



Embargoed until 11/1/06

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November 1, 2006

HOT WHEELS: DO YOU KNOW WHERE YOUR CAR IS?

Every 25.5 Seconds a Vehicle is Stolen in the U.S.

Des Plaines, IL – Hot Wheels, the National Insurance Crime Bureau's companion study to its annual Hot Spots auto theft report examines data reported to the National Crime Information Center (NCIC) and determines the vehicle make, model, and model year most reported stolen in 2005. See the full report at www.nicb.org.

For 2005, the most stolen vehicles* in the nation were:

1. 1991 Honda Accord
2. 1995 Honda Civic
3. 1989 Toyota Camry
4. 1994 Dodge Caravan
5. 1994 Nissan Sentra
6. 1997 Ford F150 Series
7. 1990 Acura Integra
8. 1986 Toyota Pickup
9. 1993 Saturn SL
10. 2004 Dodge Ram Pickup

In 2005, 1,235,226 motor vehicles were reported stolen which is 2,625 fewer than in 2004. Using the FBI's average valuation of \$6,173 per stolen vehicle, this amounts to over \$7.6 billion in losses in 2005—just in vehicle value alone.

The FBI Uniform Crime Report divides the nation into four regions: Midwest, Northeast, South and West. The Midwest with 22.3% of the nation's population reported 225,519 vehicle thefts (an increase of 0.4% over 2004) and represents 18.3% of the total number of vehicles stolen in 2005; the Northeast with 18.4% of the population reported 129,835 vehicle thefts (a decrease of 9.5% from 2004) and represents 10.5% of the total stolen; the South with 36.3% of the population reported 412,033 thefts (a decrease of 2.3% from 2004) and represents 33.4% of the total number of vehicles stolen. Finally, the West with 23.0 % of the

population reported 467,839 vehicle thefts (an increase of 4.5% over 2004) and represents 37.9% of the total number of vehicles stolen.

With only 62.1% of stolen vehicles recovered last year the question becomes, what happens to the over 450,000 vehicles still outstanding? The short answer is that they fuel a number of related insurance fraud and vehicle theft activities. For example:

Exports: NICB Agents have recovered a significant number of stolen vehicles from foreign countries. It is not unusual for stolen vehicles to be shipped intact to other countries where prospective buyers can have them for a fraction of what they would legitimately cost and with no questions asked.

Whether enclosed in shipping containers at coastal ports or simply driven across the border into Canada or Mexico and elsewhere, exports contribute to the tens of thousands of stolen vehicles which are never recovered.

NICB's Foreign Operations group actively pursues the repatriation of stolen vehicles in foreign countries and works closely with U.S. embassy personnel and foreign government officials to return those vehicles. Just in 2005, *over 3,000* vehicles were returned to the U.S. from Belize, Costa Rica, El Salvador, Dominican Republic, Guatemala, Honduras, Jamaica, Lithuania, México, Nicaragua and Venezuela.

Owner Give-Ups: An owner give-up is the term that describes a vehicle that has been reported stolen by its owner when the owner is actually making a false theft report. In these situations, vehicles are driven into ponds, lakes, or quarries, set on fire in sparsely populated areas, or even driven into Mexico and abandoned with their owners filing "theft" reports later.

Owner give-ups are often motivated by economic factors. If a person owes more on a vehicle than it is worth, having it stolen allows the owner to walk away from the debt. Similarly, on a lease where the usage has exceeded the terms of the lease, theft becomes an option.

Chop Shops: A good percentage of stolen vehicles end up in chop shops. These are places that disassemble stolen vehicles and sell their parts to individuals, dealers, body shops—just about anyone who has a need but has no scruples. Thieves can sell the individual parts from older models for more money than the vehicle is worth intact.

This fraud is exacerbated when an unethical body shop submits a repair bill to an insurance company showing it obtained and used original equipment manufacturer (OEM) replacement parts when in reality the parts used were obtained from a chop shop. The insurance company pays the higher invoice cost and the body shop pockets the difference. (Visit our Web site to see this in graphic detail.)

A Layered Approach to Protection: To protect their investment, Robert M. Bryant, NICB's President and Chief Executive Officer, encourages vehicle owners to follow its "layered approach" to auto theft prevention by employing simple, low-cost suggestions to make their vehicles less attractive to thieves. NICB's four layers are:

Common Sense: The cheapest form of defense is to simply employ the anti-theft devices that are standard on all vehicles: locks. Lock your car and take your keys.

Warning Device: Having and using a visible or audible warning device is another item that can ensure that your car remains where you left it.

Immobilizing Device: "Kill" switches, fuel cut-offs, and smart keys are among the devices which are high and low tech, but extremely effective. Generally speaking, if your car won't start, it won't get stolen.

Tracking Device: If your vehicle is stolen, these systems help law enforcement track and recover it and return it to you. Some systems will even inform you if your vehicle has been moved without your knowledge.

You can do your part in helping to stop this criminal activity by reporting fraud and vehicle theft to NICB at 1-800-TEL-NICB (1-800-835-6422). Your call can be anonymous and you could be eligible for a reward. Or you may report fraud and theft by visiting our Web site www.nicb.org.

The National Insurance Crime Bureau is the nation's leading not-for-profit organization dedicated exclusively to preventing, detecting and defeating insurance fraud and vehicle theft through information analysis, investigations, training and public awareness.

* This report reflects only stolen vehicle data reported to NCIC in 2005. No further filtering of information is conducted, i.e., determining the total number of a particular make and model currently registered in the U.S. for comparison purposes.

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