# EQUIPMENT THEFT QUARTERLY

THIRD QUARTER 2010



# FCCI Enters Into Strategic Alliance with the National Equipment Register

o help prevent equipment theft and recover stolen equipment, FCCI Insurance Group has formed a strategic alliance with NER.

As part of this alliance, FCCI is offering an endorsement that waives the deductible on scheduled contractors' equipment if the insured equipment was stolen and pre-registered with NER's HELPtech® program. "The theft of construction equipment directly impacts a company's bottom line," stated Pat Caranfa, Vice President of Home Office Underwriting at FCCI. "We want to encourage FCCI policyholders to take advantage of our strategic alliance with the NER and register their equipment today." Keith Samuelson, claim manager at FCCI explained, "From our point of view, there are three reasons to become NER members. The first is to help us recover more stolen equipment, the second is to help our underwriters and risk managers better serve our clients, and last but perhaps most important, is to help support an industry effort that is long overdue and already beginning to take the advantage away from the thieves," Mr. Samuelson added, "We hope that any equipment insurers not yet supporting NER's efforts will seriously consider doing so since the more insurers involved in this national program, the more successful we will all be."

FCCI provides commercial property and casualty insurance to more than 17,000 policyholders in 14 states throughout the Southeast and Midwest. Rated A- (Excellent) by A.M. Best Company, FCCI is headquartered in Sarasota, Florida and has regional offices in Sarasota; Duluth, Georgia; Carmel, Indiana; and Jackson, Mississippi and a branch office in Lake Mary, Florida. For more information, please visit www.fcci-group.com



## Submit Your Nominations for the 2010 AIS/NER Award

Rental machines employed at jobsites across the country have always been attractive prey for equipment thieves. That's why rental companies – perhaps better than any equipment industry players – understand the value and appreciate the results of law enforcement's equipment investigations. In 2004 that appreciation led to the establishment of the American Rental Association Insurance Services and NER Annual Award, which recognizes law enforcement officers who have "performed exceptional service to the rental industry through the recovery of rental equipment or through theft prevention initiatives."

Past honorees have included police officers from California, Illinois, Tennessee, New Mexico, Texas, and Georgia. But while the winner's home states are constantly changing, two aspects of the award are always the same: the award is presented during a special ceremony at the annual ARA Rental Show, and the nominations are submitted by ARA members and colleagues of the officers. Please submit your nomination for this year's AIS/NER Award by sending an email to info@nerusa.com

Please include your nominee's full name, department, state, and telephone number, as well as a brief description of why, in your view, your nominee should be the winner. The award will be presented at the next ARA show, which will take place in Las Vegas, February 27- March 2, 2011.



Realize this year, Investigators Bill Mccarthy and Cole McAfee of the Utah Motor Vehicle Enforcement Division completed an investigation that resulted in the recovery of a Caterpillar 247 Skid Steer Loader, Bobcat S-180 Skid Steer Loader, and Bobcat 435 Mini-Excavator. The combined value of the recovered equipment is estimated to be \$130,000.

The investigation began when a confidential source advised police of a local contractor who appeared to have questionable machines in his possession that were used at construction sites in Murray and Lehi, Utah. The subsequent investigation revealed that the owner of the company had contact with and purchased equipment from a convicted vehicle thief currently serving time in the



Just-recovered machines on a job site

The investigators confronted the contractor about the machines in

Utah State Prison.

question and—with the support of NICB, NER, and Wheeler Machinery in West Valley, Utah—were able

to confirm that the three units had been stolen from a large Salt Lake City area construction company back in 2007. The machines were seized and returned to their legal owners within 24 hours, without any additional towing or impounding costs. The contractor was arrested and charged with three counts of Theft by Receiving Stolen Property and two counts of Possession of Vehicle/Trailer/Parts with a Missing/Altered/ Removed VIN. According to Utah statutes, the above charges qualify as second and third degree felonies respectively, and in case of conviction may carry respective sentences of one to fifteen years and zero to five years. In addition, it's possible that the accused could be assessed fines of \$10,000 and \$5,000 for each count.

The above case highlights the risks related to acquiring stolen machines—knowingly or unknowingly—and the importance of performing background checks. Utah authorities maintain that the contractor should have reasonably suspected that the machines were stolen and should have looked into their ownership and theft history. Stressing the importance of used equipment due-diligence, Investigator Mccarthy advises would-be buyers, "Perform a check on the piece of machinery and, at minimum, confirm that the PINs are intact." Checking equipment before purchasing can help protect one's good reputation and help save months of potential legal problems and thousands of dollars in litigation expenses.

## Equipment Security "Layering"– A Solid Approach

Many successful contractors and rental yards keep their equipment safe with a "multi-layered" approach to equipment security. They implement several layers of security solutions and devices to protect their valuable fleets:

- Recording all PINs/Serial Numbers: The most
  basic and effective layer of protection is maintaining an accurate list of equipment and tools in your fleet. The list should include information on the year, make, model and full PIN/serial number of the equipment;
- Applying individual markings & registering
  equipment: All machines should be individually marked with an inventory control number or equipment number, which should then be registered on a national database, such as through NER's HELPtech service;
- Painting equipment in unique color: A unique
  paint color is another layer of protection that can make your machines substantially less vulnerable, as thieves typically avoid stealing equipment that stands out and can be easily identified from a distance;
- Using locks and immobilizers: Immobilizing devices make equipment much harder to steal. The Equipment Lock Company manufactures locks that are specifically designed for different types of mobile equipment;
- Installing RF or GPS tracking devices: Consider
  electronic tracking devices for your most valuable or vulnerable machines. Many of these devices can be used not just for theft protection, but also for performance and maintenance monitoring.

The above measures—coupled with well planned site security—can make the difference between a fleet that's an easy target and one that's far less prone to theft.

For further information on equipment security or details about HELPtech, contact NER at info@nerusa.com or 1-866-663-7872.

Theft Statistics for Summer 2010		Thefts for this period declined approximately 11% compared with the same period in 2009.
Top 10 States for Theft:	Top 10 Makes of Stolen Equipment:	Top 10 Types of Stolen Equipment:
1. Texas	1. John Deere	1. Tractor (Compact, Utility, Row Crop, 4WD Ag)
2. Florida	2. Kubota	2. Skid Steer Loader/Compact Tracked Loader
3. California	3. Caterpillar	3. Commercial Mowers
4. Washington	4. Bobcat	4. Utility Carts/Utility Vehicles
5. Georgia (tied)	5. Wacker	5. Towed Generators/Welders
6. North Carolina (tied)	6. Case	6. Backhoe Loader
7. South Carolina	7. Multiquip	7. Mini Excavator
8. Oklahoma	8. New Holland	8. Towed Air Compressor
9. Arizona	9. Toro	9. Excavator (Medium and Heavy)
10. Alabama	10. Komatsu	10. Dozer

Increased theft activity in western states, and consistent theft activity in southeastern states appear tomirror the levels of construction activity in those areas. Decreases in theft were seen most significantly in Midwestern states, particularly Indiana, Illinois and Missouri. Despite their "leading" positions in thechart, Texas and California experienced slight declines in thefts.

#### FBI-LEEDA Heavy-Equipment Summits

NER, NICB, and FBI-LEEDA host free one-day regional summits to increase awareness of the equipment theft problem and to provide specially-tailored educational sessions and networking for equipment owners, law enforcement, insurers, lenders, auctioneers, and dealers.

The following location will host the remaining FBI-LEEDA Heavy-Equipment Theft Summits in 2010:

#### November 16 – Oklahoma City, OK

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







### NER on the Road...

In the remaining months of 2010, you can catch us the following events:

October 24-26 at ISO Customer Conference in Orlando, Florida November 6-9 at AEM Annual Conference in San Antonio, Texas November 8-10 at Trimble Dimensions in Las Vegas, Nevada November 16 at FBI-LEEDA Heavy Equipment Theft Summit, Oklahoma City, Oklahoma

For more information or to schedule a meeting with NER representatives at these events, contact us at info@nerusa.com or 1-866-663-7872.

<b>Recent Recoveries</b> Below are some of the machines recently identified and recovered by law enforcement with the help of NICB agents and information support from NER:				
Make/Model	Туре	State	Agency	
New Holland LX-665	Skid steer loader	МО	Saint Louis Police Department	
Takeuchi TB-153-FR	Mini-Excavator	CA	California Highway Patrol	
Bobcat T-300	Tracked skid steer	IL	Kane County Auto Theft Task Force	
Genie GTH-5519	Telescopic forklift	TX	Fort Worth Police Department	
John Deere LA-115	Mower	WA	Snohomish County Sheriff Department	
Case 580-SK	Backhoe loader	AR	North Little Rock Police Department	
Caterpillar D-6-R-XL	Dozer	TN	Marion County Sheriff's Department	
John Deere 250	Skid steer loader	NJ	Warren Police Department	
Caterpillar 953-C	Wheel Loader	GA	Meriwether County Sheriff Department	

Do you have information on a stolen machine? Call 1-866-663-7872

## 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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