

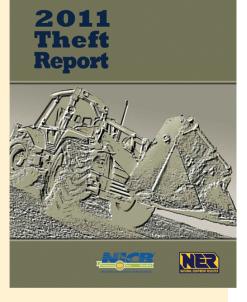
EQUIPMENT SECURITY NEWS

THIRD QUARTER 2012

news///

NER and NICB Release 2011 Heavy Equipment Theft Report

The National Equipment Register (NER), a division of Verisk Crime Analytics, and the National Insurance Crime Bureau (NICB) recently released their national report on 2011 heavyequipment theft. This year's report continues to focus on what types of



equipment are most likely to be stolen and recovered and where in the country thefts and recoveries occur. The report's objective is to help provide equipment owners, insurance companies, and law enforcement personnel with information that can be used to help allocate investigative resources and influence theft prevention efforts.

The report draws on data from the National Crime Information Center (NCIC), the NICB, and NER to provide a comprehensive analysis of heavy-equipment theft during the year. In 2011, the NCIC received 11,705 theft reports. In descending order, the five

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Submit Your Nominations for the 2013 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.

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@ner.net

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 10– 13, 2013.





Verisk Crime Analytics Helps Canadian Insurers and Their Policyholders Combat Cargo and Heavy Equipment Crime

Verisk Crime Analytics announced today the launch of national information sharing systems designed to help Canadian insurers and their policyholders combat the growing problems of cargo and heavy equipment theft.



CargoNet and NER help prevent theft and improve recovery rates through secure information sharing and collaboration among theft victims, their business partners, and law enforcement. Both solutions are

The CargoNet and National Equipment Register divisions of Verisk Crime Analytics are already supported by a number of leading Canadian insurers and fleets. Canadian law enforcement agencies have also expressed strong interest in using these services to assist in cargo and equipment theft investigations.

"The problems of equipment and cargo crime are getting worse and hurting the bottom lines of insurers and policyholders," commented Greg St Croix, senior vice president and national risk consulting practice leader at Marsh Canada. "CargoNet and NER have had great success in the U.S., and I've been impressed by the amount of due diligence done by Verisk in assessing and responding to the different needs of the Canadian market. I'm encouraged to see the insurance industry taking a leading role to bring these solutions to the marketplace, as benefits will be felt across numerous industries."

"We're thrilled to launch information sharing systems and services in Canada and are extremely gratified by the positive responses we've received from insurers, insurance brokers, fleets, and law enforcement," added David Shillingford, president of Verisk Crime Analytics. "It's a collaborative approach to information sharing that will significantly reduce cargo and equipment crime risk." centered on secure national databases and information-sharing platforms managed by crime analysts and subject-matter experts. Powerful analytical tools also allow the aggregate data to be analyzed to show and predict theft trends to support loss prevention and investigations. CargoNet and NER are supported in Canada by MSA Research, Inc.

About CargoNet

A division of the Verisk Crime Analytics unit at Verisk Analytics



(Nasdag:VRSK), CargoNet® helps prevent cargo theft and improve recovery rates through secure and controlled information collection among theft victims, their business partners, and sharing crime information with law enforcement. CargoNet is centered on a national database and information sharing system managed by crime analysts and subject matter experts. By applying a synchronized, layered approach, CargoNet exploits the weaknesses of cargo thieves at multiple points. CargoNet offers integrated databases, a theft alert system, task force and investigations support, and a tractor/trailer theft deterrence program. CargoNet also provides driver education and incentives, secondary market monitoring and interdictions, crime trend analysis and loss control services, and training. More information on CargoNet can be found at www.cargonet.com



The First Canadian Heavy Equipment Theft Summit



The Canadian Heavy Equipment Theft Summit was held at the York Regional Police Central Services Building in Aurora, Ontario on June 5, 2012.





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states with the most incidents of heavy-equipment theft were Texas, North Carolina, Florida, California, and Georgia. Together, those five states accounted for 40 percent of total equipment theft. Rounding out the top ten were Tennessee, South Carolina, Alabama, Oklahoma, and Missouri. The top ten states accounted for 59 percent of all thefts.

In 2011, 21 percent of heavy equipment stolen was recovered.

"The economic downturn has put financial pressure on equipment owners who have to be more careful than ever to invest in the right theftprevention technologies and processes in the right places. The heavy equipment theft report allows them to do that," said David Shillingford, president of Verisk Crime Analytics.

Jim Schweitzer, chief operations officer at NICB, added, "The data provided by the report helps everyone involved with reducing thefts and recovering stolen loads work more efficiently and smarter, maximizing the resources that are available during a time when state budgets and police resources are limited."

The 2011 Heavy Equipment Theft Report can be downloaded by visiting www.ner.net/annual-theft-report.html.



Fraudster Forges Theft Alert

In late June, an equipment buyer was scammed out of over \$100,000 when he purchased a used 2003 Caterpillar D6N XL bulldozer over the internet and never received it.

After the buyer wired his payment, he was contacted by the scammer. Following the sale, the crook claimed that local law enforcement told him the dozer was stolen and they subsequently seized it. To back up this claim, he created a fake NER Theft Alert and sent it to the buyer.

NER analysts received a call from the buyer requesting information regarding the Theft Alert that he was sent. When analysts could not find any information about this machine, the buyer emailed the alert to them. With one look at the alleged Theft Alert, NER analysts could easily see it was fabricated.

The fraudulent alert contained several flaws. The format was drastically different from a typical NER Theft Alert, which would include images of the stolen unit. Even though the alleged event took place in Florida, the subject line is N.E.D.A Florida Excavator Theft—N.E.D.A stands for Northeast Equipment

Dealers Association. The alert further contradicts itself by claiming that the Southeast Equipment Dealers Association reported the theft. In addition to these flaws, the NER logo appeared to have been simply copied and pasted onto the document.

NER recommends that when shopping for used equipment, you should always protect yourself and perform due diligence before releasing money to anyone. One way to protect yourself is to use a third party to process payment. According to Brandon Abbey, President and Managing Director of Escrow.com says, "Every time I see something like this it hurts because it is so easily prevented. Using a licensed and regulated payment system like Escrow.com protects buyers against these scammers. In this particular situation the buyer's funds would have been safely deposited into an escrow trust account and not released until he received the dozer and verified with NER that it was not stolen."

Please verify the authenticity of any NER document that appears to have any inconsistencies. If you have any doubts about used equipment for sale, NER's IRONcheck service can provide a report on its history.

When It Rains, It Pours: The Link Between Catastrophes and Equipment Theft

Through its monitoring of equipment theft across the country, NER has spotted an alarming trend: a noticeable increase in equipment theft in areas affected by natural disasters and catastrophic events.

NER encourages all equipment owners in catastrophestricken regions — and any others — to take steps to protect machines on job sites, in yards, at rental branches, and at dealerships. Dealers and rental companies should pay extra attention to rentals and purchases by unfamiliar contractors who claim to work in the areas affected by the catastrophes. Such steps may reduce the chances of losing equipment.





RECENT RECOVERIES

| Make | Model | Туре | State | Value |
|------------|--------|-------------------|-------|----------|
| Bobcat | 733 | Skid Steer Loader | TN | \$10,500 |
| Takeuchi | TL-140 | Skid Steer Loader | OR | \$17,000 |
| Kubota | KX-121 | Mini-Excavator | WA | \$30,000 |
| John Deere | 310-J | Backhoe | IN | \$32,000 |
| Takeuchi | TL-230 | Skid Steer Loader | GA | \$35,000 |

Contact NER

Equipment owners:

1-866-346-3746, option 3, then option 8 skaufman@ner.net

Insurance professionals:

1-866-346-3746, option 3, then option 6 msthill@ner.net

Law enforcement:

1-866-346-3746, option 1 info@ner.net



www.StopEquipmentTheft.com



www.IRONcheck.com



www.IRONwatch.com

Report a theft: www.ner.net or fax to 201-469-2027

Sign up for theft alerts: dmossman@ner.net

All other inquires: National Equipment Register 545 Washington Blvd., 22-19 Jersey City, NJ 07310-1686 Phone: 1-866-663-7872 Fax: 201-469-2027 E-mail: info@ner.net Web: www.ner.net

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