

The background of the cover is a stylized, high-contrast image of the interior of a red truck cab. The image is rendered in a graphic, almost posterized style with vibrant colors like red, orange, and blue. It shows the steering wheel, dashboard, and various controls from the driver's perspective.

2009 Equipment Theft Report



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AN ALLIANCE WITH A PURPOSE

Through a joint alliance, the National Equipment Register (NER) and the National Insurance Crime Bureau (NICB) continue to make life more difficult for equipment thieves. By combining services and areas of expertise, we're providing an efficient conduit for law enforcement and insurers to identify any type of heavy equipment at any time of day and to help contractors reduce the likelihood of unknowingly purchasing stolen equipment.

Our alliance ensures that NER will continue to provide, manage, and expand its database of insurer-supplied theft reports and information about manufacturers, owners, and damaged equipment. NICB will extend the reach and value of that information through its nationwide network of special agents, who are trained in heavy-equipment theft investigation and available to respond to law enforcement calls for investigative assistance or identification requests.

Better ownership documentation, accurate equipment identification, proper reporting, and greater site security will continue to increase the ability of law enforcement to combat equipment theft. Awareness, education, and training are key components of an overall fraud-prevention plan that may lead to immediate economic benefits for contractors, owners, and insurers.

Through our joint efforts, we're reducing the cost of theft for equipment owners and insurers by increasing the likelihood of recovery and arrest. We're also limiting the ability to fence stolen equipment, thus making heavy equipment a riskier target for thieves.



National Equipment Register
545 Washington Boulevard
Jersey City, NJ 07310-1686
201-469-2030
info@nerusa.com
www.nerusa.com



National Insurance Crime Bureau
1111 East Touhy Avenue, Suite 400
Des Plaines, IL 60018
847-544-7000
www.nicb.org





Thank you for your interest in the 2009 Equipment Theft Report. This comprehensive analysis of U.S. construction and farm equipment theft draws upon data made available to the National Insurance Crime Bureau (NICB) from the National Crime Information Center (NCIC), the National Equipment Register (NER), and ISO ClaimSearch.®

The goal of this report is to provide a full picture of equipment theft in 2009. Armed with this information, owners can tailor security efforts, insurers can better understand the theft risks associated with heavy equipment, and law enforcement can conduct intelligence-led investigations.

This year there are significant additions to the report. When you turn to the center spread, you will find two maps of all U.S. counties. The map on the left depicts U.S. equipment theft by county along with the ten counties with the most reported thefts. On the right side, the map depicts U.S. equipment recovery by county, along with the ten counties with the most recoveries. The maps have been designed so that you can use them as a quick reference wall chart throughout the year. In addition to this information about U.S. counties, the top ten U.S. cities for theft and recovery are also included.

Another new feature in this year's report is monthly theft and recovery statistics. This information can help guide owners in developing enhanced theft-deterrence strategies during times of peak theft activity.

We would like to thank our member insurance companies and equipment owners for their continued support. Finally, we would like to gratefully acknowledge the efforts of law enforcement working diligently on the front lines of property crime.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Vincent Cialdella".

Vincent Cialdella
Senior Vice President
ISO

A handwritten signature in black ink, appearing to read "Joe Wehrle".

Joe Wehrle
President and Chief Executive Officer
National Insurance Crime Bureau



OVERVIEW

The National Equipment Register (NER) and National Insurance Crime Bureau (NICB) annual report on equipment theft in the United States is based primarily on data the NICB drew from the National Crime Information Center's (NCIC) database of more than 13,000 thefts of construction and farm equipment in 2009 and information reported to ISO ClaimSearch. We'll publish similar reports every year to help track trends using the growing volume of data available to NER and the NICB.

AIM

Our study provides equipment owners, insurance companies, and law enforcement with information to guide theft-prevention efforts and allocate investigative resources. The study puts the information into context through footnotes, analyses, and conclusions that relate to the protection, investigation, and recovery of heavy equipment.

As in the past, the 2009 report seeks to answer key questions: Who steals heavy equipment, and how do they do it? How much and what types of equipment do they steal? Where do they steal equipment from, and where does it go?

DATA SOURCES

The NICB has access to all the data in the NCIC vehicle theft file, and it maintains a mirror image of that file. The FBI; other federal, state, and local agencies; and authorized courts submit data on stolen vehicles, stolen vehicle parts, and mobile off-road equipment and components. The NICB uses the data to assist insurance companies in recovering stolen vehicles and mobile off-road equipment.

Since 2001, NER has developed databases of heavy-equipment ownership and theft information. Owners and law enforcement agencies report thefts directly to NER's database through its website. Insurers report thefts through ISO ClaimSearch, the insurance industry's all-claims database. Through an alliance with the American Rental Association (ARA), NER can capture loss and ownership data from many of the world's largest rental fleets and hundreds of smaller fleets.

Although statistics can't reveal all underlying reasons for the high level of equipment theft, we can draw conclusions from trends and the daily contact that NER staff members and NICB Agents have with theft victims, insurers, and law enforcement.

PRESENTATION AND ANALYSIS

We've presented each set of data in graphs or tables to allow easy comparison and to highlight trends. Notes explain data sources and gathering techniques. Analyses discuss the relative importance of the factors that affect each set of results. We provide additional commentary where results suggest a particular action or response.



Theft by State

Top Ten States for Equipment Theft in 2009

State	Thefts
Texas	1,930
Florida	1,271
North Carolina	1,160
Georgia	757
South Carolina	687
Tennessee	581
California	565
Oklahoma	503
Missouri	477
Ohio	446

The top five states account for 43% of all thefts.

The top ten states account for 62% of all thefts.

NOTES

1. There were 13,452 thefts captured by NCIC during 2009.
2. Although equipment thefts occurred in every state, the top five states accounted for 43% of the total number of thefts in 2009. In 2008, the top five states also accounted for 43%.

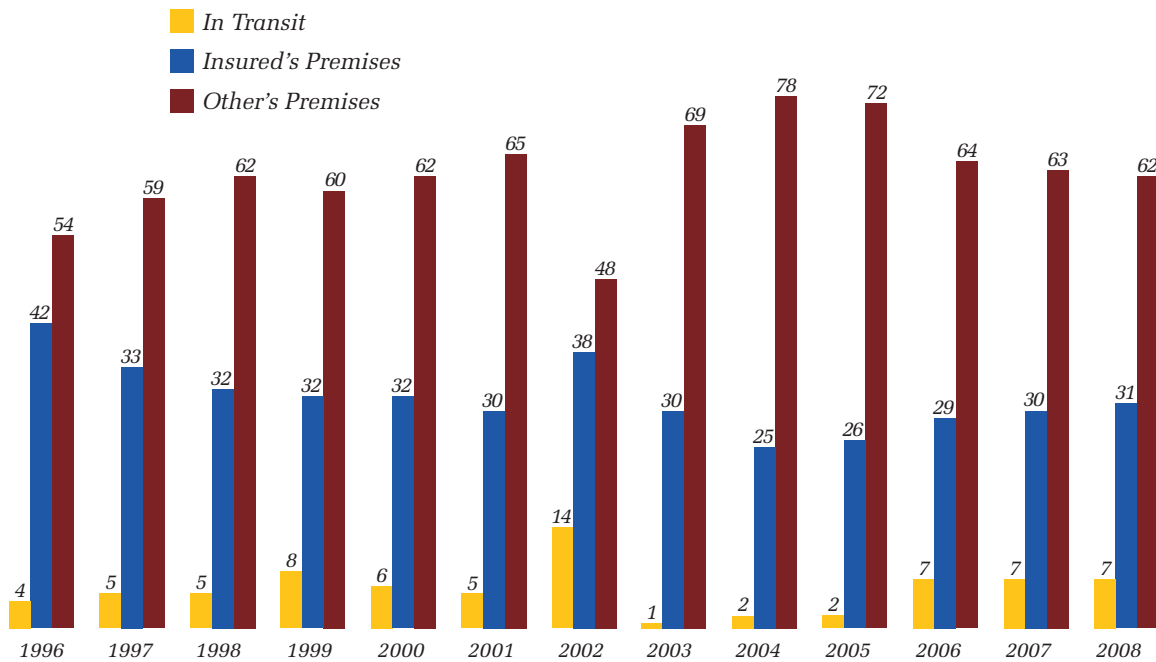
ANALYSIS

1. Theft levels closely correspond to the amount of equipment in a particular area. In other words, the states with the highest volume of construction and agriculture — and therefore the most equipment — have the largest number of thefts.
2. Organized theft rings are likely to develop in areas with a high concentration of equipment and a large number of potential buyers of used equipment, stolen or otherwise. Higher loss ratios for insurers in certain areas reflect that development.

COMMENT

Sometimes theft hot spots emerge when an organized group of thieves and fences is working in a particular area. NER's regional theft-trend alerts and NICB *ForeWARN*SM Alerts highlight such activity. Detecting and thwarting those groups often coincide with a noticeable drop in theft rates. Documented recoveries illustrate that correlation.

Theft by Type of Location



Theft by Type of Location (1996–2008)

NOTES

1. Losses by type of location of theft are displayed as a percentage of all claims.
2. Source is ISO Inland Marine Circular, Contractors Equipment, All Classes.

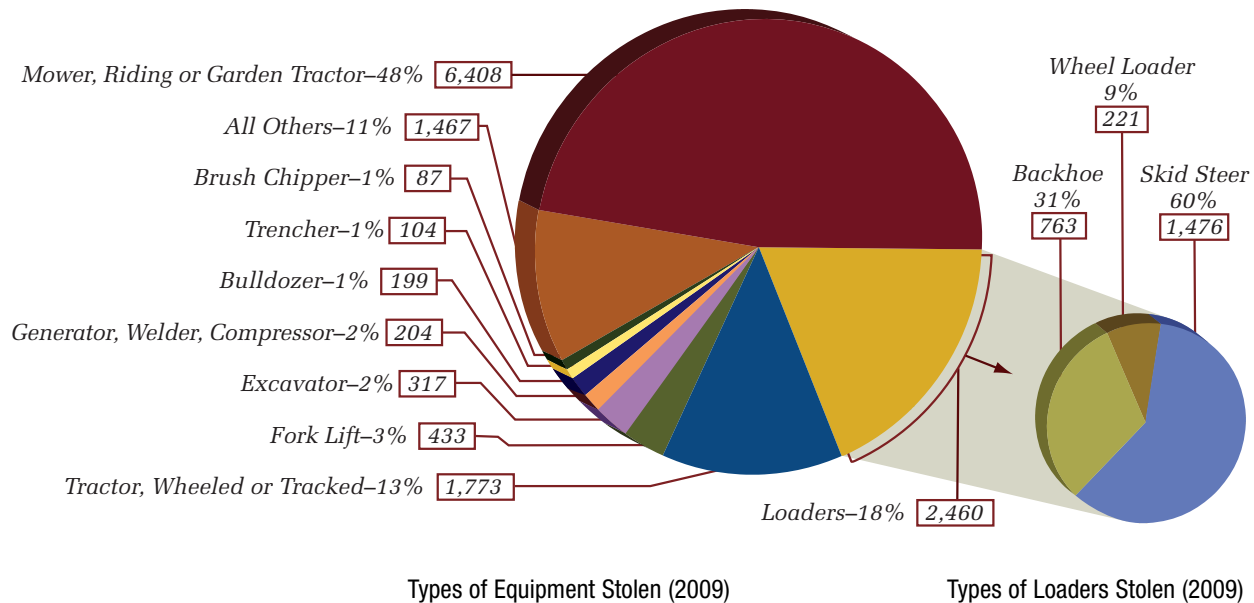
ANALYSIS

With regard to theft by type of location, two factors should be considered: the location where the equipment spends the most time and the level of security at each type of location. Most often, equipment is on a work site, labeled on the graph as “Other’s Premises.” Those work sites usually have lower levels of physical security than an “Insured’s Premises,” which is often a fenced-in compound.

COMMENT

It’s not enough to focus solely on the security of premises and work sites. Equipment users should secure machines, even if they can do so only temporarily. For example, a user could surround mobile equipment with hard-to-move objects when the equipment is not in use.

Types of Equipment Stolen



NOTES

1. The chart represents 13,452 theft reports submitted to NCIC in 2009.
2. The “Excavator” category includes both full-size and compact or mini-excavators.
3. The inclusion of landscaping equipment—mainly commercial riding mowers—reduces the percentage of all other categories.
4. The top five types of equipment account for 84% of all losses. In 2008, the top five represented 83% of all thefts.
5. “Tractor” is a broad category, including compact, utility, and agricultural tractors.
6. More than 50 types of equipment make up the “All Other” category. They include graders, scrapers, wood chippers, and rollers. Unidentified construction and farm equipment represents the majority (more than 500) of the “All Other” category.

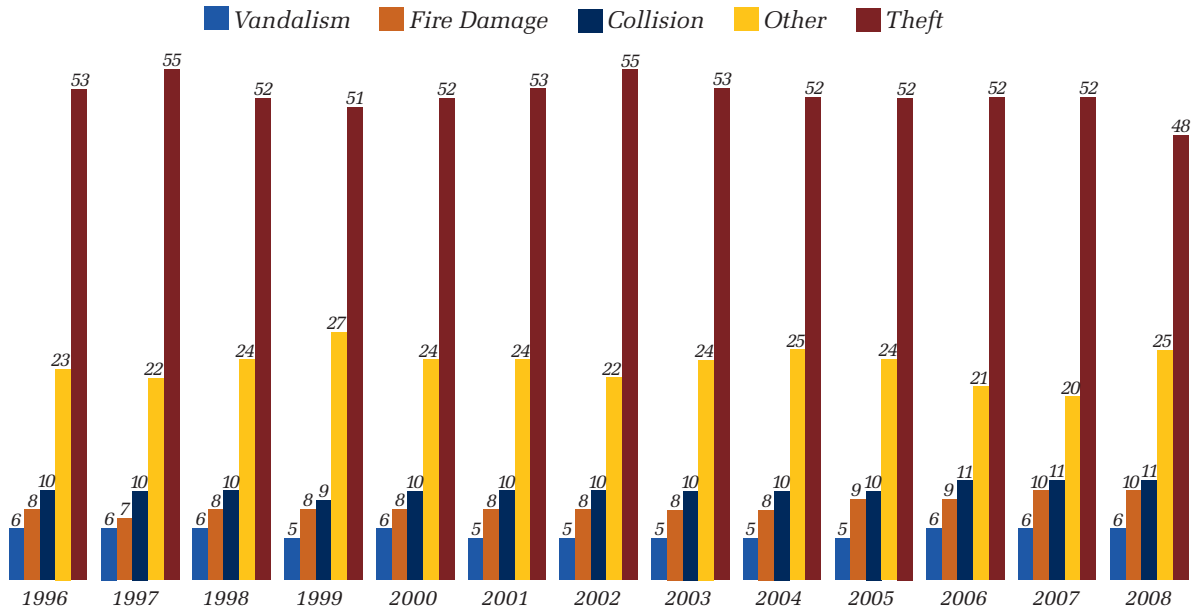
ANALYSIS

1. Two key factors determine the type of equipment that thieves are most likely to steal: value and mobility. Value is the primary factor, except for items too large to move on a small trailer. For instance, large bulldozers are valuable but seldom stolen, as they are difficult to move.
2. Another factor to consider is the number of each type of equipment in circulation. For example, skid steer loaders account for more than 30 percent of new construction equipment sold in the United States in the last five years.
3. Dozers and wheel loaders are the most valuable types of equipment in the top ten, but backhoes and skid steers are easier to transport. Therefore, the latter group represents a greater percentage of thefts.
4. The types of high-value equipment reported stolen frequently are wheeled machines, such as wheel loaders.

COMMENT

Equipment owners should consider mobility of equipment, as well as value, when planning security efforts.

Frequency of Theft Compared with Other Risks



Frequency of Theft Compared with Other Risks (1996–2008)

NOTES

1. Frequency of risk is displayed as a percentage of all claims.
2. Source is ISO Inland Marine Circular, Contractors Equipment, All Classes.
3. We base the figures on frequency, not value. Theft still tops the list by value, although by a smaller margin.
4. "Other" includes claims involving windstorm, hail, water damage, flood, volcanic action, and earthquake.

COMMENT

Theft is the most frequent cause of loss, but it is also the type of loss that good prevention most dramatically affects. In other words, the level of risk varies greatly between an equipment owner who takes certain precautions and one who does not.

Equipment owners can reduce the likelihood of theft and improve the chances of recovery by taking simple preventive steps. Equipment owners and fleet managers should implement those steps, especially when they are cost-effective and measurable.

Theft by Manufacturer

Manufacturer	Thefts
John Deere	3,263
Kubota Tractor Corp.	1,097
CNH ²	988
Doosan Infracore ³	955
Caterpillar	862
Massey-Ferguson	98
Komatsu	85
Ditch Witch	59
Toyota	46
Gehl	45

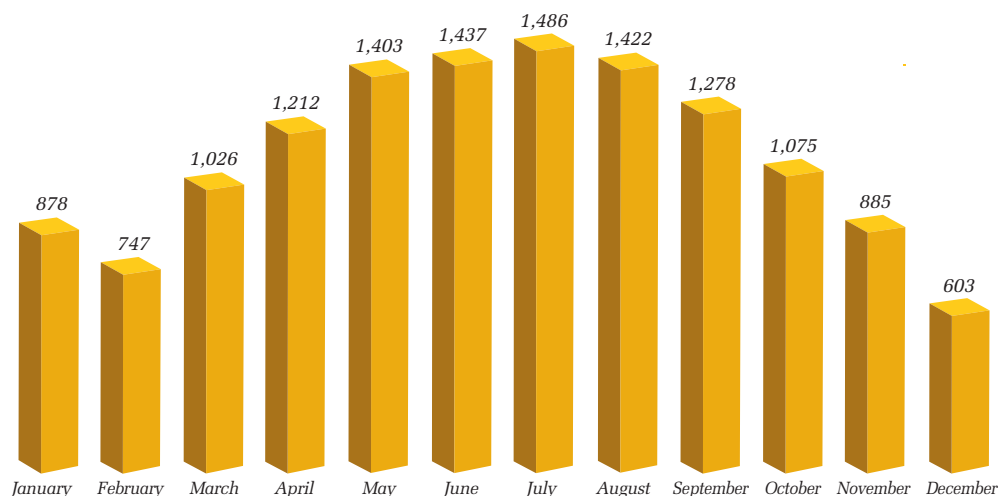
NOTES

1. Source is the total number of thefts reported to NCIC during 2009.
2. CNH includes Case, Case IH, New Holland, and Ford tractors. Stolen machines may have been built before current merger.
3. Doosan Infracore includes Bobcat, Melroe, and Ingersoll Rand. Stolen machines may have been built before current merger.
4. Equipment company mergers have been taking place since the industry began. It is not uncommon for brands and makes to merge, split, or be absorbed by other companies.

ANALYSIS

1. All makes of off-road equipment have little or no standard equipment security, but the manufacturers on the above list make the most compact equipment. The list does not necessarily follow the entire market share of all heavy equipment manufactured.
2. If two pieces of equipment are equally easy to steal, a thief is more likely to steal the machine of greater value. Age, condition, and brand determine a machine's perceived value.
3. New results will emerge as manufacturers register sales with NER, work closely with NICB investigators, and include additional security measures as standard features.

Theft by Month



NOTES

1. Source is the total number of thefts reported to NCIC during 2009.
2. In some cases the month the loss was reported may not be the month the machine was actually stolen.

ANALYSIS

Theft levels correspond with peak construction periods: months with the highest volume of theft are those with increased machine activity due to cooperative weather, the end of a crop growth cycle, etc. As equipment owners move items between jobsites and fields, there is greater risk for theft, and thefts may go unnoticed for a longer period of time due to a lack of oversight.

Model Year of Equipment Stolen

Equipment produced since 2000 accounted for 82 percent of thefts reported to NCIC in 2009. Sixty-one percent of thefts reported in 2009 were machines manufactured in the last five years.

Year	Thefts
2009	2,089
2008	1,934
2007	1,542
2006	1,320
2005	1,291
2004	882
2000	664
2003	561
2002	415
2001	388

NOTES

1. Source is the total number of thefts reported to NCIC during 2009.
 2. Each piece of equipment manufactured in 2009 faced potential theft for only part of the year, from the date sold to December 31.
 3. Results may be skewed slightly because owners often misstate the date of manufacture. For example, a buyer may list a 2008 model purchased in 2009 as a 2009 model.
-

ANALYSIS

The newer a piece of equipment, the more likely it is that someone will steal it. Those results are in stark contrast to larger trends in automobile theft, where older models account for more stolen cars. Newer cars carry more sophisticated antitheft technology. Heavy-equipment design, however, emphasizes productivity instead of security. The necessity for multiple operators leads to little or no antitheft technology. Many equipment manufacturers continue building machines that have no more security features than those built in the 1980s.

Top 10 Cities for Equipment Theft

City	State	Thefts
Houston	TX	224
Miami	FL	165
Oklahoma City	OK	105
Conroe	TX	102
West Palm Beach	FL	94
Charlotte	NC	87
Raleigh	NC	77
Las Vegas	NV	72
Knoxville	TN	61
Jacksonville	FL	60

NOTES

1. Source is the total number of thefts reported to NCIC during 2009.
 2. Nine of the top ten cities are in the top ten states for theft. Seven of the top ten cities are in the top three states.
-

ANALYSIS

It is not surprising that cities with the greatest number of thefts are often located in states that rank among the top ten for theft. The cities tend to be in states that are near the southern border, that possess a major port, that are experiencing construction booms, or in states where all of these factors apply.

Who Steals Equipment?

We have no detailed statistics on who steals equipment. However, information from criminal investigations indicates that thieves have good knowledge of equipment operation and security weaknesses.

In some cases, criminals learn about equipment or pay those in the industry for help and information. In other cases, the thieves are working in the industry and see an opportunity to supplement their income by stealing equipment.

The Cost of Equipment Theft

At present, there is no centralized, accurate, or exhaustive database that includes every loss. NER examines detailed theft reports from a specific area that accurately reports theft — such as a fleet, industry, or region — to make assumptions and develop trends. Then we apply those trends to the entire market share of that specific area to build a national figure.

Annual estimates of the cost of equipment theft vary from \$300 million to \$1 billion, with most estimates in the range of \$400 million.

NOTES

1. The estimates don't include the theft of tools or building materials or damage to equipment and premises caused during a theft.
2. The estimates don't include losses from business interruption. Those losses include the cost of rentals, project-delay penalties, and wasted workforce and management time.

ANALYSIS

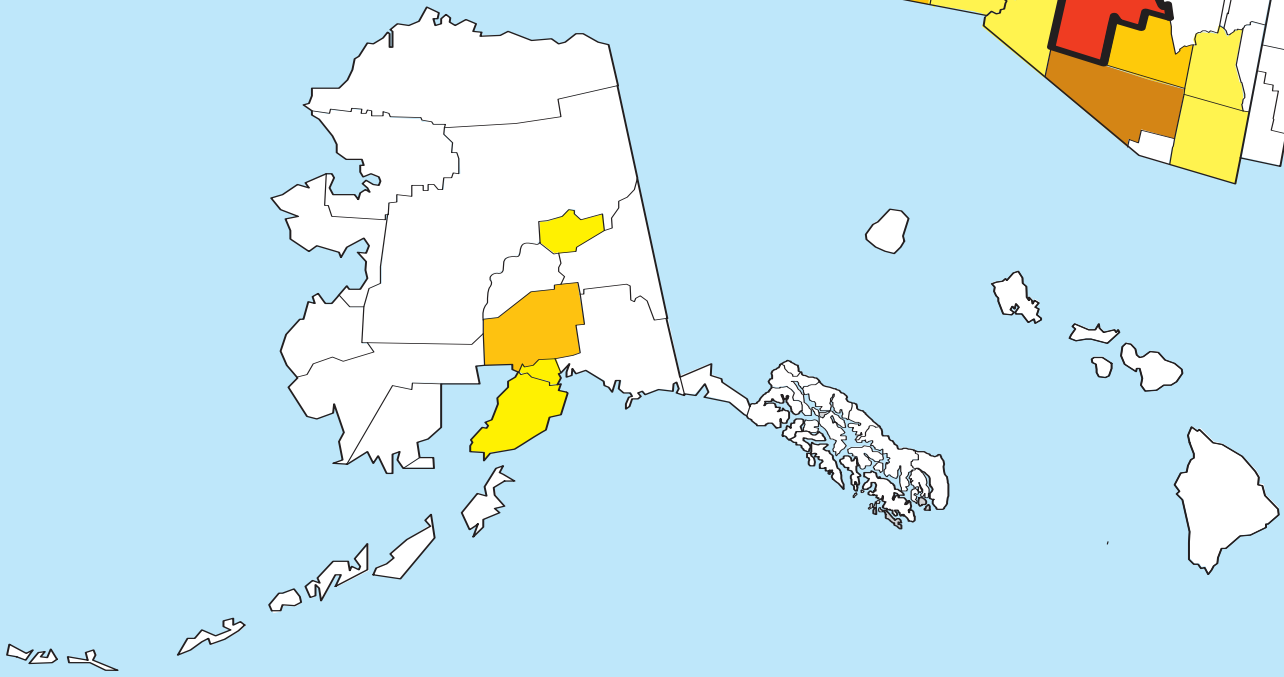
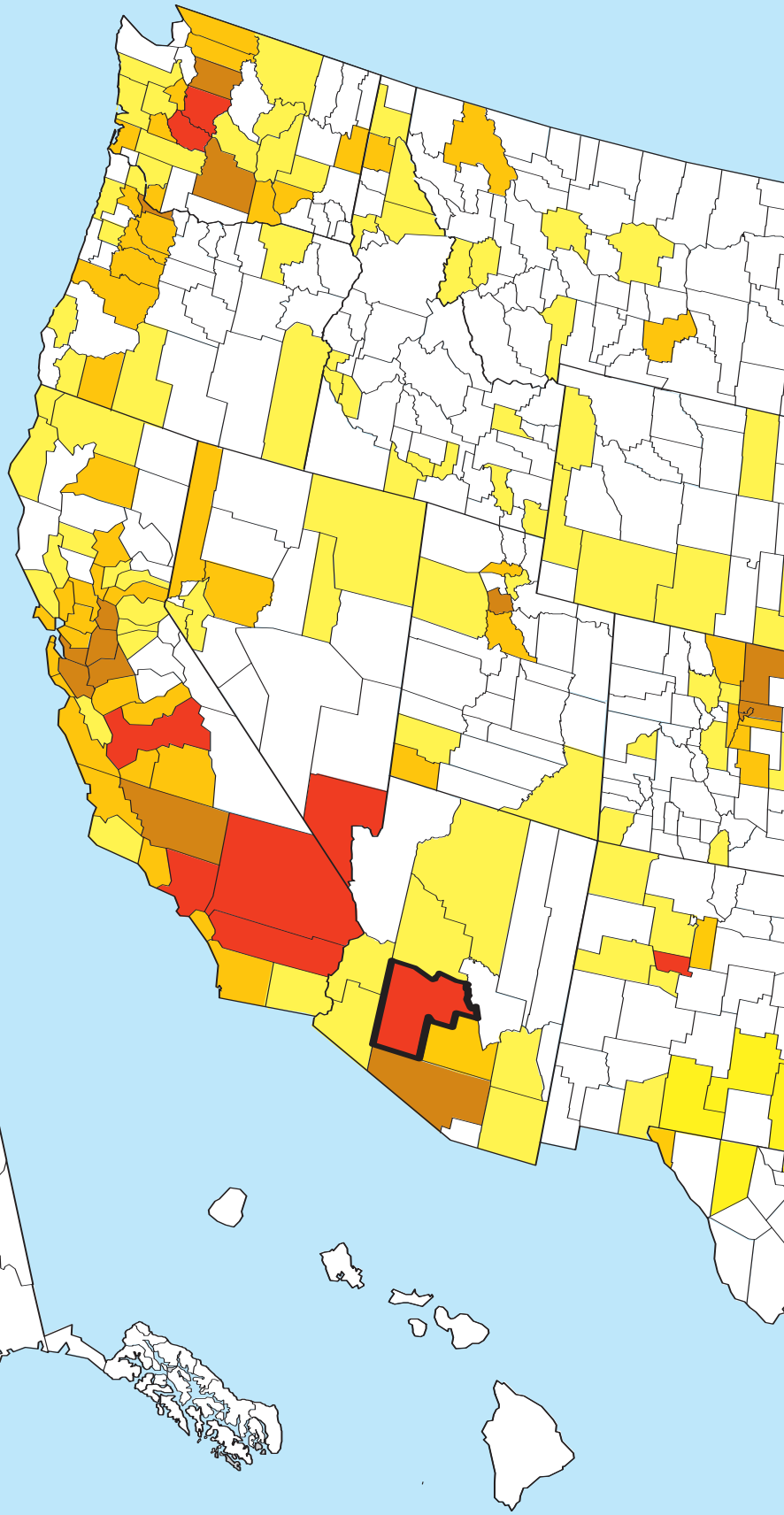
Several factors contribute to the high level of equipment theft:

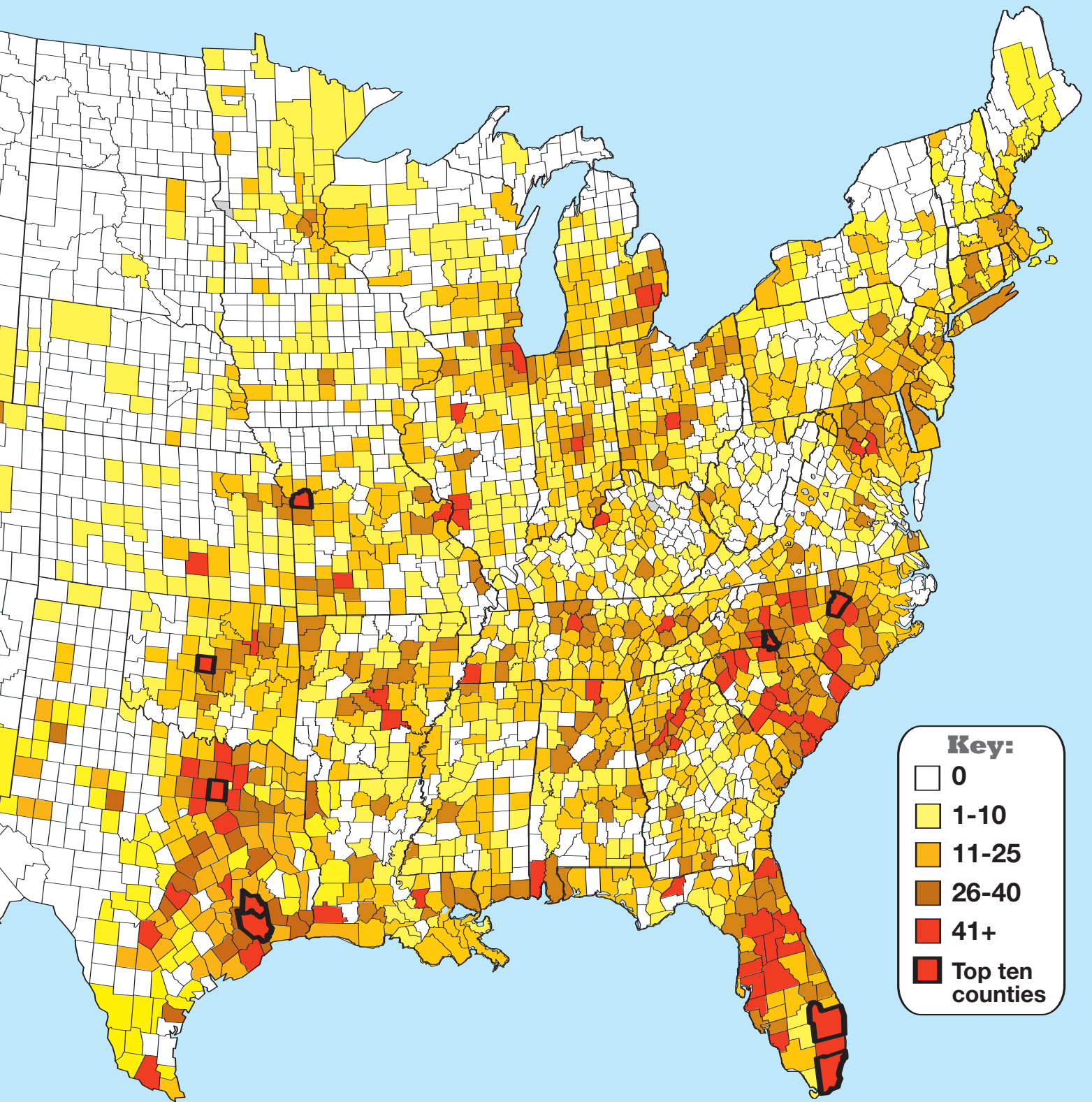
- the value of heavy equipment*
- poor equipment security and poor site security
- opportunities to sell stolen equipment in the used-equipment market
- low risk of detection and arrest
- lenient penalties for thieves if prosecuted and convicted

**The average estimated value of a stolen piece of equipment is \$30,000.*

Top 10 counties for equipment theft

County	State	Thefts
Harris	TX	260
Miami-Dade	FL	219
Dallas	TX	137
Oklahoma	OK	121
Mecklenburg	NC	110
Palm Beach	FL	102
Montgomery	TX	102
Wake	NC	96
Maricopa	AZ	83
Jackson	MO	83

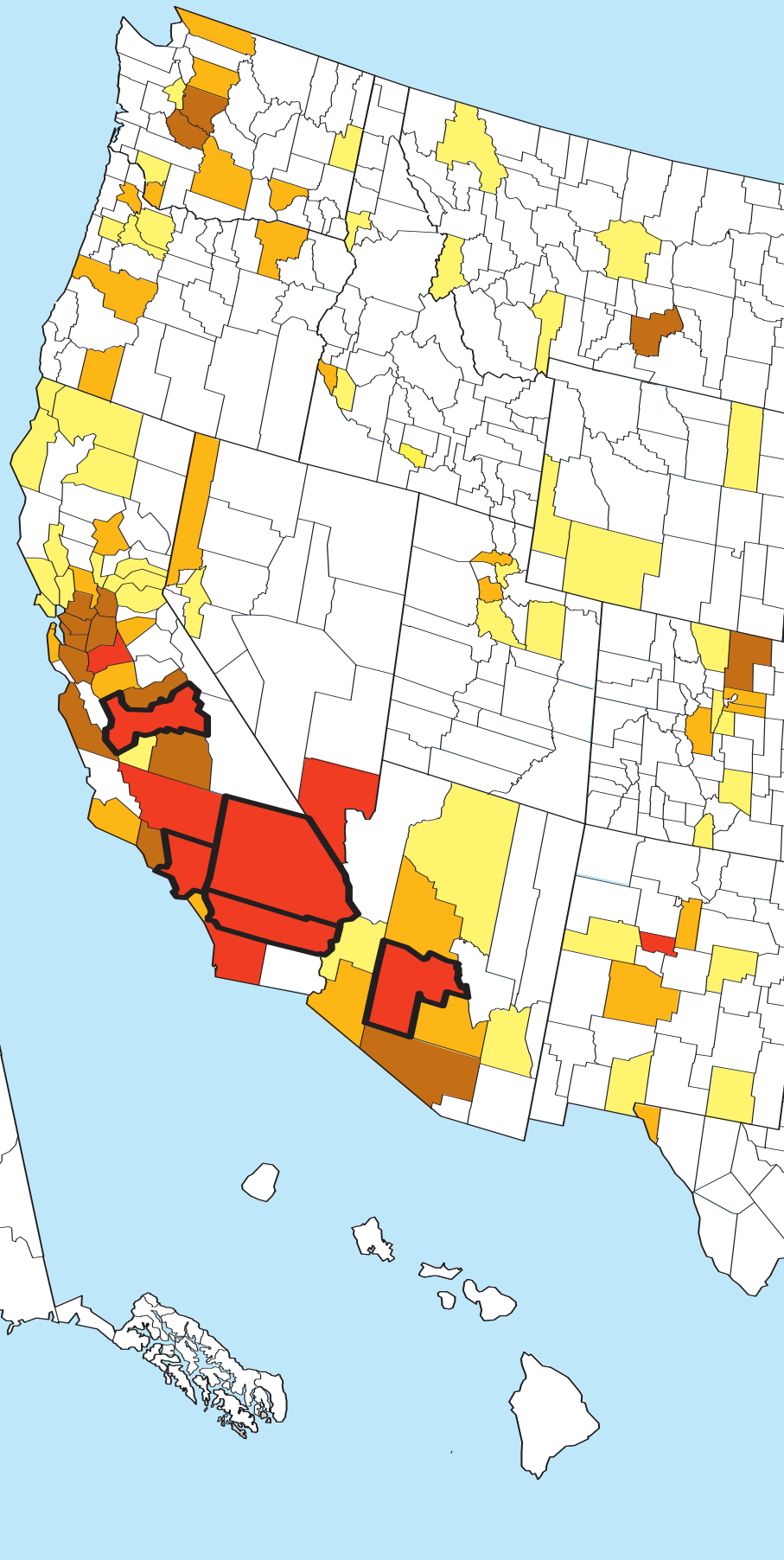




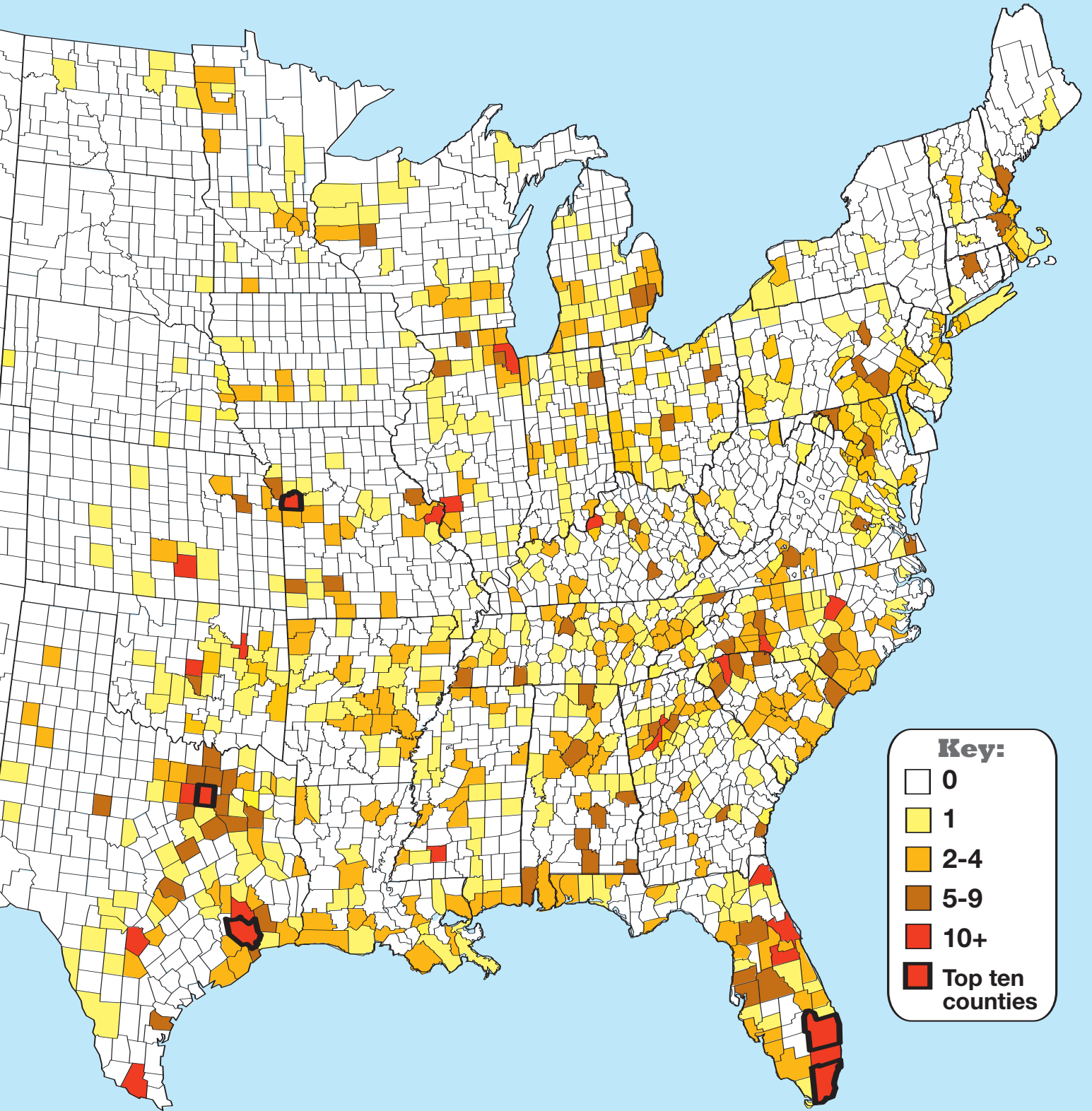
Vehicle Theft by County

**Top 10 counties
for equipment recovery**

County	State	Recoveries
Miami-Dade	FL	73
Harris	TX	54
Los Angeles	CA	31
Dallas	TX	30
Riverside	CA	28
San Bernardino	CA	26
Maricopa	AZ	24
Palm Beach	FL	23
Fresno	CA	22
Jackson	MO	21



2009 U.S. Equipment



nt Recovery by County



Recovery Rates

Low recovery rates make it difficult to draw concrete conclusions from recovery statistics alone. By including information from investigations, such as those in the “Case Studies” section, we can gain an idea of how equipment is stolen, where it goes, and who steals it.

The NICB compiled 13,452 reports of stolen machines in 2009. Conversely, in 2009, the NICB reported 2,428 recoveries of machines listed in the NCIC active theft file. The file includes all active thefts, regardless of the year the equipment was stolen.

Only 18% of stolen equipment was recovered in 2009.



NOTES

1. Source is the total number of recoveries reported to NCIC during 2009.
2. The recovery rate does not reflect pieces of equipment that law enforcement recovered but did not mark as recovered.
3. The recovery rate does not reflect unreported thefts.

ANALYSIS

Several factors contribute to the low recovery rate of stolen equipment:

- delays in discovery and reporting of theft
- inaccurate or nonexistent owner records
- lack of prepurchase screening of used equipment
- limited law enforcement resources dedicated to equipment investigations
- complexities in equipment numbering systems
- limited, possibly inaccurate, equipment information in law enforcement systems

COMMENT

The area that needs the most improvement is also the area that promises immediate results: making accurate information available to law enforcement 24 hours a day through NER and the NICB.

As a minimum requirement, equipment owners should keep accurate lists of equipment with PIN/serial numbers and submit them to law enforcement, their insurers, and NER as soon they discover a theft.

When they purchase equipment, owners should register serial numbers in the NER database, so that the information is available to law enforcement 24 hours a day. In the event of a theft, law enforcement can identify the equipment, even during weekends or at night.

Recovery by State

Top Ten States for Equipment Recovery in 2009

State	Recoveries
Texas	304
California	244
Florida	237
North Carolina	127
Georgia	106
Missouri	89
Tennessee	86
Illinois	83
South Carolina	80
Kentucky	69

The top five states account for 42% of recoveries.

The top ten states account for 59% of recoveries.

NOTES

1. In 2009, law enforcement recovered most machines in the same state where they were stolen. Of those recovered in another state, only one third were more than one state away.
2. The bigger the state and the more demand for equipment within that state, the lower the chance that the equipment will leave the state.
3. The longer the time after a theft, the more likely it is that thieves will move equipment out of state and sell it to a purchaser who seems to have no knowledge of the theft.
4. Law enforcement is less likely to recover equipment when thieves move it far away, especially out of state. Therefore, more stolen equipment may be moving out of state.

ANALYSIS

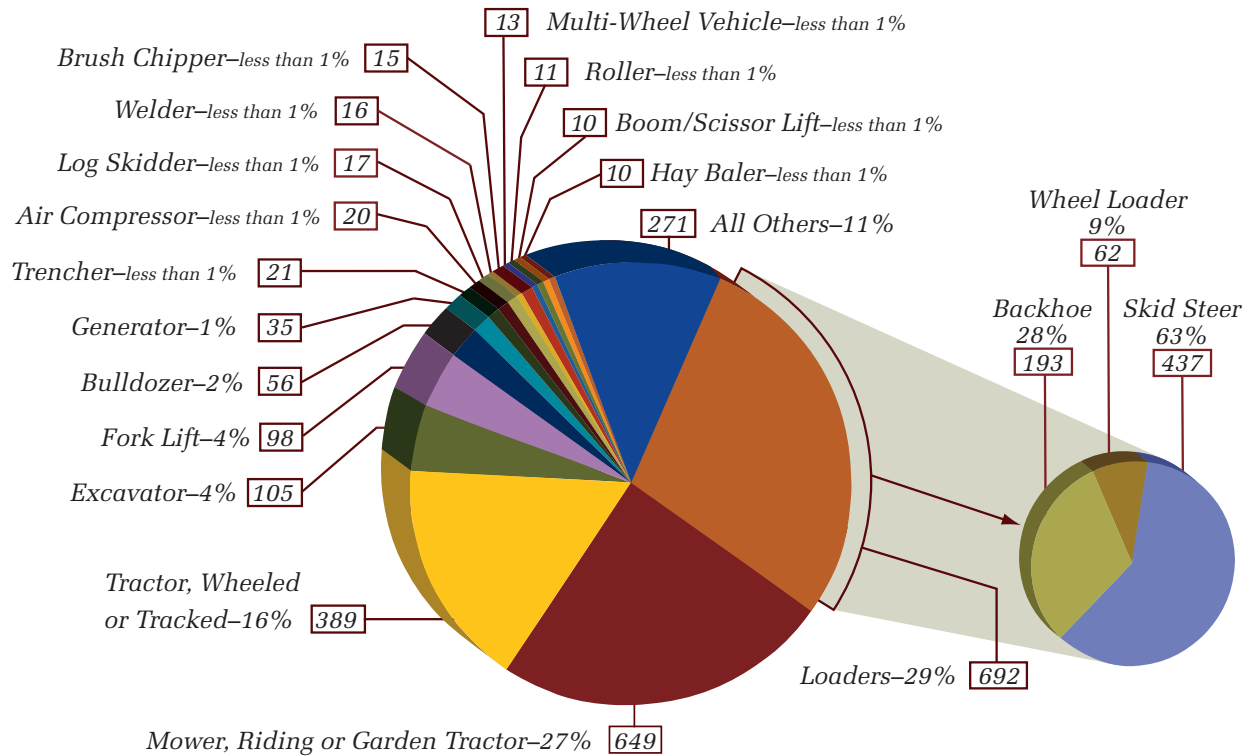
1. Lack of screening in the used-equipment market bolsters thieves' confidence. They feel safe selling equipment in neighboring states or neighboring counties.
2. Recoveries made at ports and borders prove that thieves do export stolen equipment; however, selling stolen equipment within the United States is easy, so the cost of export is worthwhile only when thieves can raise prices abroad or when they steal equipment close to a border.

COMMENT

In the fight against equipment theft, it is important to act both locally (for example, by circulating theft alerts) and nationally (for example, by submitting data to national databases).

A key component in the fight is to make it harder for thieves to sell stolen equipment. Buyers of used equipment should check machines at www.IRONcheck.com before buying.

Types of Equipment Recovered



Types of Equipment Recovered (2009)

Types of Loaders Recovered (2009)

NOTES

1. Source is the total number of recoveries reported to NCIC during 2009.
2. The "Excavator" category includes both full-size and compact or mini-excavators.

ANALYSIS

The types of equipment recovered most are usually the types of equipment stolen most. The gap between theft and recovery narrows as NICB training encourages law enforcement to look more closely at the machines stolen more frequently.

Recovery by Manufacturer

With NER and NICB assistance, law enforcement most often recovered the following brands in 2009:

Manufacturer	Recoveries
John Deere	595
Caterpillar	286
Doosan Infracore ²	258
CNH ³	215
Kubota Tractor Corp.	183
Komatsu	24
Massey-Ferguson	20
Ditch Witch	15
Gehl	14
JCB Inc.	12

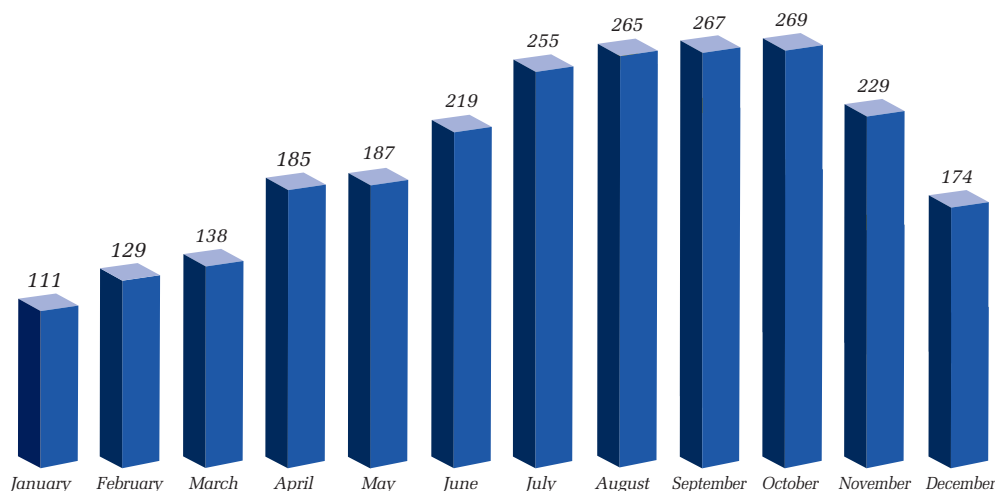
NOTES

1. Source is the total number of machines marked as recovered by NCIC during 2009.
2. Doosan Infracore includes Bobcat, Melroe, and Ingersoll Rand. Recovered machines may have been built before current merger.
3. CNH includes Case, Case IH, New Holland, and Ford tractors. Recovered machines may have been built before current merger.
4. Equipment company mergers have been taking place since the industry began. It is not uncommon for brands and makes to merge, split, or be absorbed by other companies.

ANALYSIS

The top five manufacturers account for 59 percent of all recoveries. The makes of recovered equipment closely mirror the makes of stolen equipment.

Recovery by Month



NOTE

1. Source is the total number of recoveries reported to NCIC during 2009.

ANALYSIS

As the busy season slows and jobs near completion, it becomes safer and easier for law enforcement to access jobsites. The majority of work for the larger pieces of equipment has generally finished and machines begin to sit for longer periods of time as projects are completed. It is not uncommon for contractors using stolen equipment to abandon it or leave it behind at the end of a job, as maintenance and storage may be more costly than stealing a new machine next year.

Model Year of Equipment Recovered

Year	Recoveries
2008	325
2009	290
2007	275
2006	250
2005	242
2004	182
2000	140
2003	90
2002	85
2001	79

NOTES

1. Source is the total number of machines marked as recovered by NCIC during 2009. Each piece of equipment manufactured in 2009 faced potential theft for only part of the year, from the date sold to December 31.
 2. Results may be skewed slightly because owners often misstate the date of manufacture. For example, a buyer may list a 2008 model purchased in 2009 as a 2009 model.
-

ANALYSIS

Newer machines draw more attention from both law enforcement and thieves. It is not uncommon for older equipment to sit unused in lots or yards, but newer equipment is more likely to be noticed as out of place by officers.

Top 10 Cities for Equipment Recovery

City	State	Recoveries
Miami	FL	55
Houston	TX	49
San Bernardino	CA	23
Riverside	CA	23
Fresno	CA	21
West Palm Beach	FL	21
Phoenix	AZ	18
Las Vegas	NV	18
Los Angeles	CA	14
Conroe	TX	14

NOTES

1. Source is the total number of recoveries reported to NCIC during 2009.
 2. Eight of the top ten cities are in the top ten states for theft. In addition, eight of the top cities are in the top three states for theft.
-

ANALYSIS

Recoveries tend to be localized near high theft areas, suggesting that a good deal of stolen equipment doesn't move far. This may be due to the rules of supply and demand; where there are machines to steal there are machines that are needed. Unfortunately not all high theft areas are also high recovery. Areas with proper funding, training, and dedicated heavy equipment taskforces have much higher recover rates. It is interesting to note California's significant presence on this list. This state's mandatory statewide registration programs provide law enforcement with many opportunities to access equipment and, therefore, make recoveries.



Key Statistics

The following numbers give a snapshot of NER and NICB operations as of December 31, 2009:

15,984,634	Number of ownership records
\$13,217,588	Value of items recovered by law enforcement with the help of NICB and NER in 2009
\$25,715	Average value of machines recovered by police with NICB and NER assistance
96,900	Theft reports in NER database
11,390	Fleets with equipment registered with NER
3,142	Rental stores or branches using NER's services
1,390	Law enforcement officers trained by NICB on heavy-equipment investigations in 2009
762	Attendees at FBI-LEEDA/NER/NICB Regional Equipment-Theft Summits in 2009
514	Recoveries made by law enforcement with the help of NICB and NER in 2009
37	States in which the NICB conducted training in 2009
13	Number of insurance companies offering incentives to register equipment on NER's database
5	Number of top ten equipment rental companies that are NER clients



Heavy Equipment Cloning

A suspect collected \$499,380 in fraudulent insurance claims and exposed the involved insurance company to an additional potential loss of \$4,000,000 in a scam related to construction equipment that never existed or was not owned by his company.

The suspect stole the identities of existing pieces of high value heavy equipment and created identities for nonexistent equipment. He obtained financing for the equipment by providing false information, which amounted to more than four million dollars in financial fraud. He insured the equipment by making false representations to insurance companies and then filed fraudulent claims losses alleging the theft of equipment that never existed or was insured by more than one carrier.

In April, 2009 the suspect pled guilty in U.S. District Court—Northern District of Ohio to two counts of wire fraud involving 23 creditors that sustained more than \$4,200,000 in losses from this phantom equipment. In September the defendant was sentenced to five years probation, 12 months of which will be with a location monitoring program. The suspect was also ordered to make restitution in the amount of \$4,761,389.

Buying and Selling Heavy Equipment Keys on the Internet

A Lewiston, Maine man has pled guilty to a charge of “Wire Fraud and False Statement to a Government Agency” relating to the thefts of several Kubota tractors from dealerships in Maine and New Hampshire. The suspect used his internet auction account to purchase a master set of heavy equipment keys. After the thefts, he fabricated purchase documents and sold the tractors over the same online service to unsuspecting buyers.

After the initial theft and recovery in New Hampshire, an NICB Agent and a local detective learned of his key purchases and found additional thefts in Maine. Information was provided to Maine and federal authorities

for follow up, resulting in a 13-count indictment. The suspect had received monies from unsuspecting buyers as far away as Iceland. The man pled guilty to both charges in January. He faces a maximum possible sentence of 20 years imprisonment, a \$250,000 fine, or both, on the wire fraud charge. He faces a maximum possible sentence of five years imprisonment, a \$250,000 fine, or both, on the false statement charge. The suspect, whose bail had been revoked previously, remained detained pending sentencing, which is scheduled for May, 2010.

Commercial Equipment Theft Ring—Attala County, Mississippi

The case started with a tip from the Natchez Trace Park rangers about the theft of a piece of equipment with a tracking device on it. When members of the Attala County, Mississippi Sheriff's Office investigated the reported location, they came up empty-handed. A subsequent tip led to another location, where they discovered the missing piece of equipment and several others. Investigators were able to identify some of the stolen equipment by examining the machinery. They requested NICB assistance to help identify other pieces of equipment that had PIN numbers altered or removed. As the investigation progressed, a second location was found to have several other pieces of stolen equipment as well as information that led to a third location, where even more stolen equipment was identified.

In all 40 pieces of stolen equipment were recovered from an individual in Mississippi. Many of the pieces of equipment had public identifiers altered or removed. The recovery value of the equipment is estimated at \$650,000-\$700,000. The recovered equipment includes excavators, backhoes, tractors, bull dozers, light duty trucks, ATVs, and several trailers in an assortment of sizes and styles. The equipment had been stolen from locations as far west as Texas as well as along the east coast in Georgia and the Carolinas. At this time the suspect is awaiting trial in September.



Summary

Although complete statistics do not exist, it is clear from available data that equipment theft is a serious problem. Estimates derived from data in this year's report suggest the total value of stolen equipment in 2009 is \$400 million. This number does not include losses from business interruption, such as short-term rental costs, project-delay penalties, and wasted workforce and management time. By frequency of loss, theft is a greater problem than any other type of equipment risk.

Equipment-theft levels coincide with the amount of equipment in a particular area. The states with the highest volume of construction and agriculture report the largest number of thefts.

Mobility and value of equipment are the lead contributors to theft. Most thefts are from work sites with little or no security. Given two similar types of machines, a thief will steal the newer one because it is more valuable. In contrast to the automobile industry, there is little difference in equipment security between a new machine and one made several years ago.

Law enforcement recovers as little as 18 percent of stolen equipment. Recovery locations and types closely mirror theft locations and types.

Conclusion

Equipment owners and insurers should focus risk-management efforts on easily transportable, high-value equipment.

Equipment security and work-site security are important. Work-site security should be a priority because equipment often sits in areas with little or no physical security.

Officers investigating equipment theft should focus on popular targets and look for red flags such as location, type of transport, missing decals, altered paint, and especially missing identification plates.

The area that needs the most improvement is also the area that promises immediate results: supplying accurate information to law enforcement 24 hours a day through NER and the NICB.







National Equipment Register
545 Washington Boulevard
Jersey City, NJ 07310-1686
201-469-2030
info@nerusa.com
www.nerusa.com



National Insurance Crime Bureau
1111 East Touhy Avenue, Suite 400
Des Plaines, IL 60018
847-544-7000
www.nicb.org

