



KNOW YOUR MOVER

BBB study reveals scammers
price gouge, take belongings hostage
and destroy goods

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INTRODUCTION

Last year, an estimated 4.7 million people left their state to relocate for a job, retirement or other reasons, mostly when temperatures warmed. With increased competition and new practices due to the COVID-19 outbreak in 2020, the industry has issued guidance for consumers moving during the pandemic and Better Business Bureau (BBB) is publishing this study to expose fraudulent movers and help consumers find trustworthy ones.

13,000



complaints and negative reviews about movers annually over the past three years

Most people hire a mover only a few times during their lives, so finding the right mover may be an unfamiliar process, leaving them prime targets for scammers. BBB receives an average of 13,000 complaints and negative reviews about movers each year.

The search for a mover usually begins on the internet, where people are likely to encounter ads by dishonest movers, or “rogue operators” as they are called in the moving industry. The bad actor usually offers a free estimate over the phone or email with a low-ball offer. The website looks legitimate, usually with phony reviews from happy customers and a claim to have been in business for many years with well-trained employees. So-called independent mover review sites also may post fake positive write-ups for the moving scammer.

Fraudulent moving company representatives initially are friendly and helpful on the telephone. However, when problems arise later, company staff cannot be reached. After processing a down payment of hundreds to thousands of dollars, the dishonest moving company outsources the work to an operation that often hires temporary unskilled workers to load the customer’s belongings. Once the goods are on the truck, the driver claims that the actual amount of goods to be moved exceeds the initial estimate. They demand more money, and it is usually paid.

When the goods finally arrive at the new home, sometimes days or weeks after promised, the deceptive mover sometimes demands additional money, effectively holding the belongings hostage. If the additional money isn’t paid, the operators simply drive off without unloading or saying where they are taking the goods. Furthermore, some victims report that they then face demands of additional storage fees for the items held hostage.

If you are a consumer considering an interstate move, do careful and extensive research to ensure you are dealing with a legitimate mover. After all, you are allowing someone you don’t know to drive away with almost everything you own. While the vast majority of movers care about reputation and customer service, not all do. Check out movers in advance with BBB and the professional moving associations for the U.S. or Canada. Get three in-person or virtual estimates based on weight, not cubic feet, and opt for full value replacement liability insurance.

This study primarily focuses on long-distance interstate moves rather than local moves because of the severity of problems associated with long-haul moves. It explores the scope and nature of interstate moving fraud, demonstrates the difference between how rogue operators and legitimate movers function, provides guidance on how to find a trustworthy mover, details law enforcement efforts, and explains what to do if problems arise during a move.

HOW BIG IS THE MOVING INDUSTRY PROBLEM?

MOVING COMPLAINTS

The U.S. Federal Motor Carrier Safety Administration (FMCSA), a branch of the U.S. Department of Transportation (DOT), regulates interstate and international moves. Of the 4,780 complaints FMCSA received in 2019, 57% involved overcharging.



Complaints and negative reviews registered at BBB about movers overcharging in U.S. and Canada

YEAR	COMPLAINTS	REVIEWS	TOTAL
2017	3,318	968	4,286
2018	4,716	1,279	5,995
2019	4,274	1,218	5,492

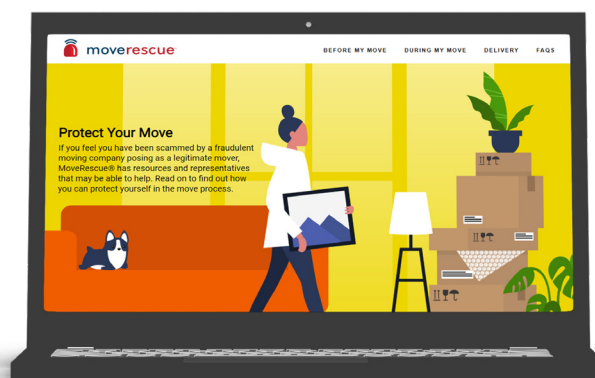
Complaints and negative reviews registered at BBB about movers in U.S. and Canada

YEAR	COMPLAINTS	REVIEWS	TOTAL
2017	8,274	2,523	10,797
2018	11,600	3,296	14,896
2019	10,132	3,193	13,424

BBB frequently receives feedback from consumers who have had positive experiences or problems with movers. Many people file complaints when they need help, while others post negative reviews to tell others about the service. BBB verifies reviews it receives are from people who have had business interactions and allows businesses to respond to the reviews. At least 1,335 moving companies have earned an “F” rating from BBB due to unresolved or unanswered complaints, unusually large amounts of complaints, and other factors.

It is believed that fewer than 10% of victims report fraud to BBB or law enforcement, according to the Federal Trade Commission (FTC), so the problem is likely much larger and more severe than statistics reflect.

The general public is at serious risk of encountering a dishonest moving operation, especially if they limit their research to a quick internet search. The situation has gotten so serious that major moving companies have established a help center for victims called MoveRescue, which provides free help to people who are having problems with a rogue mover.



Many complaints to BBB describe how experiences with dishonest moving companies have turned into financial and emotional nightmares.

In the fall of 2019, Leticia moved from Wisconsin with her mother and elementary school-aged son to a two-bedroom apartment in Texas. She obtained quotes from several movers by entering move information into an online calculator. **Prof Move** wasn't the cheapest, but the company had a DOT license number, which gave her some reassurance.

Leticia called the company to discuss the items to be moved. Prof Move assured her that they went to Texas regularly so her belongings should arrive quickly. They provided an estimate of \$2,798. She paid a \$979 deposit by credit card, and later an additional \$467.

Leticia packed her belongings herself but when the movers arrived, they charged her an additional \$1,200 for packing materials, which she paid using the Zelle app.

On the delivery date, no truck arrived and no one called to explain why. This occurred five more times over the next several weeks while she and her family slept on the floor of the new apartment. After calling the company repeatedly but receiving no help, she filed a complaint with BBB.

When her belongings finally arrived two months later in a rental truck, the driver insisted she give him a blank postal money order for \$1,303 to unload for "stairs" and "waiting time." She ultimately paid \$3,950 for the move.

The two men helping unload said that they were local temp employees. A desk and other goods were broken, and the movers refused to assemble a glass dining room table, beds and other items because of time. She told the movers she found items that were not hers, but they didn't respond.



Leticia filed a claim with Prof Moves after discovering some of her own items were missing, including important legal papers and a suitcase containing photos of her son. Prof Moves has never responded.

The address for the company appeared to be a mail drop located in Delaware, though Leticia believed the people she talked to were in Florida. The company had 12 [complaints with FMCSA](#), with three occurring in the first quarter of 2020.

Jeremiah prepared to transfer to Springfield, Missouri to start a new job in the fall of 2019. The small company he worked for told him to book the move and they would reimburse him. Jeremiah found good reviews online for **All Pro Moving Group**, which he hired to move the belongings for his family of five.

He was quoted a price of about \$5,000 for the move, based on an inventory he provided. Jeremiah's employer paid a \$3,524 deposit. A week later, Jeremiah received a call from a man in Texas who claimed to be an expert estimator for All Pro Moving Group. The man told Jeremiah that after reviewing the inventory, the revised estimate for the

move would be nearly \$10,000, double the initial quote.

On the day of the move, trucks labeled with a different mover's name arrived. When one truck had already driven off and almost all of the remaining items were loaded into another, the man in charge of loading told Jeremiah the final cost would be \$20,437.

Jeremiah felt that he was in a bind. The movers had his belongings. He was concerned that they might not deliver if he did not pay.



After arriving in Missouri, Jeremiah and his family waited a month for their belongings to be delivered. The agreement he signed gave the company a 21-day window to deliver. His family was very unhappy as they slept on the floor.

When the movers finally arrived, they demanded another \$100 in cash because they said the front door was too far from the curb. He disagreed, but because they refused to unload, Jeremiah gave them the cash. Several items were broken, including a television.

Jeremiah's employer required him to repay the extra \$10,000 they paid to the movers over the initial quote.

When Eli's job promotion meant

a move from Canton, Ohio to Chicago in 2019, he found **First Class Moving & Storage** through a moving referral website.

He carefully described the items he was moving from his house, including a pool table, and later called the company to add more



items to ensure the list was accurate. After receiving an estimate of \$1,670 for the move, he paid a \$200 deposit on his credit card over the phone.

After the goods were loaded on a rented truck, the mover told him that the load was bigger than anticipated so the cost would increase to \$5,980, more than triple the original estimate. Eli did give the driver an additional \$1,200 in cash to fulfill the original \$1,600 quote.

Eli complained to the company and then to

BBB. The company told him they would not deliver his goods unless he paid more. Because he was desperate to get his belongings, he agreed to pay the additional \$3,300 in cash. A move that had been estimated at \$1,600 ultimately cost him \$4,900.

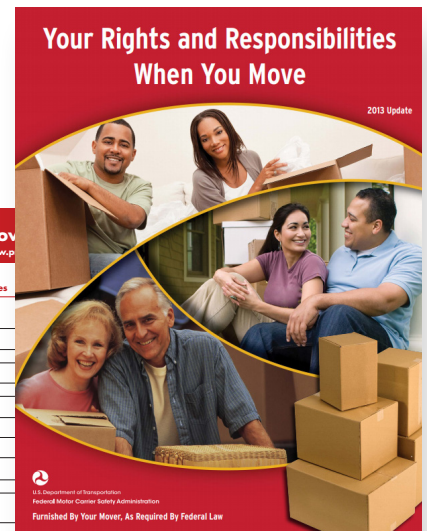
UNDERSTANDING THE MOVING INDUSTRY



Interstate moving is a more complex operation than most people realize. Consumers may presume a truck arrives with the same workers who will load and then unload the truck at the new destination. That may be true with a local move, but if there are not enough items to fill a moving van, the possessions may pass through many hands. Long-distance moves may begin with a team picking up the goods and dropping them off at a storage facility or depot. Once there are enough items going to the same city, belongings from multiple customers may be loaded into a large truck. After the long drive, the goods even may be unloaded again at the destination city and reloaded onto smaller trucks for delivery.

Interstate movers in the U.S. must be licensed by the DOT through its Federal Motor Carrier Safety Administration (FMCSA). Having a license does not mean that a mover is honest, as moving scammers in the U.S. may be able to obtain a license number. FMCSA sometimes revokes these licenses. There is no known similar national licensing program in Canada, and legal requirements applicable to movers there are governed by the laws of individual provinces.

The FMCSA website provides information for people planning a move, including [checklists](#). For interstate moves, federal regulations require your mover to give you two brochures. Ready to Move is required with all written estimates for moves. [Your Rights and Responsibilities When You Move](#) must be provided when you agree to hire a mover. This guide explains what is required in an estimate, whether the estimate is based on weight or volume, how to ensure pickup and delivery dates, the mover's liability, and other important things to know before a move.



Task	Notes
Planning - Before You Move <input type="checkbox"/> Obtain the booklet "Your Rights and Responsibilities When You Move from the mover." <input type="checkbox"/> Ask for recommendations from neighbors, friends, and relatives regarding the mover. <input type="checkbox"/> Check with the Better Business Bureau regarding the mover. <input type="checkbox"/> Find out what the mover's responsibilities are for damages that may occur to your belongings. <input type="checkbox"/> Ask if the mover has a dispute resolution program. <input type="checkbox"/> Obtain estimates from at least three movers, and compare cost and all other services to be provided by the mover. <input type="checkbox"/> Check to determine whether the interstate mover is registered with FMCSA, and has a USDOT number. <input type="checkbox"/> Find out how and when pickup and delivery of your household goods will occur. <input type="checkbox"/> Ask the mover how they can be contacted before the move, during the move, and after the move. <input type="checkbox"/> Adequately insure your belongings.	
Moving Day <input type="checkbox"/> Be present to answer questions and give directions to the movers. Stay until the truck leaves. <input type="checkbox"/> Accompany the movers as they inventory your household goods, and make any questions regarding the condition of materials being moved. <input type="checkbox"/> Carefully read the information on the invoice, order for service, bill of lading, contract, and all other completed documents before you sign them. <input type="checkbox"/> Keep the bill of lading and your goods are delivered, the charges are paid, and any claims are settled. <input type="checkbox"/> Before the moving van leaves, take one final look throughout the house to make certain nothing has been left behind. <input type="checkbox"/> Give the driver directions to your new home. <input type="checkbox"/> Allow the driver and the moving company of whom you can be reached during the move.	
Delivery Day <input type="checkbox"/> Be present to answer any questions and give directions. <input type="checkbox"/> Pay the driver, according to the terms of your agreement, before your goods are unloaded. <input type="checkbox"/> Supervise unloading and unpacking of your goods. <input type="checkbox"/> Note on the inventory list all losses or other items that are damaged before you sign any documents.	

U.S. movers are also required to provide customers with information about their household goods dispute settlement procedures. Some movers now provide all of this important information electronically. Unfortunately, sometimes these documents are provided only through hyperlinks in dense contracts.

HOW LEGITIMATE MOVERS OPERATE



Legitimate moving companies, often with decades of experience, abound in the U.S. and Canada. These movers compete with one another on price, professionalism, and reliability. They also obtain required licensing and often offer packing services to customers.

Legitimate movers frequently belong to trade associations that have professional standards such as the [American Movers & Storage Association \(AMSA\)](#) in the U.S. and [Canadian Association of Movers](#)

([CAM](#)) in Canada. Both moving industry trade associations have websites with useful information for consumers as well as moving professionals.

Major moving companies maintain national networks of trucks, drivers, and trained personnel to load and unload, as well as interim storage depots. Legitimate moving companies usually use specialized moving trucks containing necessary equipment and bearing business names and license

numbers in the U.S., though they may use other trucks at peak periods.

Legitimate movers almost always do in-person or virtual estimates that include charges for services and equipment, such as tape or blankets, though some employ cameras and computer programs to do estimates. They may collect relatively small deposits up front and collect the final payment after goods are delivered and unloaded. They normally take credit cards.

ANATOMY *of a* MOVING SCAM



There are many scam moving companies and anyone doing an internet search for a move is very likely to encounter one. Moving scammers advertise heavily on the internet, using paid advertising (sponsored links) that bring them to the top of search results. Moving scams may claim to have offices in many cities to suggest that they have a local physical presence, though in reality it may only be a mail handling service location or virtual office.

Moving scammers often have well-designed websites, with claims of many years of experience and professional staff. They sometimes employ fake reviews from supposedly happy customers, and they are friendly and helpful on the telephone. These scam companies frequently obtain license numbers from the FMCSA.

1. Obtaining estimates

Moving scammers overcharge. They quote a low-ball price estimate in order to get business, but the actual cost will end up being much higher. They generally are not able to provide an in-person estimate, which can be an important red flag. Such scammers will talk with potential customers over the phone to get a list of items to be moved and then provide a written estimate, which serves as a contract for the move. These contracts are often sent and signed electronically,

so unfortunately, many people do not print or read them. Links to these contracts may no longer work when a problem later arises

110% Rule: It is illegal to charge more than 110% of the estimate **before** delivering goods, even if there are more than anticipated. If there are extra charges for additional goods, they can only charge an additional amount **after** delivery and unloading. Movers can charge extra sums for unanticipated events such as climbing extra stairs, but these cannot exceed 15% of the total cost. If the estimate is “binding,” they cannot charge more than quoted in the estimate.

Legally, the estimate must include all packing materials such as blankets, tape, etc., unless the customer does not want them included in the estimate. Moving scammers often charge victims more for these items.

ANATOMY ^{of} MOVING SCAMS

(CONTINUED)



Weight versus volume: In the U.S., experts at AMSA state that movers legally must base their estimates on the weight of the goods to be moved. Estimates based on weight are more accurate and enforceable. It is standard practice to weigh the truck before a consumer's shipment is loaded and then to weigh the truck after it is loaded to find the weight of the goods being moved.

Moving scammers will base estimates on volume (cubic feet), which is much more subjective and easily manipulated by bad actors. A criminal case in Ohio charged movers with claiming that goods had a larger volume than they really did to justify overcharges. A mover who provides an estimate in volume is almost surely a scammer.

Moving Brokers: Consumers may assume – or are told – that the operation which provided the estimate will actually perform the move. When moving scammers are involved, they very often operate as “brokers, collecting deposits and arranging the moves but not picking up or delivering the goods themselves. Instead, they “sell” the job to someone else and usually receive a portion of the money squeezed out of victims by those who do the loading and unloading. While being a broker is not illegal, it is very important to know if you are involved with one. Contracts used by shady movers typically contain language stating that they will not “handle, or otherwise participate in a move as a carrier.”

Pickup and delivery dates. People organizing a move usually have important dates for when they have to be out of a house or apartment and when they need to move into a new home. Moving scammers regularly make promises about these dates on the phone even though their contracts state that the brokers do “not guarantee any pick-up or delivery dates, under any circumstances.” Contracts with moving scammers provide a “first available” date with a 21-day window to actually deliver, but they often do not arrive until well after that date, creating inconveniences for victims, who often sleep on floors for extended periods.

2. Picking up and loading goods

Those who appear to do the move usually arrive in a rented truck, which is why a moving company name is unlikely to appear on the side. Untrained, local temporary employees load and unload, increasing the risk of goods being damaged. Moving scammers sometimes arrive at the end of the day and it can be very late at night before they finish.

Moving scammers wait until after goods are loaded before telling victims that there will be additional charges, often claiming that there is far more to be moved than originally planned. Moving scammers then have the victims sign a new replacement contract for a much higher price. These new contracts may not even mention the original moving company.

Because **it is illegal to increase the price after goods are loaded**, these contracts contain language near the signature line stating (falsely) that it was signed before loading. Victims regularly report that after the goods are loaded, the original moving company is difficult to reach and often simply stop answering calls.

Victims who resist the increased price are told that if they don't agree to the higher price and new contract, their belongings will be unloaded on the curb. With their belonging essentially held hostage, victims often reluctantly agree and make a sizable payment.

3. Delivering belongings to the new home

When the truck eventually arrives to deliver goods, the crooked operations demand the remainder of the money and may add additional fees. They usually require payment in cash or by money order before they will unload. Unlike use of a credit card, victims then have no way to reverse these payments if they recognize that they are being defrauded. If victims refuse to pay, the driver threatens to, and sometimes does, drive off with the victim's belongings and won't deliver unless the additional money is paid. In these “hostage situations,” victims don't even know where their items are being held. Most ultimately pay to get their belongings back.

ANATOMY *of* MOVING SCAMS

(CONTINUED)



Lost or broken goods and the mover's liability protection. Many moving scam victims find that they have items that are lost or broken. For long-distance moves, goods may be unloaded into temporary storage facilities before they are reloaded onto another truck with those of other people who are having their belongings going to the same city. Moving scams often use locally hired unskilled help to load and unload goods, resulting in a higher risk that items will be lost or broken.

Full value replacement liability protection. Movers are required to provide at least an initial estimate that provides full value replacement liability protection. With this coverage, if goods are lost, destroyed or damaged, the mover has the option to:

- repair goods to their original condition
- replace them with articles of like kind and quality or
- pay for the cost of replacement.

Released Value Liability Protection. Moving scammers only offer Released Value Liability Protection, which covers goods that are lost or stolen at 60 cents per pound. If a 10-pound stereo worth \$1000 was lost or broken, the person moving would only receive \$6. Thus, victims with sizable damages may only be able to get a small sum payment.

Tricks deceptive movers use

Professional and reassuring demeanor on the telephone. As with deceptive telemarketers, they are trained to sound believable. It is much more difficult to detect a dishonest telemarketer or a person's deceptive intent than many consumers realize.

<p>Sponsored links so they appear at the top of search results, often using the names of legitimate movers as search terms in order to steal web traffic.</p>	<p>Generic sounding business names similar to those of reputable movers.</p>	<p>Fake claims of BBB Accreditation and the use of other trust seals online.</p>	<p>Claims to operate locally. In reality, the addresses they provide may be a local mail center address or another virtual office that forwards mail and calls to the real location. Since they do not have local employees, they cannot appear in person to provide an estimate.</p>
<p>Below-market price quotes with the intent to get more money from victims later in the process.</p>	<p>Claims of being in business for many years, suggesting that they have experience and incentive to treat customers professionally or risk losing their reputations.</p>	<p>Collaboration with other online sites that find movers for customers and post phony reviews.</p>	
<p>Fake reviews from happy customers.</p>		<p>Illegal use of moving association logos and seals on their websites.</p>	

HOW CAN YOU AVOID CROOKED MOVERS?

To avoid
rogue operators
and find an
honest one:

Research movers before you hire

The best way to avoid a bad mover is to do careful research before you hire one. Moving scams work hard to look reliable. As an industry observer noted, this is not like buying a pair of sneakers online.

The [FMCSA website](#) lets you enter a mover's license number to see if many complaints have been received about that company -- a sure sign that you need to dig further.

One method to identify a shady mover is to do an internet search using the mover's name and the word "scam."

If you find reports about movers demanding more money in order to deliver goods, it may be a shady operator.

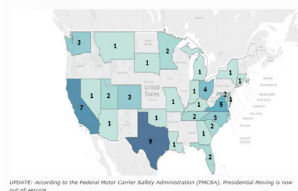


Go to BBB.org to find movers you can trust.

In 2019, the public viewed BBB Business Profiles of movers two million times. BBB provides free online reports at [bbb.org](#) for most businesses in the U.S. and Canada. Profiles include letter grade ratings and who owns the company, how long it has been operating and how to reach the business. Consumers can read movers' customer complaints and reviews to look for overcharging and delivery problems. BBB works to filter out fake reviews.

BBB Accredited movers agree to adhere to standards for honesty, transparency, and customer service, and are allowed to use the BBB seal on websites and marketing materials. Consumers can view a Business Profile for BBB Accreditation status, rating, reviews, and complaints or alerts on businesses such as these: [Gateway Moving and Storage LLC](#), [Presidential Movers](#), [Delta Movers](#), [Special Ops Moving and Storage](#), and [Unified Van Lines](#).

BBB Investigation: Moving Company Recks Up Dozens of Complaints in Span of Four Months



BBB Warning: Special Ops Storage and Moving CO., a.k.a. "Special Ops Moving"



Consumers Tell BBB Gateway Moving and Storage LLC Hiked Prices, Delayed Delivery During Moves

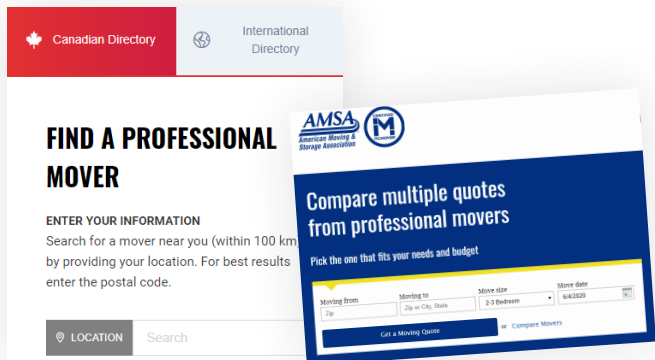


BBB also has a free online Request A Quote service to help people locate movers committed to ethical standards of business practices.

- **Don't just use a simple internet search to find a mover.** It is important to do a careful and extensive search to make sure you are dealing with an honest mover. After all, you are allowing someone you don't know to drive away with almost everything you own. Check out movers in advance with BBB and professional mover associations.
- **Get three in-person or virtual estimates.** Rogue operators rarely appear in person to give estimates. A low-priced estimate given over the phone can end up costing more than a legitimate mover charges.
- **Get an estimate based on weight, not cubic feet.** Rogue operators prefer to give estimates in cubic feet. Volume is easier to manipulate than weight so they can later claim additional charges.
- **Get full value replacement liability protection.** It costs a little more, but may be well worth the price. Interstate movers in the U.S. are legally required to offer coverage in their estimates.
- **Watch out for large deposit or cash demands.** Other than a small down payment, honest movers don't have you pay until after they have delivered goods. So if the mover demands that you pay during the course of a move or when loading or delivering, you are dealing with a scammer.

American Moving and Storage Association and Canadian Association of Movers

Moving professionals' associations provide free online services that connect consumers with reputable movers. In the U.S., go to American Moving and Storage Association's [Find a ProMover](#). In Canada, go to the Canadian Association of Movers at [Mover.net](#).



When Jim's sister became ill in 2018, he helped her move from her apartment in Ohio to Kansas where he worked as a university professor. From three online estimates, he chose Gateway Moving & Storage. They were helpful and friendly on the telephone and provided an estimate of \$2,998 for 726 cubic feet of goods based on a detailed inventory he provided. He paid \$1,049 up front with his credit card.

Jim went to Ohio to oversee the move. The movers arrived two days late and didn't start packing until 10:30 pm. Four hours later, about 80% of the items were loaded, so he went to a hotel to get a little sleep before his 7:30 a.m. flight home.

The next day he got a text message saying that the goods took up 1320 cubic feet so the cost of the move increased by \$2,250. When he called to complain, the company offered a discount of \$504.

When the movers arrived to unload at a storage unit Jim rented, they demanded the remaining payment from him in cash. He paid a total of \$4,250 for this move — \$1,252 more than he was quoted.

Believing he had been ripped off, Jim filed a documented claim with Gateway that he believed demonstrated the goods could not have occupied more than 900 cubic feet. Four months later, they denied the claim as unfounded. He filed a complaint with BBB against Gateway Moving and Storage LLC, which claimed to be headquartered in St. Louis.

BBB St. Louis later issued a warning about the "F" rated company in April 2019, alerting consumers about a pattern of complaints similar to Jim's.

Consumers Tell BBB Gateway Moving and Storage LLC Hiked Prices, Delayed Delivery During Moves

By BBB of Eastern & Southeast Missouri & Southern Illinois, April 24, 2019



WHO AND WHERE ARE THE CROOKED MOVERS?

The facts suggest that moving scammers are a large and distinct set of enterprises that are interrelated. According to MoveRescue, moving scammers they deal with mostly use one of three contracts, indicating a connection between various shady movers.

Moving scammers change names frequently, making it difficult for consumers to obtain reliable information. For example, after BBB conducted an investigation on [Global Movers](#), it found it to be tied to other moving firms in California, Colorado, Kansas, Tennessee, Texas and Washington. Later BBB investigators found that [Delta Movers](#) was the same company as Global Movers, with the same owners, but had simply adopted a new name. Delta Movers claimed to have been in business for 20 years, though it had only been incorporated a month earlier, and its website claimed an A+ BBB rating, though it actually had an "F" rating.

Similarly, a federal criminal indictment in Cincinnati, Ohio, indicted 12 people from Florida for moving fraud, alleging that they had used 10 different business names in their scheme. The Florida Attorney General sued 14 moving enterprises, using a variety of names, which were all located in Dade and Broward Counties in South Florida.

Although Florida seems to be home to the largest number of moving scams, other enforcement actions have found moving scammers physically located in California. But at least one scammer was in Maryland and some may be located in other cities.



Evidence shows that many of these moving scammers are Israeli nationals operating from Florida. The Department of Transportation's Office of Inspector General (DOT IG) identified 33 fugitives wanted for moving fraud and noted that 32 of them were born in Israel and one in Sweden. South Florida was home to 22 of the individuals, while nine lived in or near San Jose, California and one in Maryland.

RESOURCES AVAILABLE FOR VICTIMS OF MOVING FRAUD

What if your goods have been loaded and the company refuses to deliver unless you pay more money? Or they aren't being delivered and no one answers the phone at the company? Or you have a major problem with lost or broken goods? Here are some resources.

MoveRescue. Mayflower and United Van Lines have set up and funded a group that provides free help for moving victims. [MoveRescue](#), (800) 832-1773, provides information to victims who feel they may have been scammed at any point in the moving process.



MoveRescue experts have been helping consumers navigate challenging moving situations since 2003. In 2019 alone, they worked with 1221 victims of moving scams. MoveRescue asks victims to provide copies of their moving contracts and will immediately reach out to the moving company. They negotiate with the mover to locate goods and have them delivered. In addition, they try to track moving scammers and report situations to FMCSA so the agency can take action.

BBB: If a consumer has not been able to resolve an issue with a mover, the consumer may file a complaint at [BBB.org](#). BBB will reach out to the company for a response. Several victims interviewed for this study said after they told the movers they registered a BBB complaint, the mover became more willing to resolve the problem. Shady companies want to seem legitimate and realize that a bad rating with BBB can lessen their chances of finding victims. They know that if they don't respond to BBB complaints, it will reflect negatively on their BBB rating. FMCSA and other law enforcers routinely ask BBB for information about companies they are investigating.



FMCSA: Victims can reach out to FMCSA but the agency generally does not represent individual victims. They may send demand letters to movers. If there are patterns of complaints they can issue fines, suspend registration or revoke operating authority. FMCSA will work with some state enforcers to assist with their cases, but the group has no criminal authority. They will want the mover's license number. FMCSA wants people to call them about hostage situations where movers threaten not to deliver or unload unless victims pay more money than previously agreed.

Call 1-888-DOT-SAFT (1-888-368-7238) or file an online complaint at <https://nccdb.fmcsa.dot.gov/NCCDB/Home.aspx>



State or provincial regulators:

For problems with moves within a state, contact the state regulators to complain. FMCSA provides [contacts for each state](#). In Canada, moving problems are handled by provincial regulators.

Arbitration: In the U.S., licensed interstate movers must agree to arbitration for victim claims. But this can be time-consuming, and MoveRescue says crooked movers often just don't respond to an arbitration request. Arbitration can be a useful tool, however, if problems arise with a reputable mover. AMSA provides its members with [arbitration services](#). Consumers can use this service to submit loss and damage claims, dispute charges or submit a complaint.

Lawyers: Victims can contact a lawyer and try to get relief that way. This can be expensive, however, and costs of going to court may be more than the amount of money lost. Even in small claims courts, it can take a month or more to get before a judge and may be difficult to collect a money judgment.

Insurance: You may be able to file an insurance claim for lost or damaged goods. Look at the contract to identify the insurer. Keep a list of what was packed and take photos of broken items.



HOW PROBLEMS WITH ROGUE OPERATORS ARE BEING ADDRESSED

In the summer of 2018, Arriana contacted Trucks on Call Inc to help with a move from Virginia to San Rafael, California. At the time, the company had a decent BBB rating. She agreed to a quote of \$2,250 and paid a \$225 deposit with her credit card.

She provided a detailed description of the items to be moved so she was shocked when the movers told her that she had more things than estimated and now owed \$4050. Since her items were already on the truck, she charged the additional \$2,050 on her credit card.

The movers arrived with Arriana's belongings before she did and before the agreed-upon delivery date. Then they told her that they couldn't get their 18-wheel truck into her apartment complex, so they needed to reload her belongings onto a smaller truck which would cost an additional \$900. They insisted she pay the remaining \$1,600 in cash and that she also pay cash for the extra truck charges. The move she had hired for \$2,250 ended up costing a little over \$5,000. The movers that unloaded also told her that they were not Trucks for Call but were contractors.

"Once the movers started to unwrap our stuff, we immediately noticed that nearly everything they had shipped was completely ruined," Arriana later told BBB. "Our couch had scuff marks in multiple spots, our dresser had a giant chunk taken out of it, our vanity frame was broken in half, and the drawers on our TV stand were all off the track and broken as well."

She had been careful to take photos before she moved, and she took more photos of the damaged goods. In her complaint to BBB, she asked the company to pay for \$1000 for damaged items. They offered her \$200 which she refused. Arriana has never been able to reach them since. The company's BBB rating dropped to an "F" due to numerous complaints and lack of proper licensing.


Moving industry regulation: In the U.S., moves within a state are addressed by state laws, except when metro areas cross state lines, as with Kansas City, Missouri, and Kansas City, Kansas. U.S. interstate moves, as well as international moves, are addressed by FMCSA. In Canada, all moves are covered by the transportation and consumer protection laws of Canadian provinces.

Federal Motor Carrier Safety Administration: FMCSA is a relatively small agency, and it can't do extensive checks when issuing licenses. The agency takes consumer complaints about movers, and it provides useful information about the moving process and licensed movers on [its website](#). They send warning letters to problematic movers, issue fines, and cancel licenses when problems arise. The agency has no criminal authority, but can work with prosecutors.

In the U.S., FMCSA does not have criminal authority and can't go to court to seek injunctions. It does have the ability to suspend registration, revoke operating authority and assess fines. The agency reports that in 2019, it brought 27 "hostage" cases and imposed fines of \$246,280. Unfortunately, some crooked companies have learned how to evade FMCSA efforts.

FMCSA has partnered with other law enforcement agencies to bring more effective responses. [FMCSA has working agreements](#) with six regulatory agencies and three attorneys general offices. A federal law adopted in 2005 gives state attorneys general and state household goods regulatory authorities the power to enforce the laws on interstate movers.

U.S. law enforcement efforts: When victims find themselves in a hostage move situation, they often call local law enforcement. This is not, however, a familiar scenario for local police and they often conclude that the situation is simply a mix-up or a contract dispute that should be handled privately.



OIG Investigations

In general, DOT's Office of Inspector General (OIG) investigates household goods carriers, brokers and other carriers alleged to have engaged in egregious and intentional patterns of criminal violations of the FMCSA's economic and consumer protection regulations. The types of frauds committed against consumers may include:

- Making, altering, copying, publishing or negotiating a fraudulent bill of lading;
- Deliberately providing a "low ball" estimate to lure customers and then withholding or threatening to withhold the customer's household goods unless they pay significantly more than the quoted price;
- Knowingly assigning a fraudulent weight or volume to a shipment ("weight tampering");
- Obtaining money or property on false or fraudulent pretenses (padding or falsifying the amount of packing materials or other supplies provided for the move).

For DOT IG's criminal investigators, however, moving fraud is a priority, and they [support criminal prosecutions](#). The DOT sought and obtained a [federal criminal felony law](#) against hostage moving. Because it only provides for two-year sentences, federal criminal prosecutions are usually based on other federal criminal laws that provide longer prison sentences.

In the last year or two, there have been several serious attempts in the U.S. to give criminal moving fraud the enforcement attention it deserves, often with the support of the DOT IG and FMCSA. In January 2020, a New Jersey man was [sentenced to five years](#) in prison for moving fraud, involving over \$1 million in additional charges over initial estimates. There were over 100 victims. This enterprise consisted of several different companies that were [all controlled in common](#), with the same bank accounts, employees, and post office boxes. DOJ IG assisted with this case.



Recognizing and Combating Interstate Moving Fraud
By Lawrence H. Hoshorne III, Transportation Specialist, Commercial Enforcement and Investigations Division, Federal Motor Carrier Safety Administration (FMCSA)

Recently, the U.S. Department of Justice charged several company officials operating as Flagship Van Lines, Flagship Van Lines, along with many affiliated companies including United Van Lines, Public Moving Services, and Presidential Moving, were identified by investigators as taking prices after the customer has committed to the original price and/or refusing to release more than 100 shipments without excessive payments from the customer. Flagship Van Lines and its affiliates exceeded a wide-range of moving fraud schemes with approximately 1,000 victims. On July 25, 2018, twelve people were charged with operating more than a dozen moving companies that participated in these schemes. These individuals are now awaiting trial and law enforcement officials are using the Federal Racketeer Influenced and Corrupt Organizations Act, as well as mail and wire fraud charges to build their cases. "These indictments send a bold message that moving fraud schemes will not be tolerated," said Thomas Ullom, Regional Special Agent in Charge with the U.S. Department of Transportation's Office of Inspector General during a news conference on July 31, 2018.

Consumers are often not aware of the dangers that may result from choosing an unscrupulous interstate mover. Fortunately, most moves are completed with few or no issues at all. The small number of movers who are not concerned with good service or operating reputable businesses may advertise on the internet with flashy webpages to lure unsuspecting customers. As more consumers use the web to obtain an interstate mover, these fraudulent businesses have a wider reach.

Dishonest or rogue movers typically show little regard for ethical business practices and will continue to operate their schemes, developing new ways to victimize consumers as technology moves forward. One way rogue movers can be stopped is by increasing prosecution of these types of crimes with the assistance of state law enforcement partners and by publicizing the enforcement action taken.

In 2005, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) authorized state attorneys general and state household goods regulatory agencies to enforce certain federal provisions governing interstate moves. The state agencies and the attorneys general may retain civil penalties and fines recovered under the statutory

HOW PROBLEMS WITH ROGUE OPERATORS ARE BEING ADDRESSED (CONTINUED)

In July 2018, the U.S. Attorney's office in Cincinnati, Ohio [indicted 12 people](#) in a moving fraud, charging a racketeering conspiracy. Though the fraud operated out of Hollywood, Florida, it had a warehouse in Westchester, Ohio. The DOT assisted with the case. This enterprise employed 10 business names, sometimes just changing its name after DOT had revoked a license. More than 900 victims in at least nine different states are involved, and victim losses are between \$1.5 and \$3.5 million.

The case alleges that the defendants consistently made deceptive claims about their services and provided victims with low binding estimates but refused to unload and deliver their goods unless they paid substantially more than the estimate. And it alleges that in some cases, they simply stole people's goods without delivering them. The case charges that they claimed that goods they loaded filled a much higher space of cubic feet than they actually did. For example, they charged one victim for 2,177 cubic feet of space though they knew that the goods only filled 1,350.

The case has not yet gone to trial. But on January 20, 2020, one of the defendants in that case [pleaded guilty](#).

Many moving scams engaged in substandard business practices are located in Florida. The Office of Florida's Attorney General has been active in bringing lawsuits against such enterprises. In 2016, Florida [settled with All My Sons Moving and Storage](#).

Florida [announced a major effort to combat crooked movers](#) on December 28, 2018, filing lawsuits against 14 moving enterprises, all located in Dade and Broward counties. Four lawsuits were filed in federal court, using FMCSA authority, and two in state court.

The cases Florida filed in state court were against:

- [Upline Moving and Storage](#); the complaint was later [amended](#)
- [All USA Van Lines](#)

Florida cases in federal court:

- [Finest Movers](#)
- [Moving and Storage Accounting](#)
- [Ocean Moving & Storage](#)
- [US Moving Services, Inc.](#); amended complaint [filed in March 2019](#)

It appears that all of these cases are in litigation.

Canadian regulation and law enforcement: Movers within Canada are not required to obtain a national license because Canada does not have national laws that apply to movers. Instead, they are governed by the laws of the various provinces.

In Ontario, for example, they are covered by the [Ministry of Government and Consumer Services](#). Quebec has [information on mover regulations](#).

However, some of the same rules applicable in the U.S. are also Canadian requirements. For example, the Canadian Association of Movers says that across Canada, movers can't charge more than 110% of an estimate before delivering goods. And the same kinds of insurance options apply in both countries.

In May 2010, the Toronto Police Service [announced](#) nine arrests in an effort to address "hostage" moves. And in May 2017, the [Toronto Police arrested](#) an additional man for this type of activity. The Canadian Movers Association reports that the Toronto Police found 12 rooms full of abandoned goods in a storage facility which they believed were from victims that wouldn't — or couldn't — pay increased moving costs. They were only able to find the owners for three of these sets of goods.



Recommendations

- Given the size of this problem, FMCSA may need more resources and additional enforcement authority.
- More educational efforts are needed to inform the public about the dangers of moving scams and ways to find a legitimate mover.
- Additional criminal law enforcement efforts are needed in both the U.S. and Canada.
- Although the FTC has not traditionally brought cases against movers, its legal authority and experience may fit into this area. They should consider enforcement efforts against crooked operations.
- BBB should continue to do its part to provide information about company practices, complaints and reviews at [bbb.org](#).



BBB International Investigations Initiative

BBB Chicago bbbinfo@chicago.bbb.org

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BBB Omaha info@bbbinc.org

BBB San Francisco info@bbbemail.org

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