

# 2005 HEAVY EQUIPMENT THEFT REPORT

# **JANUARY 2006**

## Introduction

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#### **Overview**

This report is the National Equipment Register's (NER) third annual report on equipment theft in the US. It is primarily based upon data from NER's database of over 77,000 thefts of construction and farm equipment and information from the Insurance Services Office (ISO). Similar reports will be published every January to help track trends and utilize the growing volume of data recorded by NER.

### Aim

The aim of this study is to provide equipment owners, member insurance companies and law enforcement with information to help direct theft prevention and investigation resources in the most effective manner. To achieve this, the statistics are put into context through footnotes, analysis and conclusions that relate to both the protection and investigation of heavy equipment.

The report seeks to answer the question:

"Who steals how much of what, from where, how, why and where does it go?"

## **Data Sources**

Since 2001 NER has been developing databases for recording heavy equipment theft and ownership data that now provide an unparalleled volume and detail of data through which equipment theft trends can be analyzed. Broader insurance industry trends are also indicated from ISO's data.

In 2004 NER's report focused primarily on insured losses as the majority of equipment insurers were by then participating in the NER program. A full list of NER member companies is on page 13. An important development in 2005 was the participation of the equipment rental industry, where many non-insured losses occur. NER is now capturing loss data from the five largest rental fleets in North America and hundreds of smaller fleets through a partnership with the American Rental Association (ARA).

Some data, such as the underlying reasons for the high level of theft, cannot be measured statistically but can be deduced from trends and the daily contact that NER staff have with theft victims, insurers and law enforcement.

## **Presentation and Analysis**

Each set of data is presented either graphically or in tables to allow easy comparison and to highlight trends. Notes explain data sources and gathering techniques. The analyses discuss the relative importance of the factors that affect each set of results and further comment may be given where a particular action or response is suggested by the data.

#### THIEVES CAUGHT PROFITING FROM HURRICANE RECONSTRUCTION EFFORTS

A citizen in southern Mississippi who was being offered a used Caterpillar D-5-LGP dozer at a price below market value called NER to see if the machine was legitimately owned by the sellers. The sellers also alleged that they were FEMA employees disposing of no longer needed machines. Having found records on the NER database suggesting a theft, NER referred this matter to the Forrest County, MS Sheriff's Department as they were the nearest jurisdiction.



Forrest County sent officers to the sale location and upon examining the dozer confirmed it was the machine listed with NER as stolen. Based on this recovery, officers inspected any equipment that may have been sold by the suspects and identified nine other machines as being stolen, with a value of over \$350,000. Of the recovered machines, six were backhoe loaders and three were tracked dozers. Two arrests were made.

# THEFT STATISTICS

Theft statistics primarily tell us about what is being stolen from where. Profiles of equipment thieves and their motivation can be suggested through information gained during investigations.

#### **Theft Location by State**

		_	
20			
1. 2. 3. 4. 5. 6.	TX CA FL MO SC		
7. 8.	GA TN		
9.	IN OK		

1.       TX       TX         2.       NC       NC         3.       CA       FL         4.       FL       CA         5.       PA       GA         6.       GA       IL         7.       IL       TN         8.       MO       OH         9.       SC       SC         10.       IN       IN		2004	2003
<ol> <li>CA FL</li> <li>FL CA</li> <li>FL CA</li> <li>PA GA</li> <li>GA IL</li> <li>TN</li> <li>MO OH</li> <li>SC SC</li> </ol>	1.	ТΧ	ΤX
<ol> <li>FL CA</li> <li>FA GA</li> <li>GA IL</li> <li>GA IL</li> <li>TN</li> <li>MO OH</li> <li>SC SC</li> </ol>	2.	NC	NC
5. PA GA 6. GA IL 7. IL TN 8. MO OH 9. SC SC	3.	CA	FL
6. GA IL 7. IL TN 8. MO OH 9. SC SC	4.	FL	CA
7. IL TN 8. MO OH 9. SC SC	5.	PA	GA
8. MO OH 9. SC SC	6.	GA	IL
9. SC SC	7.	IL	ΤN
	8.	MO	OH
10. IN IN	9.	SC	SC
	10.	IN	IN

The top 5 states account for 39% of all thefts.

The top 10 states account for 57% of all thefts.

#### NOTES:

- 1. Although thefts were reported to NER from every state, the top 5 states accounted for 39% of the total number of thefts in 2005. In 2004 the top 5 states accounted for 38% of all thefts.
- 2. The table is based on 5,105 theft reports submitted to NER in 2005.

#### **ANALYSIS:**

- 1. The overriding factor is the amount of 'targets' available in each state. Theft levels closely follow the amount of equipment in a particular area i.e. the states with the highest volume of construction and agriculture have the highest number of thefts.
- 2. The other important factor is the number and level of activity of equipment thieves in any area. Areas with a high concentration of equipment and more potential buyers of [stolen] used equipment are more likely to encourage the development of more organized theft rings. This is reflected in higher loss ratios for insurers in certain areas.

#### **CONCLUSION:**

Theft rates closely follow equipment volume - where there is more equipment, there is usually more theft. Sometimes theft 'hot spots' emerge when an organized group of thieves and fences are working in a particular area. When these groups are detected and closed down a noticeable drop in theft rates is sometimes seen. Some of the recoveries described in Appendix A illustrate such cases.

## Theft by Type of Location

80 70 60 50 40 30 20 10 0 1996 1997 1998 1999 2000 2001 2002 2003 2004 Other's Premises Insured's Premises In Transit

The graph below compares insured losses by the type of location of the theft:

Figure 1—Theft by Type of Location 1996-2004

Source: ISO Inland Marine Circular, Contractors Equipment, All Classes.

#### **ANALYSIS:**

These figures depend upon where the equipment spends most of its time and the different levels of security at each type of location. Equipment spends most of its time being operated on *'Others' Premises'* such as worksites that are also likely to have much lower levels of physical security than an *'Insured's Premises'* which is more often a fenced storage facility.

#### COMMENT:

It is not enough to focus solely on the security of premises and worksites - in many instances a worksite cannot be adequately secured. Equipment should be made more secure, even if it is a temporary measure such as restricting the movement of more mobile items with the strategic positioning of larger equipment when not in use.

#### STOLEN BACKHOE STOPPED AT BORDER

An inspector with United States Customs & Border Protection in Laredo was suspicious of the export documentation being submitted for a Case 580 Super L being taken into Mexico. The machine's Product Identification Number (PIN) yielded no matches on police computers so the inspector contacted NER for any additional information before letting the backhoe cross the border.



CASE S

NER searched internal databases and found an ownership record for the backhoe. The owner was contacted and confirmed that the backhoe was his but that there was no reason it would be headed into Mexico. The owner then checked his yard and confirmed that the backhoe was missing. The export was halted and the unit seized. The unit was returned to the owner who would have submitted an insurance claim for the loss.

## Theft by Type of Equipment

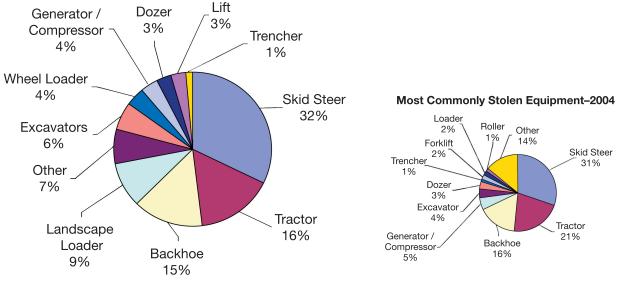


Figure 2—Theft by Type of Equipment 2005

#### NOTES:

- 1. Based on 5,105 theft reports submitted to NER in 2005.
- 2. The top 5 types of equipment account for 78% of all losses.
- 3. 'Tractor' is a broad category, including compact, utility and agricultural tractors.
- 4. Over 50 types of equipment make up 'Other' such as graders, wood chippers, rollers and commercial mowers.

#### ANALYSIS:

- 1. The two key factors in the type of equipment most likely to be stolen are value and mobility the higher the value of an item and the easier it is to transport, the greater the chance of theft.
- 2. Another factor to consider is the amount of each type of equipment in circulation. For example, it is estimated that skid steer loaders accounted for over 30% of new construction equipment sold in the US in the last 5 years.
- 3. While dozers and wheel loaders are the most valuable equipment in the 'top 10', tractors, backhoes and skid steers are the most easily transported. When theft is measured by value rather than frequency, dozers move above generators.

#### COMMENT:

Equipment owners should look at the mobility of equipment as well as value when looking at which equipment to focus security efforts on.

## **Theft Compared to Other Risks**

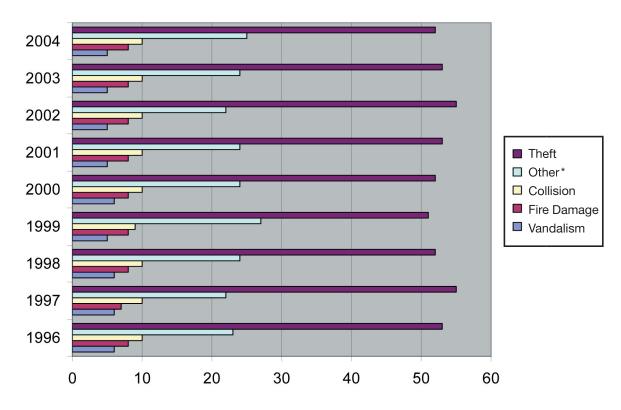


Figure 3-Thefts Compared to Other Types of Loss 1996-2004

#### NOTES:

- 1. Source: ISO Inland Marine Circular, Contractors Equipment, All Classes.
- 2. \*Other includes claims involving windstorms, hail, water damage, flood, volcanic action and earthquake.
- 3. These figures are based on frequency, not value. When measured by value, theft is still the greatest type of loss but by a lesser margin.

#### COMMENT:

Theft is not only the most frequent loss but also the risk that good risk management can have the greatest effect on. This means that there is a great difference in the level of risk between an equipment owner that takes certain key precautions and one that does not.

There are simple steps that equipment owners can take to reduce the likelihood of theft and improve the chances of recovery. Where such steps are cost effective and can be measured, insurers and managers should use incentives to encourage their use.

A theft prevention pack is available free of charge to NER member insurers and their policyholders.

## Age of Stolen Equipment

Equipment produced since 2000 accounted for 78% of thefts reported to NER in 2005. The top 10 were also the most recent ten years of manufacture:

1.	2004	19 %
2.	2003	15 %
3.	2005	14 %
4.	2000	10 %
5.	2002	7 %
6.	2001	6 %
7.	1999	6 %
8.	1998	6 %
9.	1997	3 %
10.	1996	3 %

#### NOTES:

- 1. 2005 would be top if pro-rated for the number of months that the average 2005 model was 'available' to be stolen.
- 2. Equipment is sometimes considered by a buyer to be a 200X machine if it was bought new in 200X even though it may have actually been manufactured the year before.

#### ANALYSIS:

The newer a piece of equipment, the more likely it is to be stolen. If given the choice between two similar machines that are as easy to steal, a thief will chose the most valuable machine.

This is in contrast to the trend in auto theft where older models account for more stolen cars. This is because newer cars carry more sophisticated anti-theft technology whereas equipment design is still driven primarily by productivity such as the need for multiple users to be able to operate a single machine.

## **Theft by Make**

The most common makes of equipment reported stolen to NER in 2005 were:

- 1. Caterpillar
- 2. Bobcat
- 3. John Deere
- 4. Kubota
- 5. Case



#### **ANALYSIS:**

- 1. As all makes of off-road equipment have similar levels of equipment security this list is primarily an indication of which manufacturers make the most <u>compact</u> equipment (i.e. those types featured in figure 2) and does not necessarily follow market share for all types of equipment.
- If two pieces of equipment are equally easy to steal a thief is likely to steal the more valuable machine. This will depend primarily on age and condition but may also depend upon the brand.
- 3. As some manufacturers start to add additional security as standard features this may become a factor in future reports.

## Who Steals Equipment?

While there are no statistics available that can be used to analyze this, information from investigations such as the case studies in Appendix A indicate that thieves have good knowledge of equipment operation and the weaknesses in security. In some cases these are criminals who learn about equipment or who pay those in the business for help and information. In other cases the thieves are already familiar with equipment and see an opportunity to make more money in stealing equipment to 'supplement' their existing income. Having stolen and sold one machine and found how easy it is, they continue – most arrests lead to multiple recoveries.

## Effects of the 2005 Hurricane Season on Equipment Theft

A noticeable rise in theft reports to NER from states surrounding those hit by the 2005 hurricanes caused NER to analyze this trend in the months following Hurricane Katrina. It was found that:

- 1. Since the end of August 2005 there was a 22% increase in thefts from the Gulf region and surrounding states compared with the same region and period in 2004. As thefts from this period are still being discovered and reported, this figure is expected to rise.
- 2. In the weeks immediately after each hurricane the increase in theft was primarily in neighboring states but as more equipment moves into the storm damaged areas, thefts are increasing in these area too.
- 3. The type of equipment stolen reflects normal theft patterns. Over 60% of the equipment reported stolen to NER from this area were skid steer loaders, backhoes and small to medium sized tractors.

The full report can be obtained from NER.

## **The Cost of Equipment Theft**

At present, there is no single place where every loss is recorded so existing figures must be used to make assumptions and to develop trends. Estimates of the total value of equipment stolen annually range between \$300 million and \$1 billion.

#### NOTE:

Statistics do not include losses from business interruption such as short-term rental costs, project delay penalties and wasted workforce and management time.

#### ANALYSIS:

The high levels of equipment theft are due to:

- the high value of heavy equipment
- the ease with which equipment can be stolen due to poor equipment and site security
- the ease with which stolen equipment can be sold in the used equipment market
- Iow risk of detection and arrest for thieves
- Iow penalties if prosecuted and convicted

# **RECOVERY STATISTICS**

Low recovery rates make it difficult to draw concrete conclusions from an analysis of recovery statistics alone but by incorporating information acquired during investigations, such as those described in Appendix A, some idea as to how equipment is stolen, where it goes and who steals it may be deduced.

## **Recovery Rates**

An analysis of thefts reported to ISO by insurers since 1990 showed 6.5% marked as recovered. Past losses from over 300 NER member companies reflect results both higher and lower than this but not by any significant margin.

#### NOTES:

- 1. The true recovery rate may be higher as some pieces of equipment will have been recovered but not marked as recovered.
- 2. The true recovery rate may be lower as many thefts are not reported and these are the losses that are *less* likely to be recovered.

#### ANALYSIS:

The low recovery rate is due to factors such as:

- the delay in theft discovery and reporting
- inaccurate or non-existent owner records
- the lack of pre-purchase checks in the used equipment market
- Iimited resources that law enforcement can dedicate to equipment investigations
- the difficulty of equipment investigations due to the complexities in equipment numbering systems
- the limited amount of accurate equipment information available to law enforcement

#### COMMENT:

- 1. The area that needs the most improvement and that is the easiest to have an impact upon is in making accurate information available to law enforcement 24 hours a day.
- 2. The minimum requirement is for equipment owners to keep accurate lists of equipment with PIN/serial numbers and to report this to law enforcement, their insurer and NER as soon as a theft is discovered. Owners may also consider registering their full fleet with NER so that this information is available to law enforcement 24 hours a day and can be used to identify the equipment when being moved by thieves at weekends or at night.



#### THIEVES USE FRAUDULENT ID FOR RENTAL THEFTS

An investigation by the Louisiana State Police in the Baton Rouge area discovered a group that was renting commercial generators from national rental fleets using fictitious identities, fraudulent company checks and credit cards and then selling these machines to unsuspecting buyers.

Several of the machines being examined had their owner decals, Product Identification Numbers (PINs) and owner applied/inventory numbers removed, making it difficult for the troopers to identify them and locate the true owners. NER provided identification assistance and records for the machines that were registered on the NER database. In some cases theft reports had

not been filed because the equipment was considered to out on rent. Among the generators recovered were models made by Multiquip, Wacker, Ingersoll Rand and Atlas Copco.

As little as 10% of stolen equipment is ever recovered.

## **Recoveries by State**

In 2005 recoveries were made in 30 U.S. states by law enforcement with the assistance of NER. The following states were the most active:

		1	
2005			
1.	CA		
2.	ТΧ		
3.	ΤN		
4.	FL		
5.	MS		
6.	MI		
7.	SC		
8.	AZ		
9.	LA		
10.	KS		

	2004	2003	
1.	CA	CA	
2.	NC	AZ	
3.	ТΧ	FL	
4.	ΑZ	SC	
5.	NY	ΤN	
6.	MI	GA	
7.	ΤN	NV	
8.	IN	MO	
9.	AL	IL	
10.	FL	ТΧ	

# The top 5 states account for 38% of recoveries.

The top 10 states account for 61% of recoveries.

#### NOTES:

- 1. In 2005, most machines were recovered in the same state in which they were stolen. Of those recovered in another state, few moved beyond the neighboring state.
- 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 from the theft, the more likely the equipment was to have moved out of state and be in the possession of a purchaser who seemed to have no knowledge of the theft.
- 4. It is important to note that these figures are based on very low recovery rates and the equipment that moves further is less likely to be recovered. When this is taken into account the amount of equipment moving out of the state in which it was stolen will be higher.

#### ANALYSIS:

- 1. While low recovery rates make it impossible to provide a full picture of how and to where stolen equipment is moved, there are strong indications that due to the few checks made in the used equipment market, thieves are confident of not being caught and feel safe selling equipment in neighboring states or even neighboring counties.
- 2. Recoveries made at ports and borders demonstrate that stolen equipment is exported, however the ease with which stolen equipment can be sold within the US makes the cost of export worthwhile only for thieves who can raise higher prices abroad.

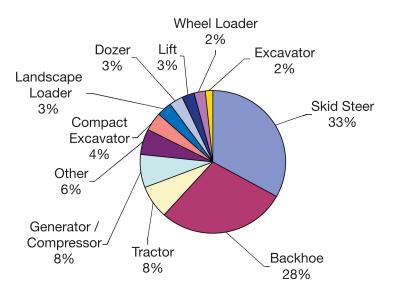
#### COMMENT:

It is important to act both locally (e.g. circulation of theft reports) and nationally (e.g. national databases) in the fight against equipment theft.

A key component in the fight against equipment theft must be to make it harder for thieves to sell stolen equipment. Buyers of used equipment should be encouraged to check before buying.

## **Type of Equipment Recovered**

Recoveries made by law enforcement with the assistance of NER in 2005 were made up of the following types of equipment:



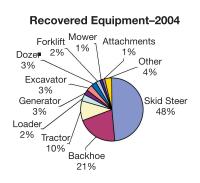


Figure 4-Type of Recovered Equipment 2005

#### NOTES:

- 1. Does not include 'related' recoveries where an NER assisted recovery led to further recoveries.
- 2. Every recovery had some kind of indicator such as equipment in an unusual location, type or timing of transport, missing decals, altered paint or missing identification plates.

#### ANALYSIS:

The types of equipment most often recovered closely mirror the types of equipment most commonly stolen.

## **Recoveries by Make**

The following makes of equipment were most often recovered by law enforcement with assistance from NER in 2005 :

#### ANALYSIS:

The makes of equipment most often recovered closely mirrors the makes of equipment most commonly stolen.

- 1. Bobcat
- 2. John Deere
- 3. Caterpillar
- 4. Case
- 5. New Holland
- 6. Kubota
- 7. Ingersoll Rand
- 8. Ford
- 9. Multiquip
- 10. Komatsu

# **NER STATISTICS**

The following numbers give a snapshot of NER's operations as of December 31, 2005:

13,420,076	number of ownership records
7,462,507	\$ value of items recovered by law enforcement with the help of NER (see note 1)
95,855	number of NER equipment ID guides distributed to law enforcement
77,492	number of theft reports
5,105	number of theft reports submitted to NER in 2005
3,517	number of law enforcement users
1,985	number of rental stores or branches using NER's services
1,400	number of officers attending NER equipment ID training classes in 2005
464	number of recoveries made by law enforcement with the help of NER 9 pt
352	number of insurance companies participating in the NER program (see note 2)
175	number of fleets listing their inventory with NER
27	number of police training classes conducted by NER in 2005
19	number of states in which NER conducted training in 2005
8	number of 'top 10' construction equipment insurance companies as NER clients
6	number of 'top 10' equipment rental companies as NER clients

#### NOTES:

- 1. Does not include 'related' recoveries where an NER assisted recovery lead to further recoveries.
- 2. NER member insurers come from the following insurance groups: ACE USA, AIG, American Resources, Atlantic Mutual, Berkley Mid-Atlantic, Chubb, Cincinnati, CNA, Everest, Fireman's Fund, Frankenmuth Mutual, General Casualty, Hanover, Insurance Corporation of Hannover, OneBeacon, St. Paul Travelers, State Auto, The Hartford, Unitrin, US Liability, XL Insurance and Zurich US.

## **SUMMARY**

Although complete statistics do not exist, it is clear from those that do that equipment theft is a serious problem. Estimates of the total value of equipment stolen annually range between \$300 million and \$1 billion. These statistics do 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.

Geographically, equipment theft levels closely follow the amount of equipment in a particular area - the states with the highest volume of construction and agriculture have the highest number of thefts.

The type of equipment that is most often stolen is linked to the mobility and value of equipment. Most thefts are from worksites that may be difficult or impossible to secure. Given two similar types of machine a thief will steal the newest because it is more valuable and, in contrast to cars, there is little difference in equipment security between a new machine and one made five years ago.

As little as 10% of stolen equipment is recovered. Recovery locations and types of equipment recovered closely mirror locations and types most often stolen.

## CONCLUSION

Equipment owners and insurers should focus risk management efforts on high value equipment that can be easily transported.

Equipment security and worksite security are both important factors but because equipment is often used in areas with no physical security, equipment security should be a priority.

The area that needs the most improvement and that is the easiest to have an impact upon is in making accurate information available to law enforcement 24 hours a day.

Officers investigating equipment theft should focus on the types most often stolen and look for 'red flags' such as location, type of transport, missing decals, altered paint, and particularly, missing identification plates.

## **APPENDIX A – RECOVERY CASE STUDIES**

The following case studies help illustrate some of the techniques used by equipment thieves and provide useful lessons for equipment owners, insurers and law enforcement. They also help highlight some of the successes that law enforcement has had in 2005.

#### THIEVES CAUGHT PROFITING FROM HURRICANE RECONSTRUCTION EFFORTS

A citizen in southern Mississippi who was being offered a used Caterpillar D-5-LGP dozer at a price below market value called NER to see if the machine was legitimately owned by the sellers. The sellers also alleged that they were FEMA employees disposing of no longer needed machines. Having found records on the NER database suggesting a theft, NER referred this matter to the Forrest County, MS Sheriff's Department as they were the nearest jurisdiction.



Forrest County sent officers to the sale location and upon examining the dozer confirmed it was the machine listed with NER as stolen. Based on this recovery, officers inspected any equipment that may have been sold by the suspects and identified nine other machines as being stolen, with a value of over \$350,000. Of the recovered machines, six were backhoe loaders and three were tracked dozers. Two arrests were made.

#### MULTIPLE RECOVERIES AT OHIO EQUIPMENT AUCTION

The Stow, OH Police Department, working in conjunction with the Madison Township Police Department, Ohio State Patrol, National Insurance Crime Bureau (NICB) and NER identified and recovered over \$322,000 of stolen equipment found at a consignment auction in Madison, Ohio. Among the machines identified as stolen were skid steer loaders, trailers, lifts, mowers and wheel loaders. Also found and seized were business records, shotguns, handguns, rifles, over 4,500 rounds of ammunition and a silver and gold coin collection. Many of the machines had had their serial number/PIN plates switched with rental machines that were registered on the NER database.



#### THIEVES USE FRAUDULENT ID FOR RENTAL THEFTS



An investigation by the Louisiana State Police in the Baton Rouge area discovered a group that was renting commercial generators from national rental fleets using fictitious identities, fraudulent company checks and credit cards and then selling these machines to unsuspecting buyers. Several of the machines being examined had their owner decals, Product Identification Numbers (PINs) and owner applied/inventory numbers removed, making it difficult for the troopers to identify them and locate the true owners. NER provided identification assistance and records for the

machines that were registered on the NER database. In some case theft reports had not been filed because the equipment was considered to out on rent. Among the generators recovered were models made by Multiquip, Wacker, Ingersoll Rand and Atlas Copco.

#### CHASE LEADS TO ARREST AND RECOVERY



A Long Beach, CA homeowner noticed a Bobcat S-250 being loaded into a white truck outside her home at 1:30am. The Long Beach PD was called and promptly responded, catching the thieves in the act. In an attempt to flee the area, the suspects drove their truck into the patrol car and then headed for the freeway where they drove on the wrong side of the road against oncoming traffic. The pursuit ended shortly thereafter when pieces of stolen equipment fell off the truck and into the roadway.

The suspects were arrested and all equipment – including the Bobcat– was recovered. As the machine had an NER warning/reward decal on it, the homeowner also called NER to report her actions and as a result she received a reward for contributing to the recovery of the machine. The skid steer loader was owned by a national equipment rental company whose entire fleet is registered with NER, and was out on rent when the theft occurred.

#### **STOLEN AND BURIED**



The Pennsylvania State Police were investigating a suspect who was seen unearthing a Caterpillar 416-C backhoe loader, however no police reports were found for the machine in question. NER located an ownership record identifying the last known owner who confirmed that they had suffered the theft of this machine five years earlier. The investigation revealed that the

suspect unearthing the backhoe had stolen it five years earlier and buried it to avoid being caught.

In a second case, the Pennsylvania State Police were investigating a Case 1840 skid steer loader discovered abandoned and underwater in a local quarry. As the machine could not be easily removed, NER was asked to brief the divers who were preparing to examine the machine underwater. A Product Identification Number (PIN) was ultimately found, which, when searched on police computers, returned a matching theft report.



#### DEALER UNKNOWINGLY BUYS STOLEN EQUIPMENT

The Tennessee Highway Patrol stopped and examined a tractor that was being hauled by a suspect to an area equipment dealership. The tractor was found to be stolen and the investigation revealed that the suspect had sold several machines to this dealership. As several of these machines were still at the dealership, investigators were able to examine and identify several more pieces as stolen by searching police computers, contacting NER and through speaking with theft victims.



The suspect had been stealing machines from dealerships and unattended worksites, often during daylight hours. Witnesses reported that the suspect appeared to "know what he was doing" and therefore did not question his activity. In one case, a small Kubota L-3410 tractor was taken from a landscaping project at a private residence while the homeowner was there and attending to her grandchildren. The machines were 'marketed' by the suspect as used equipment and sold for full wholesale value.

#### **REPAINTED, NO DECALS**

An auto-theft investigation in Lincoln County, North Carolina led detectives to a suspect's property where a skid steer loader was found. The loader had been completely repainted in yellow and red, had no manufacturer or model decals and lacked any Product Identification Number (PIN) plates.



Looking for clues to the manufacturer and model, North Carolina DMV License and Theft Bureau contacted NER for assistance. Based on the type of engine in the machine and a partial decal in the cab, NER identified the unit as being made by Skat Trak. NER talked the officers through finding a PIN and ran this against the NER database. An ownership record was found for a national rental company whose entire fleet is registered with NER. The rental branch was contacted and confirmed that they had suffered the theft of this machine several months earlier

#### STOLEN BACKHOE STOPPED AT BORDER



An inspector with United States Customs & Border Protection in Laredo was suspicious of the export documentation being submitted for a Case 580 Super L being taken into Mexico. The machine's Product Identification Number (PIN) yielded no matches on police computers so the inspector contacted NER for any additional information before letting the backhoe cross the border.

NER searched internal databases and found an ownership record for the backhoe. The owner was contacted and confirmed that the backhoe was his but that there was no reason it would be headed into Mexico. The owner then checked his yard and confirmed that the backhoe was missing. The export was halted and the unit seized. The unit was returned to the owner who would have submitted an insurance claim for the loss.



The National Equipment Register (NER) was established in 2001 to increase the recovery rate of stolen construction and agricultural equipment by improving the volume, quality and availability of information available to law enforcement investigating suspicious equipment.

NER has developed national databases of equipment theft and ownership records and provides this information and equipment identification advice to police 24 hours-a-day. NER has also developed a national equipment ID training program for law enforcement to encourage equipment investigations and the likelihood of success. Equipment owners register equipment with NER to ensure that an officer can identify them as the owner, even before the theft is discovered. As a theft prevention strategy, placing NER warning decals on registered equipment warns thieves of the increased chance of detection and arrest.

More information about NER is at www.NERusa.com.

#### NATIONAL EQUIPMENT REGISTER 20 East 46<sup>th</sup> Street, Suite 1402 New York, NY 10017



Phone (212) 297-1805 Fax (212) 972-5071

Web: www.NERusa.com E-mail: info@NERusa.com