

www.sedgwickcounty.org/da https://www.facebook.com/SedgwickCountyDistrictAttorney

## For Immediate Release, October 21, 2024

**WICHITA, KAN.** – A \$21,607.00 default judgment was entered against a New York shipping broker for engaging in deceptive and unconscionable acts under the Kansas Consumer Protection Act (KCPA). The matter was investigated by the Office of the District Attorney's Consumer Protection Division after receiving a consumer complaint against JK Auto Shipping Inc.

The Consumer Protection Division alleged JK Auto Shipping violated the Kansas Consumer Protection Act (KCPA) by engaging in unconscionable price gouging and deceptive solicitation. The consumer in this case contracted with JK Auto Shipping to transport her daughter's car from Florida to Kansas for a total price of \$790.00, paying a \$200.00 deposit. On the day of scheduled transport, JK Auto Shipping told the consumer that the transporter needed a total of \$1,000.00 to deliver the car to Kansas. The consumer reluctantly complied, spending a total of \$1,200.00, a 52% price increase from the quoted price.

Kamran Akhtar, the registered agent for JK Auto Shipping, informed the Consumer Protection Division that he shut down JK Auto Shipping, but its website was still operational. On May 6, 2024, the Federal Motor Carrier Safety Administration revoked JK Auto Shipping's required registration. Investigation by the Consumer Protection Division revealed that on July 11, 2024, Kamran Akhtar registered a new auto shipping brokerage corporation, Black and White Dispatch Inc., with the New York Secretary of State, using the same address as JK Auto Shipping.

As part of the Sedgwick County Court's ruling, JK Auto Shipping was ordered to pay \$410.00 in restitution to the consumer, \$20,000.00 in civil penalties, along with court costs and investigation fees. The court also ordered JK Auto Shipping to stop engaging in consumer transactions in Kansas until all restitution, costs and fees are paid.

The District Attorney reminds residents that consumers should exercise care when selecting suppliers of services, especially when contracting with out-of-state business entities. When entering into a contract, a consumer should request a written copy signed by all parties. If deposits or fees are paid via credit card and an issue arises, the consumer can dispute the charge with the credit card provider if the supplier fails to deliver the services at the quoted price. In this case, JK Auto Shipping refused to accept credit card payments, a red flag to exercise caution.

In addition, the Federal Motor Carrier Safety Administration (FMSCA) advises consumers that when arranging to transport a car:

1. It is important to understand the difference between an auto transporter and an auto broker. Auto brokers only arrange the transportation of your car. Be suspicious of any website where it is not clear whether the company is a broker or a transporter.

2. Both auto transport brokers and carriers that operate interstate are required to be registered with FMCSA. Auto transporters and transport brokers are both issued a six digit "MC Docket" number. Auto transporters are also issued a seven digit "USDOT" number. You can check the validity of the registration of any transporter or broker by doing a "carrier search" for their MC Docket number at: <u>https://lipublic.fmcsa.dot.gov/LIVIEW/pkg\_carrquery.prc\_carrlist</u>. Avoid any auto transporter or broker that does not prominently display their MC Docket number on their website.

3. If you make payments by credit or debit card, closely monitor the transactions with that company. Be sure that the money you authorized to transfer is all that is taken from your account.

The default judgment was ordered on October 3, 2024 by Judge Eric Commer. The case was investigated by Kristen Zluticky of the District Attorney's Office.

## District Attorney Marc Bennett 18<sup>th</sup> Judicial District of Kansas

CONTACT: DAN DILLON, MEDIA COORDINATOR 316-660-3707 Dan.Dillon@SEDGWICK.GOV