

### EQUIPMENT SECURITY NEWS

### **FIRST QUARTER 2011**

news

## Amerisure Aligns with NER to Protect Equipment from Theft

Amerisure Mutual Insurance Company, one of the nation's leading property and casualty insurance companies, has formed a strategic alliance with National Equipment Register (NER) in an increased effort to combat equipment theft. NER is a division of Verisk's ISO Crime Analytics unit.

The Alliance with NER will provide policyholders with added protection from job site theft by using NER proprietary data management services that mark and register equipment across the United States. The information is stored in a secure database that can assist law enforcement in tracing and recovering stolen equipment.

Equipment theft is a growing concern for the construction industry, and Amerisure is dedicated to supporting policyholders' efforts to mitigate the costs and exposure to loss for equipment covered under a contractor's equipment policy.

Through the new alliance, eligible policyholders who have a contractor's equipment policy written by Amerisure will receive a 20 percent discount toward NER registration fees. Policyholders that take advantage of this new service are also eligible to receive a deductible waiver of up to \$10,000 for



# Las Vegas Metropolitan Police Department Construction Theft Detail Recognized by Equipment Rental Industry

The American Rental Association (ARA) honored the Las Vegas Metropolitan Police Department (LVMPD) Construction Theft Detail on February 28, 2011, in Las Vegas, Nevada, at The Rental Show, ARA's annual convention and trade show. The ARA Insurance Services/NER Theft Award was presented to Detective Thomas Riesselman on behalf of the LVMPD Construction Theft Detail for its contributions to the fight against heavy-equipment theft in the rental industry.



Following the investigation of a skid steer theft in 2007, Det. Riesselman and the LVMPD Construction Theft Detail launched a "Bait Equipment Program" aimed at apprehending would-be heavyequipment thieves. Since establishing the program, the LVMPD Construction Theft Detail has arrested more than 30 suspects with a 100 percent conviction rate — and recovered more than \$1 million worth of stolen construction equipment and materials.

With the help and involvement of local equipment rental businesses, the LVMPD Construction Theft Detail's program has been adopted by more than 29 different law enforcement agencies, resulting in more than 400 additional arrests as well as the recovery of more than \$6 million in stolen equipment.

Criminals who commit equipment theft are typically involved in other illegal activities as well. The LVMPD Construction Theft Detail's program has enabled other law enforcement agencies to discover and dismantle four professional crime rings, eight auto chop shops, and a number of drug labs, in addition to seizing more than 100 illegal firearms.



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theft (per occurrence) for equipment registered with NER during the policy period prior to a theft.

"Our new relationship with NER further demonstrates our commitment to understand the needs of our customers and deliver a solution consistent with our service proposition," said Gerald Chiddick, Amerisure Vice President of Marketing. "The option to register equipment provides an additional step in proactive risk management, adding protection to the interests of our agents and policyholders."

### **About Amerisure**

Amerisure Mutual Insurance Company, a stock insurer, is a property and casualty insurance group with experience insuring American businesses since 1912. Amerisure targets mid-sized commercial enterprises in manufacturing, construction and healthcare through strategically located Core Service Centers across the United States. For more information, visit www.amerisure.com.

### About ARA continued from page 1

The American Rental Association (www.ARArental.org) is an international trade association for the owners of equipment rental businesses and the manufacturers and suppliers of rental equipment. North American annual rental industry revenue is approximately \$38.3 billion.ARA members, which include more than 7,500 rental businesses and 900 manufacturers and suppliers, are located in every U.S. state, the District of Columbia, Guam, Puerto Rico, the Virgin Islands, every Canadian province, and nearly 40 countries worldwide. The Rental Show, ARA's annual convention and trade show, is the world's largest rental equipment trade show.

### **About ARA Insurance**

ARA Insurance Services is the number one insurer of ARA members. This wholly owned insurance entity of the American Rental Association has been serving ARA members for more than 30 years. Its mission is focused on service, rather than profit,



which makes it unique in the insurance community. A board of directors comprising both insurance and rental industry professionals keeps the organization true to its mission. As a result, it is well known for strong risk management and customer service.

### **Eye on Compliance**

We have all heard the expression knowledge is power. Now is a good time to have a better knowledge of your equipment's power. With the continued interest in and funding of the Diesel Emissions Reduction Act (DERA), it is

becoming increasingly important to get a handle on your fleet's engine horsepower and tier ratings. Operating equipment that uses the best available control technology is already mandatory in some locales, and this requirement is becoming more common as new projects demand cleaner and greener jobs.

NER has always recommended recording your engine information along with your machine's Product Identification Number (PIN) in order to help identify your equipment in the event of a theft. In today's environmentally-minded climate there is another reason to do so: to be prepared for whatever regulations come your way. We recommend recording your engine make, model, serial number, family, and horse power. By documenting your equipment's information now, you will

have a reference that can help guide you when deciding what equipment to retire or add. This documentation also can give you an edge when bidding on green jobs—and it's still an effective way to help indentify your equipment should a thief remove or alter your equipment's PIN.

NER HELPtech clients can enter

equipment information online or via electronic upload. If you need assistance, call NER and one of our equipment analysts can walk you through the process.



## **California Theft Suspect Apprehended**

By Lou Koven, Investigator for the Crime Prevention Program

### **Prevention Program**

**R** ecently a group of equipment theft suspects had been operating in Southern California's Inland Empire. The ringleader initially used his own California issued identification to get equipment at rental stores, which he then sold for pennies on the dollar or pawned. Later he paid co-conspirators for their identification



cards, and, with fresh IDs, he continued renting and stealing equipment. The group hit at least five rental stores.

The rental stores contacted the Crime Prevention Program (CPP) of Southern California, which gathered additional information on the suspect that they passed along to law enforcement investigators in the San Bernardino and Riverside areas. The investigators, who had little information on the suspect's identity, did not know how widespread the thefts had become. Working together, the two law enforcement agencies began to put the pieces of the crime puzzle together.

Investigators got a break when patrol officers from the Colton Police Department arrested the elusive suspect on an unrelated forgery charge. The suspect had two outstanding felony warrants from Orange County. The Colton arrest did not involve rental equipment, and the Colton PD was unaware of his other crimes.

The CPP became aware of the suspect's arrest in Colton and notified Investigator Gabe Marquez of the California Highway Patrol (CHP) and Investigator Matt Lewis of the Riverside Auto Theft Interdiction Detail (RAID). These two law enforcement investigators were key in solving this crime spree.

Marquez had previously arrested the suspect for the same type of offense and provided important insight into the suspect's background. Lewis thoroughly interviewed the suspect and determined the location of many of the stolen rental items. Lewis recovered two stolen skid steer loaders and located numerous other stolen items, all taken from rental stores. The district attorney's office filed felony charges against the main suspect. A follow up investigation is on-going to identify and charge the other suspects.

Both Marquez and Lewis are past award winners of the CPP's coveted "Hooter's Hummer" award, named after the late California Highway Patrol Investigator John D. Hootman of the Inland Division Investigations Services Unit. This award is given each year to a law

enforcement investigator in recognition of outstanding work in recovering stolen construction equipment. The CPP applauds both Gabe Marquez and Matt Lewis for their hard work and diligence in the apprehension and prosecution of equipment thieves. With the joint cooperation of the rental store victims, the CPP, and law enforcement, this crime spree was successfully stopped.

### **Lessons Learned**

While it's true that hindsight is 20/20, in this case there were warning signs present that we can learn from.

The suspect was a first time renter at each location. On at least one occasion the suspect came in to finalize the rental around closing time and pushed the counter people to hurry the process. He faxed documents as requested but laid his identification over a portion of the credit card, blocking the name on the card. The credit card number was good, but did not belong to the suspect. He came in with a pickup truck not properly equipped to handle the weight of the skid steer loader. The employee rejected his vehicle, and he immediately went to a nearby U-Haul and returned with a rental truck that could handle the loader. When the same situation occurred in another store, he stated the job was nearby and then drove the loader away. The suspect wore a baseball cap pulled down over his face so that the overhead video camera could not capture his features. He also changed the license plates on the truck.

While any one of these suspicious behaviors may not have been enough to turn this individual away, the combination of factors should have been enough not to rent to him.

## Look for NER at the following events:

May 1 – 5 • RIMS – Risk and Insurance Management Society • Vancouver, BC May 15 – 17 • IMUA – Inland Marine Underwriters Association • Chicago, IL April 19 – 21 • Willis Construction Risk Management Conference • Dallas, TX May 11 – 12 • National Waste Expo • Dallas, TX

# January, February, March 2011 Equipment Theft Review

<b>Top States for Theft</b>	<b>Top Stolen Brands</b>	<b>Top Stolen Types</b>
1. Texas	1. Kubota	1.Skid Steer Loader
2. Florida	2. Caterpillar	2.Tractor (Compact, Utility and Ag)
3. California	3. John Deere	3.Utility Cart/Utility Vehicle
4. New Jersey	4. Bobcat	4.Backhoe Loader
5. Georgia	5. Case	5.Compact Tracked Loader/Tracked Skid Steer
6. Illinois	6. New Holland	6.Mini Excavator
7. Washington	7. Komatsu/Magnum Industries (tied)	7.Commercial Mower
8. South Carolina	8. Ingersoll Rand Doosan	8.Light Towers
9. Arizona	9. Takeuchi/Multiquip (tied)	9.Excavators (Medium, Heavy)
10. Alabama	10. Vermeer	10.Welders (Engine Driven)

## **Comparison with 2010**

The volume of theft incidents between January 1 and March 17, 2011, appear to be mostly on track with those that occurred in the same period in 2010 in most areas, with two exceptions:

■ Theft activity in the Northeast has been the surprise in the first quarter, particularly with nearly twice as many thefts in New Jersey reported thus far as in 2010. The Northeast is the only region that has already exceeded the number of thefts reported in 2010 for the period.

■ Several southeastern states report 50-60% fewer incidents than 2010, with the exception of Alabama, which is reporting over twice the number of thefts.

Skid steers and compact tracked loaders/tracked skid steers continue to be the most targeted type of equipment. Due to this volume, skid steers rank as the first and compact tracked loader/tracked skid steers as the fifth most stolen machine type. Much of this was driven by the theft of snow removal equipment nationwide and the theft of skid steers from idle, vacant job sites in central and western states. Similarly, the large number of mini excavator thefts compared with medium and heavy excavators justified reflecting these separately. Though mostly small machines are stolen, nearly twice as many medium size excavators (8 ton and heavier) were stolen between January and March, 2011, as compared with the same period in 2010, with most taken in Texas and Florida.

### What the numbers mean

Though some areas may not be seeing increases, in general thieves have not stopped targeting equipment. Even in areas with fewer theft reports compared to last year, there are still a significant numberof machines being taken. Thefts by fraud and break-ins at storage yards and idle job sites may be slow to be discovered and late to be reported. When these thefts are eventually reported, they may reverse some of the lower theft rates recorded thus far for 2011. The increased activity in the Northeast should be a warning that equipment owners and law enforcement must remain vigilant against theft, coordinate efforts to protect equipment, and work proactively to reduce the inherent vulnerability of equipment.

Wondering if a theft you suffered is reflected in this period's statistics? Contact NER with the machine Product Identification Number to confirm it's in the system.

Equipment owners: 1-866-346-3746 x212 skaufman@nerusa.com

Insurance professionals: 1-866-346-3746 x205 msthill@nerusa.com

Law enforcement: 1-866-346-3746 Option 1 info@nerusa.com





www.IRONcheck.com

Report a theft: www.nerusa.com or fax to 201-469-2027

Sign up for theft alerts: dmossman@nerusa.com

All other inquires:

National Equipment Register 545 Washington Blvd., 22-19 Jersey City, NJ 07310-1686 Phone: 1-866-6-NER-USA 
Fax: 201-469-2027 E-mail: info@nerusa.com 
Web: www.nerusa.com



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