

EQUIPMENT THEFT QUARTERLY

EQUIPMENT SECURITY NEWS

SECOND-QUARTER 2009

In the News



NER recently formed a strategic alliance with Hiscox, a leader in specialty insurance.

"Hiscox is very excited," says Steve Silverman, Hiscox vice president of inland marine, about working with NER to help Hiscox customers with their loss prevention efforts. "Theft losses are a key loss driver for construction and mobile equipment. We find that insureds willing to take a few extra steps to protect their equipment and enhance the opportunity for recovering stolen property can improve their loss experience dramatically and ultimately reduce the cost of construction- and mobile-equipment coverage. It's a win-win proposition for insurers and their customers."

NER is offering a 20 percent discount on HELPtech® service to Hiscox clients. In addition, Hiscox will offer a deductible waiver of up to \$10,000 when clients fail to recover stolen equipment that they registered with NER prior to a theft.



Hiscox, an international specialty insurer, is headquartered in Bermuda and listed on the London Stock Exchange (LSE: HSX). There are three main underwriting parts of the group: Hiscox London Market, Hiscox UK and Hiscox Europe, and Hiscox International. Hiscox London Market underwrites internationally traded business in the London market — generally large or complex business that needs to be shared with other insurers or needs the international licenses of Lloyd's. Hiscox UK and Hiscox Europe offer a range of specialty insurance for professionals and business customers, as well as individuals with high net worth. Hiscox International includes operations in Bermuda, Guernsey, and the United States. To learn more about Hiscox, please visit www.hiscoxusa.com.

I bought a stolen machine... so what?



We're continuing our series in which police officers around the country answer just one question: "What will happen if a police officer learns I'm in possession of stolen equipment?"

Investigator Steve Nowlin of the Colorado State Patrol shares his thoughts with our readers:

My experience is that each and every case is different. During my contact with an individual in possession of stolen equipment, I often learn from him or her within the first couple of minutes who the lawful owner is. I also learn how the individual came in possession of the equipment and how long he or she has had it.

If the purchase is fraudulent, law enforcement will seize the equipment and return it to the legal owner as soon as possible. If the person found in possession will aid in the investigation, I will help him or her try to retrieve the money paid for the stolen equipment. In most cases, however, the purchaser of the stolen equipment is unable to recoup the money.

If law enforcement finds that the purchaser knew or should reasonably have known that the equipment was stolen, we'll arrest the purchaser and charge him or her with receiving stolen property. Again, we seize the equipment and return it to the legal owner as soon as possible.

If the person in possession of stolen equipment has been involved in the purchase, use, or maintenance for any length of time, it's usually easy for me to prove the elements of the crime of theft by receiving. All equipment buyers or owners must beware and know what they're buying or have in their possession. It's easy for buyers and owners to contact NER or trained law enforcement to ensure against such a problem.

If law enforcement determines that the person in possession is the actual thief, we'll arrest that person and charge him or her with multiple felonies, including aggravated motor vehicle theft. And as always, law enforcement will seize the equipment and return it to the legal owner as soon as possible.

If you have a story related to this subject that you would like to share with our readers, send an e-mail to info@nerusa.com.

Recovery Spotlight

Think equipment theft is a small crime? Think again.

One of the reasons behind the prevalence of equipment theft has been the low probability of serious legal consequences for captured thieves . In the following case, however, authorities arrested the suspect and charged him with multiple felony counts. NER decided to follow the story through to the end. The conclusion came last month, when a Georgia court sentenced the thief to a 20-year prison term. He was convicted on several counts, including two heavy-equipment theft charges.



In 2007, Sergeants Brad Christensen and Todd Haskins of the Monroe County Sheriff's Office in Georgia investigated a tractor-trailer Haskins found parked illegally on an interstate highway ramp. On the trailer sat two pieces of Caterpillar equipment — a D-5-G dozer and a CP-433 single-drum roller. Haskins and Christensen con-

firmed that the trailer and equipment were stolen, so they launched a broader investigation with help from the Macon Police Department and local Travelers Companies agent D.Z. Patterson. They discovered numerous other stolen machines in the suspect's possession. Among the recovered units were a Caterpillar 963 crawler loader, a 2006 Komatsu tracked skid steer, and a Caterpillar D-6-H dozer. The total value of the recovered property exceeds \$300,000.

Cases like the one solved by Christensen, Haskins, their colleagues, NER, and NICB show why recovery rates for heavy equipment have been steadily improving and why equipment theft is no longer a walk in the park for criminals.

Insurance agency announces alliance with NER

More and more premier insurance agencies are turning attention to the problem of equipment theft and offering NER's HELPtech® service to their valued customers. One of the latest agencies to announce an alliance with NER is the Massachusetts-based AXiA Group. Through this alliance, AXiA will offer its clients a 20 percent discount off NER's HELPtech service, and its staff will have full access to NER's equipment industry expertise and contacts.

AXIA Insurance Services is a full-service insurance broker serving commercial and personal clients throughout the



Northeast. Headquartered in Springfield, Massachusetts, and with offices throughout New England, AXiA provides risk-management and insurance services to a wide array of clients ranging from major national accounts to individual business owners. To learn more about AXiA Insurance Services, visit www.axiagroup.net.

FBI-LEEDA Heavy-Equipment Theft Summits

These free one-day regional summits increase awareness of the growing problem of equipment theft and provide specially tailored educational sessions and networking for equipment owners, law enforcement, insurers, lenders, auctioneers, and dealers.

The following locations will host the FBI-LEEDA Heavy-Equipment Theft Summits in 2009. We'll announce exact dates in future publications.

August 18 – Miami, FL October – San Francisco, CA September 17 – Charlotte, NC December – Philadelphia, PA

For more information or to register, please contact NER at info@nerusa.com or 1-866-663-7872.



Heavy-Equipment Theft Summits and CE credits

FBI-LEEDA, NICB, and NER continue presenting highly successful Heavy-Equipment Theft Summits across the country. Every event brings together law enforcement professionals, equipment owners, dealers, auctioneers, insurers, and lenders. The most recent summits in Dallas, Texas, and Easton, Massachusetts, were no exception, hosting more than 300 attendees for a day of learning, exchanging ideas,

and networking. Attendees enjoyed a complimentary lunch, and several companies showcased their products. Representatives from LoJack, Celevoke, Trailer Dog, Pro-Vigil, and On-Board Communications were present to demonstrate their security technologies. Additionally, insurance professionals who attended the Massachusetts summit received four hours of continuing education(CE) credits.

The next summits will take place on August 18 in Miami, Florida, and September 17 in Charlotte, North Carolina. To request additional information, register for the summits, or inquire about CE credits, please call NER at 1-866-663-7872.



Detective Daniel Pearson addressing the summit attendees

Recent Recoveries

Below are some of the machines identified and recovered by law enforcement with the help of NICB agents and information support from NER:

Make/Model	Type	State	Agency
John Deere 550-1	Dozer	KY	Kentucky State Police
Bobcat 763	Skid Steer Loader	OH	Columbus Police Department
CAT D-5-C	Dozer	MS	Georgia County Sheriff's Department
CAT 426	Backhoe Loader	MI	Kent County Sheriff's Department
John Deere 410-G	Backhoe Loader	TX	Texas Department of Public Safety
Bobcat S-250	Skid Steer Loader	MO	Jackson County Sheriff's Department
Vermeer BC-Series	Chipper	CA	Riverside County Auto Theft
CAT TH-460-B	Telescopic Forklift	AR	Crittenden County Sheriff's Department
Case 580-Super L	Backhoe Loader	PA	Pennsylvania State Police

CARB regulations update: Diesel in-use off-road compliance assistance

The deadline to register large and medium fleets with the California Air Resources Board (CARB) in-use off-road diesel registration program has come and gone, and the August 1 deadline for small fleets is approaching.

NER works with member rental fleets to ensure accurate and comprehensive equipment submissions. The challenge has been to label each machine with its unique state-issued EIN. That's why NER supplies state-approved EIN decals to member rental fleets that include additional machine information, such as make, model, serial number, and owner-applied number. The extra information helps us get the right decal on the right machine.

Call us if you're interested in obtaining EIN decals for your fleet or need assistance dealing with the various aspects of the registration process. We require a volume-based charge for decals and quality-control services but offer special discounted rates to members of the American Rental Association. And advice is complimentary.



To learn more about NER's compliance and labeling services, contact Adam Gurzynski at 1-866-663-7827 or e-mail AGurzynski@nerusa.com.

Contact NER

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



HELPtech®:

www.StopEquipmentTheft.com



IRONcheck®:

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 inquiries:

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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