedule for delivery or storage of the household good estimated.
- c. The price, size, nature, extent, qualities, or characteristic of accessorial or moving services offered.

d. The nature or extent of other goods, services, or amenities offered.

e. A shipper's rights, privileges, or benefits.

156. The Defendants also violated Section 507.07(4) of the F.M.A. by failing to honor and comply with all provisions of the contract for services or bill of lading regarding the purchaser's rights, benefits, and privileges thereunder. As described above, in numerous instances, the Defendants improperly increased the price charged for the purported Moving Services provided after loading of the consumers' household goods had commenced, they failed to relinquish the goods as required despite a proper tender of payment by the consumer, and they failed to honor the pickup and delivery dates/date ranges that had been agreed upon with the consumer.

157. The Defendants also violated Section 507.07(5) of the F.M.A. by withholding delivery of household goods or otherwise holding goods in storage against the express wishes of the consumer/shipper notwithstanding that payment had been made by the consumer as delineated in the estimate or contract for services. The Defendants also violated Section 507.07(6)(b) of the F.M.A. by committing numerous acts of fraud, misrepresentation, or failure to disclose a material fact, as detailed above.

158. Accordingly, the Defendants' acts and practices described above violate various provisions of a statute (the Florida Moving Act) designed to protect consumers from unfair and deceptive acts or practices, which constitutes a per se violation of FDUTPA, and subject the Defendants to the penalties and remedies provided therein for such violations. Numerous consumers within the State of Florida and elsewhere have been injured by the acts and practices of Defendants alleged herein, which will likely continue to injure and prejudice the consuming public.

159. The Defendants have violated, and/or will continue to violate the F.M.A., in connection with the marketing, selling or providing of Moving Services, as described above. The Defendants willfully engaged in the acts and practices described herein when they knew or should have known that such acts and practices are unfair or deceptive or otherwise prohibited by law.

160. The Defendants are liable for injunctive and other equitable relief (including restitution). Defendants SOCHER and METZGER are liable, individually, as they participated in, controlled and/or possessed the authority to control the acts and practices of the Corporate Defendants, and they possessed actual and/or constructive knowledge of all material acts and practices complained of herein.

161. Defendants SOCHER and METZGER, and the Corporate Defendants operating in the Enterprise, are also liable, jointly and severally, for civil penalties (as prescribed by Sections 501.2075 and 501.2077, Florida Statutes) for each deceptive or unfair act or practice in connection with intrastate household moves that they willfully engaged in, as set forth above, that are found to be in violation of the F.M.A., a *per se* violation of FDUTPA.

COUNT 9

Violations of the I.T.C. and FMCSA Regulations by Interstate Household Goods Motor Carrier (Constituting A *Per Se* FDUTPA Violation)

162. The Plaintiff adopts, incorporates herein and re-alleges paragraphs 1 through 98 as if fully set forth hereinafter.

163. Section 501.204(1) of FDUTPA establishes that unfair or deceptive acts or practices in the conduct of any trade or commerce are unlawful.

164. Section 501.203(3)(c) of FDUTPA further establishes that a violation of “any law, statute, rule, regulation, or ordinance which proscribes unfair methods of competition, or unfair, deceptive, or unconscionable acts or practices” is a violation of FDUTPA.

165. The I.T.C. and FMCSA Regulations were intended to promote competitive and efficient transportation services in order to, among other things, “encourage fair competition, and reasonable rates for transportation by motor carriers of property” and “meet the needs of shippers, receivers, passengers, and consumers.” (See §13101(a)(2)(A) and (C) of the I.T.C.). Likewise, Title 49 C.F.R. Part 375 (Transportation of Household Goods in Interstate Commerce; Consumer Protection Regulations) sets forth the specific consumer protection regulations governing the transportation of household goods in interstate commerce.

166. The Defendants, at various times material hereto, have operated in numerous instances as interstate “household goods motor carriers,” and were required to follow all of the regulations set forth in Part 375 of the FMCSA Regulations. (See §375.101 of the Regulations). As described above, the Defendants violated one or more provisions of the I.T.C. and/or FMCSA Regulations during various periods relevant hereto, which constitute per se FDUTPA violations.

167. To protect consumers, the I.T.C. and/or FMCSA Regulations require, among other things, that:

- a. All advertisements published and used by a household goods motor carrier be “truthful, straightforward, and honest” (§375.207);
- b. The carrier must specify the form of payment that will be required at delivery when the estimate is prepared; include that same form of payment in the order for service and bill of lading; and accept that same form of payment at delivery unless the shipper agrees to a change in writing (§375.217);
- c. The carrier provide the shipper with a written (binding or reasonably accurate non-binding) estimate of the transportation and other related charges before executing an order for service for shipment of household goods (§§375.401 and 375.405(b));

- d. The carrier relinquish possession of a shipment of household goods upon the individual shipper's offer to pay the binding estimate amount (plus charges for any additional services requested by the shipper after the bill of lading has been issued and charges, if applicable, for "impracticable operations" not to exceed 15 percent of all other charges due at delivery) (I.T.C. §13707(b)(3) and §§375.403(7) and 375.703(a));
- e. The carrier relinquish possession of a shipment of household goods upon the individual shipper's offer to pay 110 percent of the non-binding estimate amount (plus charges for any additional services requested by the shipper after the bill of lading has been issued and charges, if applicable, for "impracticable operations" not to exceed 15 percent of all other charges due at delivery) (I.T.C. §13707(b)(3) and §§375.405(8), 375.407(a) and 375.703(b));
- f. The carrier tender a shipment for delivery for an individual consumer on the agreed delivery date or within the period specified on the bill of lading (§375.603);
- g. The carrier notify the individual shipper by certain specified means as soon as a delay in the pick up or delivery of household goods becomes apparent to the carrier (§375.605); and
- h. The carrier is registered under the I.T.C. to provide transportation as a motor carrier subject to jurisdiction under subchapter I of chapter 135 of the I.T.C., or service as a broker for transportation subject to jurisdiction under subchapter I of such chapter (Title 49 U.S.C. §§13901 and 13902).

168. As more fully described in paragraphs 68 through 96, above, in numerous instances during periods material to this Complaint, the Defendants violated the I.T.C. and FMCSA Regulations (including those set forth above) by, among other things:

- a. Publishing and using advertisements that were materially false and misleading;
- b. Providing binding or non-binding estimates to consumer that were materially false and misleading, including as to the services to be provided and charges to be incurred;
- c. Requiring consumer to use a different form of payment at the time of delivery that specified when the estimate was prepared;

- d. Failing to relinquish possession of a shipment of household goods upon the proper payment or proper tender of payment of the amount required on a binding or non-binding estimate by an individual shipper;
- e. Failing to tender a shipment for delivery to an individual consumer on the agreed delivery date or within the period specified on the bill of lading; and
- f. Failing to provide required notice to the individual shipper when a delay in the pick up or delivery of household goods was apparent.

169. Accordingly, the Defendants' acts and practices described above violate various provisions of a statute (the I.T.C. and related FMCSA Regulations) designed to protect consumers from unfair and deceptive acts or practices, which constitute per se violations of FDUTPA, and subject the Defendants to the penalties and remedies provided therein for such violations. Numerous consumers within the State of Florida and elsewhere have been injured by the acts and practices of Defendants alleged herein, which will likely continue to injure and prejudice the consuming public.

170. The Defendants have violated, and/or will continue to violate the I.T.C. and related FMCSA Regulations in connection with the marketing, selling and/or providing of Moving Services, as described above. The Defendants willfully engaged in the acts and practices described herein when they knew or should have known that such acts and practices are unfair or deceptive or otherwise prohibited by law.

171. The Defendants are liable for injunctive and other equitable relief (including restitution). Defendant SOCHER and METZGER is liable, individually, as they participated in, controlled and/or possessed the authority to control the acts and practices of the Corporate Defendants, and they possessed actual and/or constructive knowledge of all material acts and practices complained of herein.

172. Defendants SOCHER and METZGER, and the Corporate Defendants operating in the Enterprise, are also liable, jointly and severally, for civil penalties (as prescribed by Sections 501.2075 and 501.2077, Florida Statutes) for each deceptive or unfair act or practice in connection with household moves that they willfully engaged in, as set forth above, that are found to be in violation of the F.M.A., a *per se* violation of FDUTPA.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, Office of the Attorney General, State of Florida, Department of Legal Affairs, respectfully requests that this Court:

A. ENTER judgment in favor of Plaintiffs and against the Defendants for each Count alleged in this Complaint.

B. ASSESS civil penalties against the Defendants, jointly and severally, in the amount of Twenty-five Thousand Dollars (\$26,126.00) for each transportation of household goods subject to jurisdiction under subchapter I of chapter 135 of the I.T.C., or each brokering of such transportation provided by the Defendants while not registered under chapter 139 of the I.T.C. as a motor carrier or broker, pursuant to Section 14901(d)(3) of the I.T.C., and Appendix B to Title 49 C.F.R. Part 386.

C. ASSESS civil penalties against the Defendants, jointly and severally, in the amount of Ten Thousand Dollars (\$15,727.00) for each household goods shipment Defendants are found to have knowingly and willfully held hostage, pursuant to Section 14915(a)(1) of the I.T.C., and Appendix B to Title 49 C.F.R. Part 386, and for each day the Defendants are found to have failed to give up possession of such a hostage household goods shipment, pursuant to Section 14915(a)(2) of the I.T.C.

D. ASSESS civil penalties against the Defendants, jointly and severally, in the amount of One Thousand Dollars (\$1,572.00) for each additional (non-hostage) violation of the I.T.C. and/or FMCSA Regulation, pursuant to Section 14901 of the I.T.C., and Appendix B to Title 49 C.F.R. Part 386.

E. Permanently ENJOIN the Defendants, their officers, agents, servants, employees, attorneys and those persons in active concert or participation with the Defendants who receive actual notice of this injunction, prohibiting and enjoining such persons from, directly or indirectly:

1. Committing future violations of FDUTPA, including, but not limited to making false and/or misleading representations to consumers in advertisements or otherwise regarding the nature, quality, extent, price timing and/or characteristics of the Moving Services being offered or provided;
2. Committing future violations of the Florida Moving Act, constituting a *per se* violation of FDUTPA, including, but not limited to:
 - a. Violating Section 507.07(3) of the F.M.A. (misrepresentations or deceptive representations);
 - b. Violating Section 507.07(4) of the F.M.A. (failing to honor contract for services or bill of lading);
 - c. Violating Section 507.07(5) of the F.M.A. (withholding delivery of household goods); and
 - d. Violating Section 507.07(6)(b) of the F.M.A. (fraud, misrepresentation or failure to disclose material facts);
3. Committing future violations of the I.T.C. and/or FMCSA Regulations, constituting a *per se* violation of FDUTPA, including, but not limited to:
 - a. Violating Section 375.207 of the Regulations (false and misleading advertising);
 - b. Violating Section 375.401 of the Regulations (written estimates);
 - c. Violating Section 13707(b)(3) of the I.T.C. and Sections 375.403(7) and 375.703(a) of the Regulations (release of goods on binding estimates);
 - d. Violating Section 13707(b)(3) of the I.T.C. and Sections 375.403(7) and 375.703(a) of the Regulations (release of goods on non-binding estimates);
 - e. Violating Section 375.603 of the Regulations (failure to tender shipment);
 - f. Violating Section 375.405 of the Regulations (failure to notify); and
 - g. Violating Sections 13901 and/or 13902(a)(6) of the I.T.C. (registration).

F. AWARD such equitable or other relief as the Court finds appropriate, pursuant to Section 501.207, Florida Statutes.

G. ASSESS civil penalties in the amount of Ten Thousand Dollars (\$10,000.00) as prescribed by Section 501.2075, Florida Statutes, or Fifteen Thousand Dollars (\$15,000.00) for victimized senior citizens as prescribed by Section 501.2077, Florida Statutes, for each act or practice found to be in violation of FDUTPA.

H. AWARD attorneys' fees and costs against the Defendants, jointly and severally, pursuant to Section 501.2075, Florida Statutes, or as otherwise authorized by law.

I. ORDER the rescission or reformation of contracts where necessary to redress injury to consumers.

J. ORDER disgorgement of ill-gotten proceeds against the Defendants.

K. GRANT such other equitable relief as this Honorable Court deems just and proper.

Dated this 27th day of December, 2018.

Respectfully Submitted,

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