



Office of Inspector General

U.S. Department of Transportation | Calvin L. Scovel III, Inspector General

Investigations

June 8, 2016

Moving Company Owner Sentenced in Bait-and-Switch Moving Fraud Scheme

Summary

On June 8, 2016, Louis Massaro of Scottsdale, AZ, and Pompano Beach, FL, was resentenced in U.S. District Court, Boston, MA, after again pleading guilty to wire fraud, money laundering, failure to return household goods, and aiding and abetting. He was sentenced to 8 months' home confinement, followed by 16 months' probation, and was ordered to pay \$28,460 in restitution.

Massaro owned and operated Moving and Storage Inc., which did business as Neighbors Moving and Storage (NM&S). Although Massaro advertised NM&S as a mover of household goods (HHG), he operated as a broker of such services—taking jobs that he would pass on to other motor carriers—without disclosing that fact to his clients. One particular company that he passed contracts to was an interstate motor carrier of HHG based in Massachusetts.

From approximately August 2010 to October 2012, Massaro and his coconspirators operated a bait-and-switch operation. NM&S would provide low-ball estimates to customers for moving their HHG. Massaro would falsely tell customers that upon payment of a deposit and a binding fee, the price would be guaranteed. The customers were never told that the actual move would be completed by another motor carrier.

After customers made the initial payments, Massaro and his coconspirators would obtain additional money from them in several ways. This included contacting them under the premise of a quality assurance check after the 7-day cancellation period had passed, informing them that there were more items to move than originally quoted, and raising the quoted price. This forced customers to choose between canceling the contract and losing their deposit fees or paying the higher amount.

When the coconspirators arrived to conduct the move, the drivers would inform the customers that their goods weighed more than what was included in the binding quote, even in those instances where the price had already been increased during the quality assurance check. At that point, the price of the move would increase by thousands of dollars—sometimes even double or triple the quoted estimate. Drivers were directed not to deliver any goods until all money was collected. When customers refused to pay the inflated price, they were informed that

their HHG would be placed in storage, and they would have to pay before their goods would be delivered. They were also told that they would be billed an additional amount of money for storage fees and redelivery, and if that was not paid, their goods would be sold at auction. Within a 26-month period, Massaro's criminal scheme created losses totaling \$28,460 for victims.

This investigation was part of DOT-OIG's Operation Boxed Up, a national investigative initiative to locate, identify, and prosecute interstate household goods movers who are defrauding consumers. DOT-OIG is conducting this investigation with the FBI, IRS Criminal Investigations, and the DOL-OIG, with assistance from FMCSA.

Related Library Items

11.03.2015 [Moving Company Owner Pleads Guilty in Massachusetts to Bait & Switch Scheme \(/library-item/32783\)](#)