

**THE WINSTON CHURCHILL MEMORIAL TRUST OF AUSTRALIA**

**Report by**

**Bruce W. Lin , Detective Sergeant NSW Police Force**

**2011 Fellow**

**To research strategies and practices for investigating and suppressing motor vehicle theft  
(Canada & USA)**

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Signed: Bruce W. Lin .....

Dated: .....

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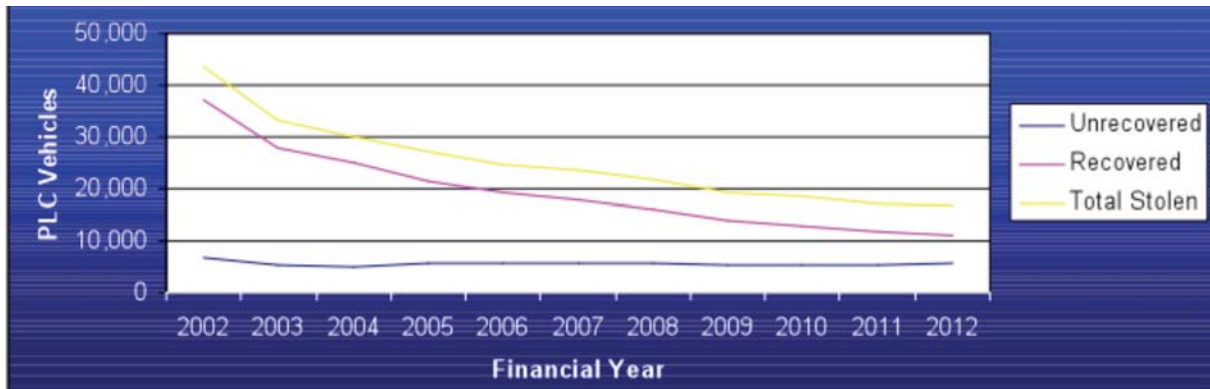
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# INTRODUCTION

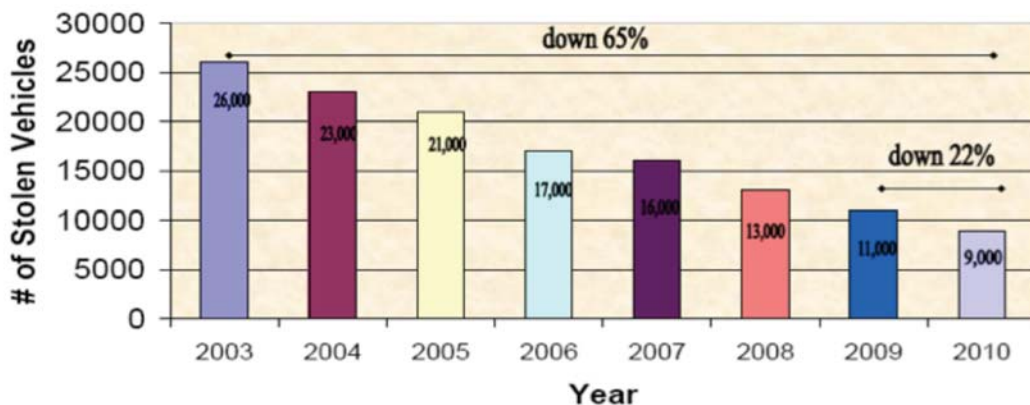
My Churchill Fellowship project was to research strategies and practices for investigating and suppressing motor vehicle theft.

According to the National Motor Vehicle Theft Reduction Council (NMVTRC), there is a vehicle stolen, somewhere in Australia, every 10 minutes. Approximately 60,000 vehicles are stolen every year at a cost of \$610 million dollars. We, the Australian community, will bear the cost of vehicle theft in demands on our justice system, police resources and higher insurance premiums.<sup>1</sup>



*Stolen Passenger/Light Commercial (PLC) Vehicles FY 2002 to FY 2012<sup>2</sup>*

New South Wales has experienced a reduction in total vehicles stolen over the past 10 years from 43,708 vehicles in 2002 to 16,808 vehicles in 2012. However, the rate of vehicles which are never recovered has remained stubbornly static.



*Theft of Vehicles in British Columbia<sup>3</sup>*

In comparison, Vancouver, Canada successfully reduced vehicle theft by 65% over 10 years. This reduction was attributed to the introduction of the bait car program.

1 National Motor Vehicle Theft Reduction Council Car Safe Bulletin 2012  
 2 NSW COPS statistics  
 3 RCMP IMPACT statistics

Other strategies that have contributed to the reduction in vehicle theft in the regions I visited include:

- The Lo Jack electronic vehicle theft recovery system which has been operating worldwide for the past 25 years
- Legislation to seize suspected stolen vehicles and ensure industry compliance in scrap metal yards
- Proactive policing measures including multi agency task forces
- Data bases that detail vehicle identifiers & features which assist police in recovering stolen vehicles
- Extensive use of Licence Plate Reader cameras
- Alternate funding sources for investigating motor vehicle theft.

In conclusion, I believe that a comprehensive and varied response is required to target vehicle theft in NSW and Australia. American and Canadian law enforcement used innovative, streamlined strategies to achieve their objectives. Costs were minimised through sourcing outside sponsors. The legislation used by law enforcement was powerful and logical in its application. Private stakeholders provided information and services to law enforcement for free, or at little cost. I would like to see some of these measures, which I have detailed in my report, assessed, tailored and trialled in NSW and, if successful, disseminated nationally.

My sincere gratitude is extended to the Winston Churchill Memorial Trust for the opportunity given to me to 'ride along' with Canadian and American law enforcement agencies targeting motor vehicle theft and related crime. It was truly an experience of a lifetime.

My Fellowship would not have come to fruition without the support of my two referees, Ms Jane Culver, Deputy Chief Magistrate of New South Wales and Assistant Commissioner Dave Hudson, Commander of State Crime Command. Their words of support and encouragement, I am sure, assisted in my application. I also extend my thanks to Commissioner Andrew Scipione, NSW Police Force, for writing formal letters of introduction to overseas Chiefs of Police on my behalf. I am also indebted to my unit colleagues for taking on board my workload whilst I was overseas. I extend my appreciation to all of the Canadian & American law enforcement officers for their generosity & hospitality.

Finally, I am dedicating this report to the late Detective Senior Constable Justyn Raymond Limond who passed away on the 28th February 2012 in tragic circumstances. Detective Limond enthusiastically supported my thoughts on applying for a Churchill Fellowship. A true character, who is sorely missed by myself, his family and peers.

# **EXECUTIVE SUMMARY**

**Bruce William Lin**

**Level 7B 1 Charles Street Parramatta, NSW 2150**

**Detective Sergeant, Motor Unit, Property Crime Squad, NSW Police Force, tel: 8835 9671**

## **Project:**

To research strategies and practices for investigating and suppressing motor vehicle theft.

## **Highlights:**

- Learning the technical and psychological strategy behind bait cars in the U.S. and Canada.
- Observing innovative and dynamic policing strategies used by the NYPD & LAPD.
- Observing the information and technology systems used by Canadian & American Police to identify & locate stolen vehicles.
- Examination and application of legislation specifically drafted to seize vehicles, parts and compliance of industry stakeholders such as scrap metal yards.

## **Recommendations:**

- Establishment of a national data base for law enforcement bodies detailing extensive vehicle information including secondary covert vehicle identifiers, characteristics and features of motor vehicles similar to ISO system operating in America.
- Legislative reform to allow NSW Police to have authority over scrap metal yards, and redefining police powers in seizing suspected stolen vehicles.
- Discuss with industry stakeholders an electronic vehicle theft alert system integrated with Police computer system.
- Consider alternative sources of funding particularly from insurance industry for specialised units investigating motor vehicle theft.
- Encourage liaison with law enforcement and industry bodies internally and globally on a regular basis for training and exchanging information for a common objective.

## **Implementation and Dissemination:**

- Address my work colleagues, senior Police management and industry stakeholders of my tour findings.
- Provide media with material to generate interest.
- Liaise with local and overseas law enforcement bodies and stakeholders to exchange information concerning areas of mutual interest.
- Provide interstate police departments with a summary of my findings.

# **PROGRAMME**

**(14th April 2012 – 27 May 2012)**

14th – 19th April 2012

## **Vancouver, Canada**

- Observed the Integrated Municipal Auto Crime Team – IMPACT Vancouver Canada. All aspects of bait car program demonstrated to me.
- IMPACT media officer Sergeant Gord Elias

23rd – 27th April 2012

## **Minneapolis Minnesota**

- Observed bait car operations of CID/Auto Theft Prevention of the Minneapolis Police Department.
- Officer in Charge, Officer Wayne Johnson

## **Federal Bureau of Investigation (FBI) Minneapolis Field Office**

- Special Agent Jay Brunn – Training Officer

30th – 5th May 2012

## **New York City, New York**

- NYPD Auto Crime Division.
- Detective First Class Thomas Burke

## **FBI Field Office New York**

- Supervisory Special Agent Timothy Rembijas
- Supervisory Special Agent Belle Chen

## **New York Office Border Enforcement Security Task Force**

- Special Agent Michael Alonso

5th – 11th May 2012

## **Boston Massachusetts**

### **Governor's Auto Theft Strike Force, Massachusetts Police Department**

- Lieutenant Brian Moore
- Sergeant Michael Wheaton

### **Boston Office Border Enforcement Security Task Force**

- Special Agent Michael Posanka

13th – 25th May 2012

## **Los Angeles, California**

### **Los Angeles County Sheriff's Department 'Task Force for Regional Auto Theft Prevention' (TRAP)**

- Captain Anthony Ward
- Sergeant Tim Glover

### **Los Angeles Police Department 'Burglary Auto Theft Detail and Commercial Auto Theft Squad' (BADCATS)**

- Lieutenant II John Del Vecchio
- Detective Lorenzo 'Chuck' Barbosa
- Detective Luke Magee

## **FBI Field Office Los Angeles**

- Supervisory Special Agent Joseph Brine.

### **Los Angeles office Border Enforcement Security Task Force**

- Supervisory Special Agent Jeremy Scott



## **MAIN BODY**

The FBI recognises auto crime as the most popular organised crime outside of drug trafficking in the United States. The Auto Crime Division (ACD) of the New York City Police Department (NYPD) considers that a vehicle's parts are worth two to three times more than its value as a whole.<sup>1</sup>

An emerging trend in Australia is of organised crime syndicates engaging in the international laundering of stolen vehicles. Recent NSW Police investigations have established that criminal organisations are cooperating with overseas counterparts and extended family in their criminal endeavours.<sup>2</sup>

Within Australia, there is a lack of uniform strong regulatory enforcement of entities in the area of vehicles, parts and components. Because of this situation, a number of states and territories within Australia are experiencing high rates of theft and low recovery rates for vehicles. Western Australia for example has experienced an increase in unrecovered vehicles of 48%.<sup>3</sup>

My 6 weeks in Canada and America identified a wide variety of measures used by law enforcement bodies to target the same issues as I experience as an investigator. Although the demographics and political environments of these countries may vary, the overseas law enforcement units demonstrated how they investigated cases similar to what I experience in NSW. It is universal that criminals do not have boundaries and will seek to execute their activities globally.

In terms of suppressing motor vehicle theft, a comprehensive approach is required where all major stakeholders need to identify and collaborate towards a common goal. One agency cannot succeed in this endeavour. There is no 'silver bullet' for this task. If there is no cooperation criminals will continue to operate unhindered with little regard to the potential penalties.

After returning from my Fellowship I am convinced that countering vehicle theft requires serious investigative, preventative and resolute measures. A new response to the problem will benefit consumers, industry, government and build community confidence.

The following are the measures I saw used on my Fellowship tour.

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1 NYPD ACD Auto School literature

2 NSWPF Property Crime Squad Strike Force Burindi 2010/2011

3 NMVTRC July Theft Watch statistics

# **TECHNOLOGY INFORMATION SYSTEMS**

My overseas counterparts can literally track a stolen vehicle and later recover it still intact in a matter of minutes. Police officers can learn the birth and death of a vehicle at the click of a computer mouse. Criminals can be recorded digitally discussing the theft of a car which is later used by investigators to convict them at court. These are just some of the innovative examples of technology and information systems available to American and Canadian law enforcement. Some of these resources are provided by private companies to law enforcement free or at very minimal cost. This is the cooperative environment which I saw existing in America and Canada.

## **LO JACK**



One of the most significant pieces of technology I saw overseas was the Lo Jack system extensively used by American law enforcement. Lo Jack is an electronic vehicle theft recovery system which has operated in the U.S. and over 30 other countries around the world for the past 25 years. A vehicle owner using Lo Jack can literally recover their vehicle within minutes of reporting it stolen to Police. The name Lo Jack is the converse of Hi Jack.

The secret ingredient of Lo Jack is that it is fully integrated with a police computer system for recording stolen vehicles. This feature will lead to the quick recovery of vehicles.

Lo Jack has assisted law enforcement with recovering 300,000 stolen vehicles and \$5 billion in assets. An impressive 90% recovery rate is claimed by Lo Jack. Lo Jack use has led Police to other stolen vehicles, some with disabled GPS devices, and the detection and solution of other unknown crimes.<sup>4</sup>

In Australia we do not have a comparable system which is available and affordable to the public. In the city of Boston, Lo Jack offered significant insurance premium discounts of 35% for consumers upon re-insuring following the theft of their vehicle.

Lo Jack uses a hidden small transceiver attached to a vehicle. The transceiver is usually fitted at either the dealership or at the consumer's home. In some cases Lo Jack is fitted at the end of the assembly line.

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4 Lo Jack Training manual page 4

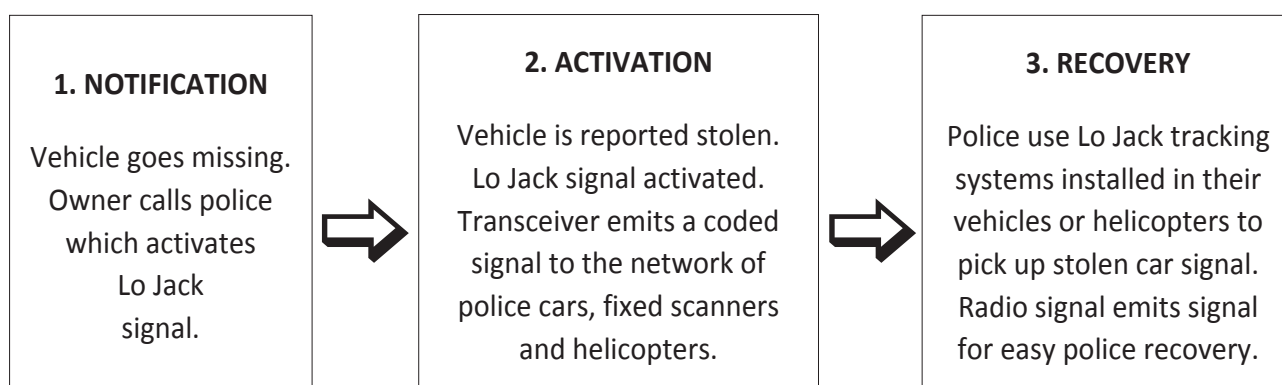
The transceiver cannot be located by thieves as it is fitted in random locations by a technician throughout a vehicle. If the vehicle battery is disconnected the transceiver still functions due to use of a built-in back-up battery. Lo Jack also recently introduced a completely self-contained battery powered device with an estimated life of 7 to 10 years.<sup>5</sup>

Once a vehicle is reported stolen, the Lo Jack transceiver emits a radio signal which can be received within 5 kilometres by police scanners fitted in vehicles and static locations. In Boston and Los Angeles, Lo Jack scanners fitted on police helicopters could increase the coverage by many more kilometres. Locking onto the Lo Jack signal will lead police to the vehicle's exact location for its recovery.

Quick recovery by using Lo Jack minimises the risk of damage to the vehicle, engaging in a potentially dangerous pursuit or being permanently unrecovered. There is no advertising of Lo Jack fitted to a vehicle. There are no exposed antennas or labelled buttons on the dash board. To thieves, they are stealing a normal car.

There is a wide variety of application for Lo Jack. Motorcycles, construction equipment and cargo can all have a Lo Jack device installed. Similar services are offered by Lo Jack to rescue people at risk (primarily those afflicted with Alzheimer's disease or autism) and to recover laptops and remotely destroy their data.

## How Lo Jack works – the formula



## The Benefits

The popularity and affordability of the Lo Jack system is quite apparent. Here are some of the examples:

- A once off fee, no ongoing fees in the U.S. and Canada (this model differs by country). Consumers receive a vehicle theft recovery system for the lifetime of the vehicle. Irrespective of vehicle trade in, the new owner in the U.S., Canada and other countries still enjoys the Lo Jack device attached to their vehicle;

- Device is undetectable;
- A direct partnership with Police;
- Insurance premium discounts (upon reinsuring after vehicle theft);
- If vehicle unrecovered within 24 hours the once-off fee would be fully refunded;
- Strong likelihood that after a vehicle has been recovered, other forms of crime will be detected, for example, drugs, firearms and stolen property. This scenario is typical from my policing experience;
- No need for a dangerous police pursuit if the Lo Jack signal is locked on;
- Radio signal does not drop out like a GPS signal when affected by steel and concrete;
- Lo Jack signal will still emit if the vehicle is hidden behind garages, storage spaces and even shipping containers out at sea;
- Alert system can be customised so that you can have an early warning system option where you are alerted of vehicles movement via email, phone and text;
- No intermediary call centre used to activate Lo Jack signal for Police response. The responsibility lies with the Police agency as the recovery process commences when the police receive a report of a theft from a member of the public.

## Stolen vehicle tracked and located within 15 minutes after theft

I experienced first hand the effectiveness of Lo Jack whilst in Boston. I was collected one morning from my hotel by my host Sergeant Mike Wheaton of the Governor's Auto Theft Strike Force (GATSF), Massachusetts Police Department.

I saw Sergeant Wheaton erecting four antennas on the roof of his Police vehicle. Sergeant Wheaton indicated that he just picked up a signal for a stolen car after crossing the nearby Tobin Bridge.



*Lo Jack scanner installed in Sergeant Wheaton's vehicle*

I saw a small box scanner along the dashboard of Sergeant Wheaton's vehicle. The scanner was

emitting a beeping sound and a series of directions, numbers and direction arrows. We followed the direction of the signal for a period of fifteen minutes. The beeping became stronger as we headed towards the direction of East Boston. It was later confirmed that the stolen vehicle emitting the radio signal was a 1987 maroon Toyota Camry station wagon. We located the vehicle parked and unattended on a street corner of East Boston. Extra GATSF staff were called out to sit off the vehicle in case the suspect/s returned to the vehicle.

When a decision was made to recover the vehicle, a tow truck was called in. However, a GATSF officer dressed as a tow truck assistant rode in the passenger seat of the tow truck. This was to ensure an arrest in case a suspect/s approached the tow truck hooking up the vehicle.

The GATSF has one officer rostered daily to monitor the Lo Jack computer in their Boston office. The three static Lo Jack scanners in the Boston central business district would also be monitored from the GATSF office. All covert vehicles assigned to staff at GATSF have Lo Jack scanners installed. These scanners are all given free of charge by Lo Jack to GATSF.



*Lo Jack scanner attached to Massachusetts State Police helicopter*

The New York City Police Department (NYPD) also extensively utilise the Lo Jack technology. Patrol units on the street equipped with Lo Jack scanners are on constant patrol, ready to intercept and recover Lo Jack protected vehicles.

## **LICENCE PLATE READERS SUCCESSFUL IN IDENTIFYING STOLEN AND WANTED VEHICLES**

Licence plate readers (LPRs) are used extensively throughout the United States to detect stolen vehicles and those wanted for other crimes such as robberies and terrorism measures. I often saw police and private vehicles with cameras and antennas attached to the vehicle body and windows driving through the streets of NYC and Los Angeles.



I saw repossession agents or 'Repo Men' driving through the streets, back alleys and underground car parks of Burbank Los Angeles seeking vehicles for repossession by finance companies. The vehicles registering on their licence plate readers will also be forwarded to a database for police attention. This data base was operated by a private company but heavily discounted for use by law enforcement.



*LPR capturing vehicle licence plate*

In New York City, LPRs are considered one of the success stories in recovering stolen vehicles. LPRs were introduced in 2006 by NYPD Commissioner Raymond Kelly primarily as a counter terrorism measure, along the lines of security cameras erected in London, Great Britain. The NYPD and FBI officers that I spoke to all support the use of these cameras to identify criminals using wanted vehicles.

New York City has 238 LPRs in operation. 130 LPRs are mobile. These mobile units are mounted on the back of police cars which patrol the five Boroughs of NYC. Specialized units such as the Highway Patrol and Counter Terrorism also have access to this technology. The remaining 108 cameras are fixed at static locations at city bridges, tunnels and above main transport hubs.<sup>6</sup>

LPR cameras have not only located and recovered stolen vehicles but have provided information for serious investigations such as homicides and interstate fugitives linked to vehicles.

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<sup>6</sup> New York Times 11/04/11

In 2005, prior to the introduction of LPRs, there were 17,855 reports of stolen cars in NYC. In 2010 vehicle thefts were down to 10,334. Arrests for grand larceny auto, constituting one of the seven major crime categories in the U.S., have increased by 31% from March 2006 to March 2010. The NYPD endorses that LPRs were directly responsible for the recovery of 3,659 stolen cars since the first units were introduced in 2006.<sup>7</sup>

Crucial to LPR-collected data is a coordination centre which collects downloaded information and disseminates information to databases. The centre will continually update databases with fresh information such as vehicles wanted for outstanding crimes, or registration plates of wanted persons.

## Licence Plate Readers in New South Wales

The NSW Police Force is comprised of 77 Local Area Commands. These Commands are spread throughout the state of NSW. On average, there are two police vehicles per Command capable of reading vehicle registration plates.<sup>8</sup> There is only one fixed licence plate reader erected in NSW.

On a daily basis I travel along Sydney's Woodville Road, a main road to reach my workplace at Parramatta. I counted at least six sets of fixed Safety Cameras, Speed Cameras and Red Light cameras from the Lansvale 'Meccano Set' intersection to the intersection of Church Street and the Great Western Highway at Parramatta. None of these cameras were capable of licence plate reading. If the NYC model is used as a benchmark, in theory, a stolen vehicle could be effectively checked travelling north or south along this road for police attention.

Within NSW there are movements to coordinate a domestic and national network of LPR cameras. Data would be centrally coordinated like the New York model. The corporation CrimTrac was approached to investigate the coordination of LPRs in 2009. These are positive steps and will become more significant as NSW vehicle registration labels will be phased out from January 2013.<sup>9</sup>

## DATA BASE TO IDENTIFY PATTERNS

NYPD used computer technology perfected during the 1990's which gave the local Police Commanders to ability to maintain a comprehensive "electronic database" of vehicle thefts and recoveries. The data base included year, make and model information as well theft and recovery locations. The condition of the vehicle upon recovery was also factored. From this database, an "electronic pin-map" can be plotted which will display theft and recovery patterns, which in turn can lead to the identification

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7 New York Times 11/04/11

8 Sunday Telegraph 03/06/12

9 Sunday Telegraph 03/06/12



of illegal 'chop shops'. These tools were made possible by COMPSTAT, the weekly crime strategy conferences which all NYPD Commanders must attend.

## BAR CODE SCANNERS

Used by NYPD officers are the portable hand held Bar Code Scanners. These scanners can easily scan a Vehicle Identification Number (VIN). The system coupled with the appropriate software, enables a police officer in the field to scan a VIN and determine whether a vehicle is stolen or altered in just a few minutes.

## NICB (NATIONAL INSURANCE CRIME BUREAU)



The National Insurance Crime Bureau (NICB) is a non-profit membership organization created by the American insurance industry to target insurance based crimes. The NICB collaborates closely with law enforcement agencies. Because of the nature of the insurance industry, the priority is focused on motor vehicle theft.

The NICB maintains comprehensive records of vehicle VINs and makes them available for law enforcement use. The NICB is the federally mandated keeper of VIN records. Their data base contains the following:

- All confidential VINs and their locations on a vehicle;
- Factory-installed component parts, e.g. engines and transmissions which are numbered;
- The dealership where the vehicle was originally transported to;
- Records of all vehicle accidents, thefts, insurance claims, pay-outs, salvage and export records.

Suppressing insurance fraud goes hand in hand with law enforcement. Hereunder is the material listed in the NICB website describing their relationship with law enforcement:

***Law enforcement/insurance industry contacts and relationships. Membership in the NICB helps develop contacts in law enforcement and with other member companies to assist in coordinating fraud investigations. NICB working group meetings nationwide cover a broad array of investigative, information and training topics. They are frequently the only opportunities for investigative professionals to share information and discuss local fraud topics with law enforcement and their peers at other companies.***



## NICB Insurance Service Office information data base (ISO)



ISO has been established since 1971. The ISO system is used extensively by American and Canadian Police for vehicle identification. The database was operational from 2000. GATSF police in Boston demonstrated to me the features of the system.

Information is received by over 1,000 insurers, vehicle manufacturers and vehicle theft uploads. Through a memorandum of understanding, law enforcement in the U.S. and Canada would see stolen and recovered vehicle information, impounded records and shipping assembly records from vehicle manufacturers. This information is important to establish component information to identify dismantled or re-vinned vehicles, engines, transmission and airbags.

ISO also obtains insurance claim records for damage, theft, fire, business claims and sometimes export records. Overall, an important intelligence source is now available for police. Criminals will provide legitimate information such as phone records and forwarding addresses if they are in line to receive monetary rewards off an insurance organisation for a claim.

Once an affiliated insurer identifies a questionable claim, it is flagged on the system so that other companies and law enforcement will be alerted. A caveat appears on the home screen for ISO applicable for law enforcement users. It states:

***For Law Enforcements Users only – I am a law enforcement official whose authorised access is for the purpose of investigating vehicle theft and insurance related crime or for developing background information on individuals who have been identified as persons of interest with regard to homeland security activity. I affirm that my inquiry is for that purpose.***

The ISO system is used for claim reporting and investigations. It is never used for the purpose of underwriting or to set premiums. Underwriters and insurance agents will not have access to this system. There are levels of access so that certain groups have limited access. Law enforcement are not bound by a strict audit trail.

## Comprehensive vehicle information relevance to Australia

An ISO styled system operating in Australia will literally give interested parties the full history, particulars, characteristics and special features of a vehicle. Sergeant Wheaton of the GATSF demonstrated a situation where only partial registration and VIN details were available. This partial

information was loaded into the ISO system and a whole range of possible matches were produced. It is an immense tool for police to utilise in their investigations.

Secondary or covert VINs for vehicles are available on the ISO system. Access to the covert VINs location on a vehicle is essential for law enforcement to ascertain the true identity of a vehicle. If the covert VIN differs from the VIN attached to the main body of the vehicle, then it is likely a rebirthed vehicle is on hand.

## The need for a comparable database in NSW.

There is no database for NSW Police where covert VINs can be easily accessed. NSW Police vehicle examiners acquire VIN information through work experience, industry contacts and networks developed. As an investigator I do not have any formal channels to identify a covert VIN during my investigations. The ISO system easily identifies the location of the covert VIN for vehicle identification enquiries.

Compared to the U.S., Australia does not have the same amount of insurance companies. A handful of Australian insurance companies would, in theory, find it easy to coordinate their data bases of insured motor vehicles. This is an area which requires urgent discussion amongst parties domestically. There is a common goal and the major stakeholders in Australia should be working towards a high level of cooperation.

From 30th January 2012, the Australian government introduced a condensed register for consumers titled the **Personal Properties Security Register (PPSR)** which incorporates the previous REVs and vCheck® registers (**see annexure**).

This is progress in the right direction, but as a specialist vehicle theft investigator I do not have ready access to this database. The information available on this PPSR still does not include the covert VIN location for law enforcement purposes.

## CARFAX – VEHICLE HISTORY REPORTS



Minnesota State Troopers referred me this commercial web-based service which provides vehicle history reports to individuals and businesses on used cars and light trucks for American and Canadian markets. Carfax.com is also available for use by law enforcement bodies.

Originally developed by entrepreneurs as a means to target odometer fraud (wind backs), the data base has developed since 1986 to the dealer market. By 1996 Carfax.com was rolled out to consumers in terms of vehicle history reports similar to that on offer to businesses.

Four free checks are offered to consumers, these being: Lemon Check, Record Check, Recall Check and Problem Car.<sup>10</sup>

The signature product offered by the company is their vehicle history report. Consumers can access this in single units or as a block covering a range of vehicles over a period of time. As mentioned, only recently in NSW can a consumer access vehicle history information via the PPSR website (ppsr.gov.au).

Carfax has access to eight billion records from more than 34,000 sources, including motor vehicle departments for all 50 U.S. states and all 10 Canadian provinces. Such information sources include U.S. state title and registration records, auto and salvage auctions, rental and fleet vehicle companies, insurance companies, police and fire departments, service and repair facilities, to name a few.

Minnesota State Troopers and GATSF officers extensively used this database as another intelligence tool for ascertaining vehicle history and the person/s in custody of it. As a private company the police were required to pay for this service, however it was heavily discounted for law enforcement use.

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10 Carfax.com website

# **BAIT CARS AN EFFECTIVE TOOL TO SUPPRESS VEHICLE THEFT**

All the cities I visited during my Fellowship tour employed bait cars as a strategy to target vehicle theft. The level of sophistication however varied. Nevertheless, all units I observed endorsed that bait cars were effective in deterring vehicle theft. The costs to manage a bait car program were offset by alternative sources for funding.

The concept of the bait car has the potential of changing the complexion of deterring vehicle theft. In particular, the astute publicity and marketing campaign of bait cars will virtually impose an almost 'psychological warfare' upon would-be vehicle thieves.

I will focus on three units which extensively utilise bait cars in apprehending vehicle thieves: (1) Vancouver's Integrated Municipal Provincial Auto Crime Team (IMPACT); (2) CID (Criminal Investigation Division) /Auto Theft Division of the Minneapolis Police Department; and (3) The Task Force for Regional Auto Theft Prevention (TRAP) for the Los Angeles Sheriff's Department. These units all displayed innovation in the application of their bait car programs.

## **Bait car technology**

A bait car is a police vehicle that is intended to be stolen. Following theft, the vehicle's speed, location and direction can be monitored remotely by operators (dispatchers) at the police communications centre. Suspects within vehicles are sometimes locked by remote central locking to prevent escape prior to an arrest.



*Live streaming footage of suspect inside a IMPACT bait car*

# 1. IMPACT – INTEGRATED MUNICIPAL PROVINCIAL AUTO CRIME TEAM (VANCOUVER)

In Vancouver it is the E-Comm radio control room monitoring the bait car via GPS tracking. The dispatcher will coordinate a suitable police response and will generally disable a stolen bait car once police units are positioned behind the vehicle. The vehicle is disabled by a simple mouse click from a terminal and police units will execute a standard arrest.

I will not elaborate on all the detailed technical features of a bait car at this point. I found that the different bait car units all customised their bait cars according to various factors. However, the bait car technology requires an operating system for the hardware and software.

Options for operating systems are:

- GPS – Global Positioning System (satellite),
- Radio based on a specific dedicated radio frequency
- WiFi

IMPACT uses a GPS system. The running system is provided by BSM Wireless Canada. All IMPACT bait cars are fitted by a local contractor who has passed stringent probity checks.



*Bait car hardware fitted inside reinforced box of a utility.*

## Deployment Tactics

Once a car has been deployed to a location, it is activated and now 'live'. Digital monitoring occurs once a bait vehicle is breached by the opening of a car door, bonnet, boot, window etc. Pin-hole cameras can be mounted in dash, vehicle pillars or side mirrors to capture images and movement. Bait cars are not locked by IMPACT as it becomes expensive replacing smashed window glass or door locks. Keys can be left within interior of the vehicle, in the ignition or whatever scenario is required.

As the recording inside the vehicle is in a digital format, it avoids the need for cumbersome VHS tapes. A recording of the relevant footage for later evidentiary purposes is contained within a memory stick from within the recording hard drive. This memory stick will be handled by an IMPACT officer who is called out to the field when an arrest is made. The IMPACT officer will hand the stick to the actual case officer to ensure continuity of the police exhibit later for court purposes. The IMPACT officer will endorse a pre-formatted document titled 'Solemn Declaration' to ensure this takes place and hand this to the case officer in the field.

When the bait car has assisted in the arrest, the vehicle is returned for servicing and recharging at IMPACT or a police facility before its next deployment.

As a general rule, police units responding to a bait car activation are to stay away from a location if the vehicle has not moved. The exception is when the boot has been activated which indicates that there could be a breach of the recording device contained inside.

It is essential to attract the attention of the thief. Do not make the items or 'props' inside the vehicle the main centre of attention. It is the car which must be stolen. Plant certain items to attract interest such as lap tops, mobile phones or gym bags. Use 'occy straps' to tie down items to delay the criminal, as there is a time lag for activation of the live feed.

## **2. MINNEAPOLIS' BAIT CAR PROGRAM**

Minneapolis, Minnesota, with a population of 383,000, was the second city of my Fellowship tour which extensively used bait cars. The bait car program is a part of the CID (Criminal Investigation Division)/ Auto Theft Division of the Minneapolis Police Department. The operation is run solely by Officer Wayne Johnson. Officer Johnson has worked on the bait car program for fourteen years.

Officer Johnson fits out the bait car, undertakes vehicle maintenance, deployment coordination and follow-up action for any arrests made from bait cars.

The bait car program has been running successfully since 1997. The pilot program started in November 1997 and ran for six months. Selection of the bait vehicles was made from a list on Minneapolis' top 10 most commonly stolen vehicles. The first bait vehicle was deployed in December 1997 and a 1991 Ford Explorer was used. At that time, each vehicle was equipped with a GPS box, silent alarm system hooked into the doors and ignition, and each was fitted with a hidden "pin-hole" camera. The formula for deploying bait cars is still the same today.

At the end of the six month pilot program, fourth precinct had seen a reduction in auto theft by 37% overall and the bait vehicle fleet was immediately increased to three.

The Minneapolis Police Department's Motor Vehicle Theft Program has now expanded to over a dozen vehicles, including a motorcycle. Along with the expansion of the fleet, the program has expanded its use of the vehicles to include "Running Stings" where a vehicle is left running with undercover officers buying illicit substances or items from a bait car. Compelling evidence is obtained through the audio/video equipment.

Officer Johnson briefed me on a variety of areas to successfully operate a bait car program. I have summarised his material.

## Bait car Deployment

The bait vehicles are deployed by undercover officers (police interns) in high theft areas. These areas were determined using weekly crime statistics created by the Minneapolis Police Department's intelligence unit. A regular cycle was created, deploying the bait vehicles on Thursday mornings and bringing them off the street on Tuesday mornings. The down time allowed for proper charging of the power source and placing the vehicles on the streets during the weekends where most auto theft activity was observed.

Dispatch would update uniformed squads in the neighbourhood as to the vehicle's location and direction of movement. The vehicle would be disabled by dispatch or by Officer Johnson if he was performing duties in the field while assisting another police precinct or unit.

I have selected a sample of Minneapolis' successful strategies. The measures are incredibly simple but will be essential for a successful bait car operation.

## Make the car look like 'Joe Citizen's'

*THE CONTENT OF THIS SECTION IS RESTRICTED FOR LAW ENFORCEMENT PURPOSES.*

*PLEASE REFER ANY ENQUIRIES TO CHURCHILL TRUST.*



### 3. TRAP – TASK FORCE FOR REGIONAL AUTO THEFT PREVENTION (LOS ANGELES COUNTY)

TRAP'S bait car program has been operating for nearly a decade. TRAP was approached during the mid-to-late 2000s with a request to have their operations filmed by the television production company Trutv. Television interest in TRAP bait car financed a variety of resources. Two fully operational bait cars were provided by the television production company. To ensure that TRAP could maintain their normal level of service outside the bait car operations, the production company paid for overtime. Resources provided by the production company are now the property of TRAP with a no-strings-attached arrangement.

The current TRAP bait car unit utilises a radio frequency set-up where police must be at least 150 metres from the bait car to shut down the engine, door locks and recording equipment. The TRAP bait car differs from the Vancouver and Minneapolis models by officers physically surveilling the bait car. TRAP officers will shut down the vehicle at an appropriate time to make an arrest.



*Remote hand held units to immobilise a TRAP bait car. TRAP bait car with fake boom box to house recording equipment.*



*Spare tyre well to house wiring and equipment for bait car*



## Bait car Funding

The funding for bait car units could not be possible without alternate sources. All programs in Los Angeles, Minneapolis and Vancouver used levies imposed on either vehicle registrations, vehicle insurance or government grants.

Minneapolis' bait car program uses a state grant from the Minnesota Auto Theft Prevention Board. Each year, a proposal is sent to a state-appointed board for review of the previous year's statistics, and determination of next year's budget. This funding has been designated for auto theft prevention. The grant is derived from insured vehicles and not registrations. 50 cents every 6 months is obtained which equates to a dollar a year for every vehicle insured in the state of Minnesota.

The funding pays for Officer Johnson's salary, equipment, rent, overtime, maintenance on the vehicles but no vehicles can be purchased with grant money.

Vehicles can be donated from an insurance company, a private citizen, leased, or obtained from the city in a variety of ways. Seizures and forfeitures as well as vehicles set for auction should be made available as possible additions to the bait vehicle fleet.

\$1.00 dollar from every vehicle registered in Los Angeles County is collected by the Department of Motor Vehicles (DMV). These funds are then channelled to the DMV's special accounting office to fund TRAP. Approximately \$7,500,000.00 dollars annually goes towards TRAP funding. This funding, supplemented by Trutv production company, is used for operating costs, salaries, and overtime for all law enforcement personnel. Participating personnel are drawn from the Los Angeles County Sheriff's Department, Los Angeles Police Department, California Highway Patrol and local Police Departments.

IMPACT's bait car program is funded through the following channels:

- Ministry of the Solicitor-General, Police Services Division. The initial start up costs provided by the Ministry were approximately \$600,000 which covered the purchase of bait car vehicles and equipment;
- The Insurance Council of British Columbia (ICBC), in collaboration with private sponsors, support the program through advertising, funding and recovered stolen vehicles. In 2004 the advertising budget was \$400K. The advertising for bait car is so well known that the campaign has received numerous awards.

## Significance of alternate funding for NSW Police

A similar situation in Australia would be to levy against Compulsory Third Party (CTP) Insurance. In NSW there are over 2 million registered private vehicles. A small dollar levy against CTPs would equal over 2 million dollars allocated specifically for vehicle theft investigation.<sup>11</sup> An amount such as this could offset overtime, rent, equipment and attract staff to work in such a unit.

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11 NSW Roads and Maritime Service statistics 2012

# MEDIA AND MARKETING – THE PSYCHOLOGICAL WARFARE AGAINST VEHICLE THEFT

THE CONTENT OF THIS SECTION IS RESTRICTED FOR LAW ENFORCEMENT PURPOSES.

PLEASE REFER ANY ENQUIRIES TO CHURCHILL TRUST.

## THE ANNUAL MEDIA EVENT



IMPACT's 2010 annual media event

## PRO ACTIVE MEASURES

### 1. The Stickers



### 2. The Advertising



### 3. The Website – baitcar.com



### 4. The Posters



### 5. The Slogans



Various other slogans used in campaigns have been:

- Car thieves Aren't That Smart
- No Place To Run, No Place To Hide
- We have The Technology
- We are Intelligence-led

## THE METHODOLOGY (MINNEAPOLIS)

The Minneapolis Police Department saw a collaboration amongst a variety of media outlets to deter motor vehicle theft.

A media campaign was developed amongst advertising agencies, high schools, technical colleges and television stations. The purpose was to assist in educating the public on what was being conducted in their area and how to assist in preventing motor vehicle crime. Resembling IMPACT's use of free advertising, news articles and television documentaries were produced. Donated and subsidised bus shelter advertising was provided by advertising agencies. Artwork for promotional material was prepared by technical college students. The cost for this artwork was only \$300 as this was offered as a first prize to the student presenting the best example. If the media is fed information by police you will get the necessary attention.



*Bait vehicle advertisements used by Minneapolis Police Department*

## SUMMARY

My initial thoughts that bait car would be my primary focus of this Fellowship were dispelled. I saw a barrage of options in technology and information systems which were used by Canadian and American Police Departments. Some were quite sophisticated whilst others were cost neutral. However, the overriding effect was geared towards suppressing motor vehicle theft. Many examples of technology and information systems were privately developed but offered to law enforcement free of charge.

Irrespective of the differences in political landscape between Australia, America and Canada, we share the same problems in respect to vehicle theft. If we juxtapose the Lo Jack technology to our current situation, in Australia we are twenty five years behind America in an option to recover stolen vehicles!

The statistics for bait cars speak for themselves. There exists technology in Australia to record a thief

stealing a vehicle. However, to achieve a 100% success rate at court in America and Canada is through other factors such as media and marketing.

During 1997 there were 5,827 vehicles stolen in Minneapolis. By the end of 2011, 1,775 vehicles were stolen. After fourteen years vehicle theft was down by 69.5%. The use of bait cars is directly attributed to achieving these significant reductions.<sup>12</sup>

Vancouver's IMPACT has enjoyed incredible results since the introduction of bait cars. IMPACT has a 100% conviction rate at court as the recorded evidence against suspects is irrefutable.

A public awareness survey conducted by IMPACT in June 2008 produced some significant findings:

- 1,000 random homes in British Columbia surveyed
- 60% surveyed were aware of IMPACT
- 86% were aware of the Bait Car program
- 79% knew of the slogan 'Steal a Bait Car – Go to Jail'<sup>13</sup>

The ICBC conducted research and discovered that media & marketing campaigns can significantly increase the impact of enforcement strategies. Research shows that about **50% of auto theft reduction** can be attributed to enforcement and **50% to media & marketing strategies**.<sup>14</sup>

The IMPACT team are given a charter to 'think out of the square' and explore new ways of achieving their objectives. All their measures are within legal parameters. The manner in which IMPACT execute their duties is inspiring and demonstrates how policing can be done at a smarter level.

On a final note, the name 'bait car' has been copyrighted by RCMP IMPACT. Bait car can be freely used by any law enforcement body worldwide upon a request to IMPACT. Bait car is there to be used. We should take this opportunity to use it.

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12 CID/Auto Theft Division statistics

13 RCMP IMPACT statistics

14 ICBC statistics contained in IMPACT statistics



## **DEDICATED UNITS TARGETING VEHICLE THEFT**

It would be naïve to say that one police body can be effective in suppressing motor vehicle theft. I saw the effectiveness of specialist vehicle theft investigation units and multi agency task forces in targeting vehicle theft.

With a population of over 8 million, spread over five Boroughs, New York City (NYC) was the most populous city during my Fellowship tour. The city was the ideal base to observe the famous New York City Police Department (NYPD) and the manner in which they approached the investigation of vehicle crime.

The New York City Police Department (NYPD) operates the largest municipal Police Department in the United States. The annual budget of the NYPD is 3.9 billion dollars to cover a population of over 8 million people over 1,214 sq km.<sup>15</sup>

The NYPD's Auto Crime Division (ACD) was my host agency in New York City. I specifically wanted to observe the operations of a major crime unit similar to my current posting which targets major vehicle related crime.

### **NYPD AUTO CRIME DIVISION (ACD)**



The Auto Crime Division (ACD) has approximately 80 Detectives working from offices in the Boroughs of Queens and the Bronx. Commanding officer is Inspector Joseph Kenny. The ACD uses forms of bait cars but not on the same sophisticated scale as Vancouver or Minneapolis. These vehicles are provided to ACD Detectives by the prosecuting authority, the Bronx District Attorney's Office, a situation I would find unusual in an Australian context.

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15 NYPD Office of Management and Planning

## **AGGRESSIVE INVESTIGATION, PROSECUTION AND SENTENCING OF OFFENDERS.**

District Attorney Offices within the five Boroughs work in tandem with police. Sentences attracting imprisonment are pushed. The Queens District Attorney Mr Richard Brown believes the model of pushing for a felony sentence (above one year) is effective as a crime deterrent. Queens Borough has enjoyed a 70% reduction in vehicle theft over the past eight years.<sup>16</sup>

## **ENFORCING BUSINESS COMPLIANCE OF THE SCRAP METAL INDUSTRY**

One example of policing that I saw in NYC which has particular relevance to NSW was the focus on scrap metal junk yards throughout New York City. The five Boroughs of New York are characterised by a large network of highways and bridges which are conducive towards transporting stolen vehicles. Concentrations of scrap or junk yards are ideal for vehicle stripping.

The ACD have used successful 'bait junk vehicles' in operations. Bait junk was 'abandoned' by the ACD and later collected by rogue tow truck drivers. These tow truck drivers delivered the junk to the scrap metal yards. Junk vehicles are usually donated by insurance companies.

The scrap metal industry in New York is heavily legislated to ensure industry members comply. A scrap yard requires a licence to trade as a scrap metal and second hand dealer. If a scrap yard is not displaying the appropriate licences or signage, the proprietor is subject to a felony arrest.

The NYPD have the powers to inspect stock and demand that particulars are recorded and supplied at a scrap yard. Strict record-keeping must be adhered to otherwise staff will be liable to a felony arrest. NYPD have access to a computer data base recording the movement of items at licensed scrap metal yards.

In comparison, NSW Police do not possess any on-line system to verify parts and items held at a scrap yard. This stems from police having no legislative authority at scrap yards due to the exemption granted to scrap metal yards under the Motor Dealers (Exemptions) Order 1986.

## **INVESTIGATE AND PROSECUTE SCRAP YARDS FOR ENVIRONMENTAL OFFENCES**

The Willets Point area of Queens Borough, to the east of Shea Stadium, is referred to as the 'iron triangle' due to the concentration of scrap and auto dismantling yards. I personally toured Willets Point with ACD officers. In my opinion, it ranks as one of the most unpleasant environments I have

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16 Queens Borough District Attorney's Office website.

experienced. There was literally a 'doorman' to dismantling shops coming to your vehicle window asking what parts you required. The streets were unsealed with debris strewn everywhere and packs of dogs roamed the streets.



*The Iron Triangle – Willets Point Queens New York.*

As an alternative to the criminal investigation of scrap metal yards, I received a briefing by Detective Joseph Wedge of the ACD on a major year-long operation that he conducted. The objective was to close down scrap yards at Willets Point for major environmental breaches. Detective Wedge heavily utilised the expertise of staff from the State Department of Environmental Conservation. The investigation is an excellent model for NSW jurisdictions to examine for dismantling operations suspected of contaminating the environment. Non-compliant licensed dismantlers would fall under this category.

During scrap yard operations, Environmental Conservation officers would be attending along with ACD Detectives. These officers donned coloured overalls and wore breathing masks, taking soil samples for analysis. According to Detective Wedge, seeing these officers dressed in 'space suits' intimidated the scrap yard operators as they rarely saw such inspections.

Analysis of soil and other substances resulted in business owners and employees later charged with breaking state environmental laws. Motor oil, antifreeze, transmission fluid and other materials were dumped into storm drains and into Flushing Bay as scrap operators cut radiator hoses, removed engines, transmissions, air conditioners and other parts whilst dismantling cars to be recycled. Literally thousands of litres of waste fluids were illegally dumped. Under the Environmental Conservation Law, antifreeze, motor oil and transmission fluid are hazardous substances that must be recycled and disposed of at an approved facility.



## **COURTS IMPOSING HEAVY PENALTIES**

Court orders called for an immediate halt to dumping waste into the ground and an adjoining bay. Assets confiscation orders were instituted, which saw confiscation of the proceeds and equipment used in the offences. The New York Attorney-General also requested the court to order the offending businesses to pay for the short and long term clean-up of the sites.

Taking into account the quantity of fluids released, over 40 individuals were charged with offences such as the felony of Endangering Public Health, Safety or the Environment, carrying a sentence of up to four years in prison and fines of up to \$100,000.<sup>17</sup>

The New York Attorney-General's Department viewed these offences so seriously as they constitute long term economic ramifications to pollution of this kind. Any potential property developer will need to expend enormous clean-up costs to return any site to a viable state.

## **RELEVANCE TO NSW**

It is widely acknowledged in NSW Police circles that the scrap metal industry is a major source of receiving stolen metals in the form of vehicles and valuable precious metals. There is widespread theft of copper wiring from electricity sub-stations, building sites, government infrastructure projects and abandoned broken down vehicles. A thriving black market exists and there is an urgent need for regulation of this industry in NSW. This is compounded by the current situation where precious metals are attracting greater prices than years gone by.

The hazards mentioned at scrap and dismantling facilities in Willets Point are identical to what I personally experienced whilst supervising Strike Force Nelme in 2010. Nelme investigated the movement of suspected stolen vehicle parts from dismantlers, vehicle repairers and dealerships in the Sydney metropolitan area.

On countless occasions whilst undertaking business inspections at licensed dismantlers, repairers and occasionally enquiries at scrap yards, vehicle fluids seeping from dismantled vehicles were left on the workshop floor, in outside drains and sometimes nature reserves. I was unaware exactly what types of vehicle fluids I was stepping through. On one occasion Fairfield City Council Rangers actually fined a Smithfield parts dismantler several thousand dollars for polluting an adjoining reserve. I am confident that greater scrutiny by government authorities at dismantlers, smash repairers and ultimately scrap metal yards would leave a positive legacy until legislative reform is achieved across the industry.

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17 ACD business report 2012

In the ACD office I saw a graph displayed on a wall. The graph depicted the New York City auto theft rate from 1982 – 2011. The striking feature was the dramatic drop from a high of almost 147,000 in 1990 to just over 9,000 in 2010!



*New York City Auto Thefts 1982 – 2011*

I was astounded with these results and asked Detectives Michael O'Rourke and Tom Burke of the ACD what contributed towards this reduction in vehicle thefts? Both officers spoke and provided for me information where aggressive policing, prosecution, effective legislation and dedicated funded auto theft investigation units were used against the organised level of criminality.

From the 1960s through to the 1990s, NYC has experienced different phases in vehicle theft. From joyriders and drug addicts, to Mafia involvement, NYC vehicle theft rates have flowed up and down.

The start of the 1990s brought the all-time high in NYC for reported stolen vehicles at 146,925. The crack scourge saw a large drug addict population that stole vehicles for tyres, wheels, hubcaps, radios, computers and other items that could be quickly sold on the street for ready cash to satisfy their drug addiction.

In 1991, auto thefts began to decline as the NYPD's priorities began to shift back to aggressive enforcement of the law.

New strategies were implemented during the 1990s to target auto crime problems. Strategies included increasing staffing in both the City Wide Organized Crime Control Bureau, ACD and Patrol Borough Auto Larceny Units. The increase was to supply sufficient manpower to conduct long-term undercover operations, electronic, physical surveillance and assist patrol officers in their enforcement duties.

The ACD targeted known organized crime families involved in auto theft and arrested members of the Gambino Crime Family. Additional undercover operations also resulted in arrests for insurance fraud.

An export investigation focused on a group of West African nationals who were exporting stolen cars from New York City to the Ivory Coast and Ghana.

Amongst Police circles here in Sydney, there are well known 'families' suspected of major involvement in vehicle rebirthing and the trading of stolen parts.

## **TARGET ACTIVITY FROM ALL ANGLES**

Resembling the Willets Point experience, Patrol Borough Auto Larceny Units were used to conduct operations such as "Get Legit or Quit" (GLQ) and "Multi-Agency Response to Community Hotspots" (MARCH). The "Get Legit or Quit" program focused on legitimising unlicensed auto repair and auto smash repairers in NYC.

Issuing summonses or arrests were effective in reducing the number of unlicensed repair shops which have a greater frequency of using stolen parts in repairs. The MARCH program targeted vehicle repair shops, salvage scrap yards or any auto-related business that is causing conditions that negatively impact on the residents of a community.

Officers attached to the Department of Motor Vehicles, Consumer Affairs, Buildings Department, Department of Environmental Protection, Fire Department, Sanitation would be utilised. The police would target locations and enforce all applicable laws. This team effort is a key component of "MARCH", as multiple summonses issued simultaneously by several agencies strengthened the program.



*With NYPD Commissioner Raymond Kelly at One Police Plaza Manhattan*

## MULTI AGENCY TASK FORCES – THE ‘ONE STOP SHOP’

I received a briefing by officers assigned to the Cargo Enforcement Team of U.S. Customs and Border Protection (CBP) in Newark New Jersey. This unit is one of the largest agencies under the Border Enforcement Security Task Force (BEST) of the Department of Homeland Security.



*Units comprising BEST*

Originally set up to respond to violent cross-border crime by Mexican drug cartels and smuggling, BEST partners with federal, state, municipal and foreign counterparts. The objective of this multi-agency task force is to identify and dismantle criminal organisations. With this structure, significant sharing of intelligence and cooperation between personnel from different agencies is created.

## SEIZURE OF EXPORTED VEHICLES AND PARTS AT MINIMAL COSTS

Newark CBP briefed me in relation to the systems in place for the interception of suspected stolen exported vehicles and parts. The Newark example has direct relevance to Australia.



*Lexus vehicle bound for export to Russia detained by U.S. Customs*

## SHIPPING CARRIER HAS RESPONSIBILITY OVER COSTS

Stolen vehicles and parts from the United States are traditionally exported to China, West Africa and Eastern Europe. In response to this illegal trade, CBP enforce a system where all costs to retrieve and inspect containers are the responsibility of the shipping carrier. This was legislated federally about fifteen years ago.



*Customs officers searching a vehicle for export*

If CBP identifies a container they suspect has stolen vehicles and parts for export, the following occurs:

- Carrier will be notified by CBP to retrieve the container/s in question off a vessel;
- Carrier will deliver the container/s to a designated Customs Inspection Site (CIS). This site is subject to customs control but fully maintained by the carrier;
- Carrier will hire labour, to unpack containers for official Customs inspection. Labour must pass criminal background checks before employment;
- All extracted items are laid out by hired labour for official customs inspection. Items unpacked will be stored inside this facility until deemed not required. Eventually, items are repacked into the container by the hired carrier labour for return to a vessel;
- Identified stolen vehicles or parts will be allocated to the most appropriate agency amongst BEST personnel for follow-up action. For example, a vehicle originally reported stolen from Brooklyn New York which is recovered in a container bound for export will be investigated by the NYPD officer seconded to BEST;
- If a container is identified but en-route aboard a vessel at sea, U.S. Customs will order the carrier to ensure that the container will not be off-loaded at its port of destination. The container will remain on the vessel until it eventually returns to the original port. Carrier is subject to substantial penalties if this is not adhered to or the container is breached;
- By the nature of the procedures in place, it is incumbent on the shipping carrier to expedite this procedure.

## RELEVANCE FOR AUSTRALIAN LAW ENFORCEMENT

Law enforcement response to seize cargo in the U.S. is streamlined and coordinated. There are no demarcation issues when follow-up enquiries are required.

Cross-border issues were illustrated by Strike Force Burindi 2010. Officers of the Motor Unit NSW Police Force were alerted that a container of suspected stolen vehicles parts were on board a container vessel bound for the Middle East. The vessel had already left Port Botany and would be transiting at Port Melbourne. Officers travelled to Melbourne to intercept the suspect container and execute an extra territorial search warrant upon the Australian Customs & Border Protection Service (ACBP) to gain access to the container.

The ACBP arranged for the removal of the container in question from the vessel to a Customs search facility. Customs officers removed the contents of the containers, comprised of dismantled vehicle panels and parts, for NSW Police Motor Unit officers to conduct an inspection. The majority of these items were confirmed as stolen from the Sydney area. ACBP later provided for transportation of seized property back to Sydney.

Without the assistance of the ACBP, NSW Police would face significant logistical and cost issues in relation to:

- Storage facility for seized parts;
- Staff to assist in unloading and re-loading operation;
- Transportation costs of exhibits back to Sydney via road freight;
- Costs associated with retrieving a container from a vessel;

If a BEST model operated nationally here in Australia, I would presume streamlining of procedures would take place:

- There would be no cost or storage issues. Carrier bears costs;
- Manpower would not be wasted unloading and reloading a container jammed with vehicle parts. Carrier hires the labour;
- No requirement for a search warrant as the container would be subject to customs control. Seconded staff hold the dual authority of a Customs Officer and their normal Police Department if follow-up action is required.



## TASK FORCE FOR REGIONAL AUTO THEFT PREVENTION (TRAP)



The Task Force for Regional Auto Theft Prevention (TRAP) again reinforces the successful multi-agency formula preferred by American law enforcement. Comprised of thirty three officers and commanded by Captain Anthony Ward of the Los Angeles County Sheriff's Department (LASD), TRAP is Los Angeles County's regional, multi-agency task force that investigates, prosecutes and deters vehicle theft and vehicle fraud on a coordinated and cooperative basis. My host was Sergeant Tim Glover, a veteran of the LASD for thirty four years.



*Break-up of TRAP investigation teams*

TRAP is divided into regional teams of investigators. The District Attorney's Office also provides two full-time prosecutors assigned for TRAP.

TRAP has been highly successful in deterring vehicle theft and vehicle fraud by focusing on:

- Organized rings;
- "Chop shop" operators who strip parts off stolen vehicles;
- International auto theft rings that steal vehicles and ship them to other countries;
- "Scam artists" who obtain vehicles by fraud.

Hereunder are examples of TRAP'S achievements for 2011 & 2012 to date:

<b>YEAR 2011</b>	JAN–MAR	APR–JUNE	JULY–SEPT	OCT–DEC	<b>TOTAL</b>
ARRESTS	80	110	103	65	358
WARRANTS SERVED	11	15	4	18	48
INSPECTIONS (2805)	62	54	67	41	224
VEHICLE RECOVERIES	147	142	111	91	491
VALUE OF RECOVERIES	\$2,571,450	\$2, 573,002	\$2, 640,413	\$2, 548.841	\$10, 333,706

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<b>YEAR 2012</b>	JAN–MAR	APR–JUNE	JULY–SEPT	OCT–DEC	<b>TOTAL</b>
ARRESTS	79				79
WARRANTS SERVED	14				14
INSPECTIONS (2805)	83				83
VEHICLE RECOVERIES	101				101
VALUE OF RECOVERIES	\$2,811,826				\$2, 811,826

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## **LOS ANGELES POLICE DEPARTMENT – BADCATS**

BADCATS is the quirky acronym for the Burglary Auto Theft Detail Commercial Auto Theft Squad, one of the six sections of the Commercial Crimes Division of the Los Angeles Police Department (LAPD). Logistical, technical and investigative responsibility is undertaken by this unit. BADCATS are involved in partnerships with local and national law enforcement agencies and professional organisations. The unit is commanded by Lieutenant II John Del Vecchio.

BADCATS' core duties resemble my current duties at the Property Crime Squad Motor Unit, targeting such things as organised auto theft groups, 'chop shops', receivers of stolen vehicle parts such as dismantlers, and undertaking complex investigations which cross city, state and national boundaries.

BADCATS also showed me the application of specific legislation to investigate scrap metal yards.

## **SUMMARY**

American and Canadian law enforcement have used the model of a dedicated investigation unit for many years. They have proved successful as their core business is purely motor vehicle related theft and fraud. Because of this structure, there is available staff with expert knowledge of motor vehicle related issues. The dedicated funding allows the unit to pursue broad and major types of investigations.

Divisional and precinct detectives in Los Angeles and NYC do not have the time, expertise and resources to pursue investigations focusing at the higher end of the scale. With specialist units and multi-agency task forces, all contingencies are covered under a single umbrella. These units in turn can assist the non-specialist police in enquiries which are beyond their expertise.

These specialist units naturally develop industry contacts through many years of experience. It was not unusual to see many officers on my tour with up to fifteen years working in a major auto theft unit.

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18 TRAP statistics 2011

19 TRAP statistics first quarter 2012



# **FUNDING FOR SPECIALIST MOTOR VEHICLE THEFT UNITS**

Specialist units I observed could not function drawing funding purely from a normal police budget. The nature of the work is protracted, major and requires a variety of resources to achieve their objectives. The following are models which assist in the financing of the units that I have mentioned so far.

**TRAP** – Through a state enactment, TRAP was created in 1993 whereby every county is permitted to levy a one dollar fee on each car registered in that county to support an auto investigation unit. \$1.00 from every vehicle registered in Los Angeles County is collected by the Department of Motor Vehicles (DMV). These funds are then channelled to the DMV's special accounting office to fund TRAP. Approximately \$7,500,000.00 dollars annually goes towards TRAP funding. This funding is used for operating costs, salaries, and overtime for all law enforcement personnel.

**NYPD / ACD** – Following along the lines of Vancouver and Minneapolis, New York State Grants were obtained to assist in the funding of long term cases, specialized equipment and special targeted operations. The funds were obtained from the New York State Motor Vehicle Law Enforcement Fee which collects \$5 from every vehicle registered in the state to assist vehicle theft law enforcement.

**MINNEAPOLIS / CID AUTO THEFT** – Minneapolis' bait car program uses a state grant from the Minnesota Auto Theft Prevention Board. Each year, a proposal is sent to a state-appointed board for review of previous year's statistics, and determination of next year's budget. This funding has been designated for auto theft prevention. As mentioned, the grant is derived from insured vehicles and not registrations. 50 cents every 6 months is obtained which equates to a dollar a year for every vehicle insured in the state of Minnesota. A situation similar in Australia would be a levy against Compulsory Third Party Insurance (CTP).

**IMPACT** – Funding for the bait car program is through the following channels:

1. Ministry of the Solicitor-General, Police Services Division. The initial start-up costs provided by the Ministry were approximately \$600K which covered the purchase of bait car vehicles and equipment.
2. The Insurance Council of British Columbia (ICBC), in collaboration with private sponsors, support the program through advertising, funding and recovered stolen vehicles. In 2004 the advertising budget was \$400K. The advertising for bait car is so well known that the campaign has received numerous awards.

## **SUMMARY**

American and Canadian funding attempts to free police budgets. Like any large bureaucracy, there are competing priorities for a limited budget. Alternate funding models allows a dedicated investigation unit the ability to operate reasonably effectively.

## CALIFORNIAN LEGISLATION – POWERFUL & EFFECTIVE

Los Angeles, California provided excellent examples of legislation which assisted enabled law enforcement to perform their duties. In comparison, NSW Police are either restricted in their coverage and authority or simply do not have any authority in certain areas.

I will now focus on some pieces of legislation from California which has direct relevance to my work in NSW.



*Lifting a secondary VIN from chassis rail of an impounded vehicle*

### – Section 10751 California Vehicle Code

There is no comparable legislation that I enforce in NSW which has the same impact as section 10751 V.C. (**see annexure**) of the California Vehicle Code. 10751 V.C. allows police to seize suspected stolen/ rebirthed vehicles or parts/components without cause for a warrant.

The wording of the legislation makes it extremely difficult for individuals to have their impounded vehicles or components returned to them. If individuals can confirm they have legitimately acquired part/s and component/s these can be returned to them. However, there are strict provisions in place. During field enquiries, Detectives Luke Magee and Lorenzo ‘Chuck’ Barbosa of LAPD BADCATS showed me the application of 10751 V.C. legislation during business inspections. Both of these experienced investigators commented that they have never lost an investigation whilst enforcing this legislation.

A condensed, summarised version of 10751 V.C. is as follows:

- It is illegal to possess component parts which have been removed, defaced, altered or destroyed.

- Police hold the authority to impound a vehicle which displays evidence that the manufacturer's serial or identification number was removed, altered, defaced or destroyed.
- The person whose vehicle or component parts were seized from is handed a 'Notice of Impoundment of Vehicle &/or Component Parts' document within five (5) working days. The notice serves as a receipt for the property and must contain the following information:
  - Name and address from whom the property was seized
  - A police statement that the property was seized for an investigation of section 10751 V.C. Property will be released pending that identification number has not been removed, altered, destroyed or defaced plus satisfactory ownership of vehicle and component part/s is provided and there is no other claim of ownership, otherwise a hearing within a court of law will take place regarding the disposition of the vehicle part or component/s.<sup>20</sup>

## – Examination of 10751 legislation

The investigating officer will formally advise the Official Police Garage (OPG) storing the vehicle to remove or store the identified stolen parts. Conversely, the investigating officer authorises the release of parts as soon as practicable.

If a situation emerges that an insurance company claims ownership of a vehicle, part/s and component/s release to the respective insurance company. OPG removes component/s but leaves remainder of vehicle for the individual from which the original vehicle was seized from. Victim will never remove their parts from an OPG. OPG mechanic must undertake this procedure.

Individuals can collect their vehicle minus claimed parts, however is liable to impound fees and towing fees to remove items from OPG. The integrity of the OPG is maintained and a member of the public will never be permitted to enter an OPG.

By the same token, if a part needs to be removed for the original individual after confirming ownership, individual is liable to impound fees. Again, individual cannot remove parts by themselves from OPG. Must use a mechanic from the OPG and be charged for this service accordingly.

There are eighteen (18) OPGs scattered through Los Angeles County. These OPGs act as holding yards for police and other city services, for example health and sanitation trucks. They are operated under strict rules to ensure the integrity of impounded vehicles and security of the yard. OPG contractors also operate these yards as a business and will charge for any services undertaken.

Any preliminary ownership hearing is based at the civil level. Therefore a lesser standard of proof on the balance of probabilities is required.

The manner in which this legislation is structured is incredibly powerful for the police. It places a person in a suspected rebirthed, stolen vehicle, in a situation where:

- They are unable to commit themselves at the time of seizure by a police officer to a plausible explanation to account for the vehicle and its condition. Any suspected altered defaced parts, component/s nominated by a police officer for follow up enquiries will be undertaken by investigators.
- Legislation commits suspects to an initial civil hearing where a lower standard of proof is required by the investigating police.
- Penalises the suspect financially in the event they have the court deem that they are allowed certain component/s parts. They cannot remove parts or tow away a vehicle from an OPG without incurring fees.

Detectives Magee and Barbosa applaud 10751 V.C. legislation as an excellent piece of legislation. It acts as a crime deterrent. Suspects having their property seized are basically in a no-win situation. They are penalised on all fronts and invariably just waive their right to the vehicle and component/s part/s as they do not want to be subject to a further criminal hearing or unnecessary fees. Therefore, suspects are cutting their losses at the earliest stage.

In Los Angeles they also see more proactivity undertaken with 10751 V.C. by uniform officers. A patrolling officer will seize a vehicle which has been stopped if the criteria for seizure are observed. For example, if inspection of the vehicle chassis plate indicates tampering of plate rivets. This constitutes one of the criteria for seizure. Uniform officers can easily apply the legislation as the criteria for seizure are clearly defined. BADCATS officers will undertake the follow-up enquiries following impounding.

## – Relevance to NSW

The California legislation is simplified, streamlined and effective in comparison to a confusing situation prevailing in NSW. As a police officer attached to a specialist motor vehicle investigation unit, I cannot seize a vehicle or component/s parts/s with similar criteria as 10751 V.C. without a warrant unless, if it is on a public street, at a licensed auto parts dismantler under the Motor Dealers Act 1974. Under the Motor Dealers Act 1974 I can demand certain records be produced to account for vehicles, component/s or part/s at licensed auto dismantlers. If I form the opinion that component/s, part/s or vehicles at a licensed dismantler are suspect, I have the power to seize the items pending further investigation.

The situation becomes more confusing when I am conducting enquiries at a licensed vehicle repairer. Under these circumstances I can only be at the premises and seize a suspected rebirthed vehicle or stolen part/s etc. if I am under the invitation of a Fair Trading Officer who is an authorised officer under the Motor Vehicle Repairers Act 1980. I have no power under this legislation to demand records be produced for inspection unless I am accompanied by a Fair Trading Officer.

## – 2805 V.C. The Business Inspection

One of the core tasks I undertake in the NSW Police Motor Unit is the business inspection at licensed vehicle dismantlers. As mentioned, I have certain powers and can request records for inspection, and seize vehicles, parts and components without the need for a warrant.

California use legislation entitled 2805 V.C. Business Inspection (**see annexure**). Section 2805 V.C. in California allows police practically universal coverage to inspect and seize suspected stolen rebirthed vehicles at a broad variety of locations without cause for a warrant.

There are safeguards against abuse of this legislation. It is specifically written in 2805 V.C. that only certain law enforcement officers can apply this legislation to locate stolen vehicles or components/ s and part/s. These officers are members of the California Highway Patrol, members of city Police Department (LAPD) or County Sheriff's office (LASD). Their primary responsibility is conducting vehicle theft investigations. Designated officers may be able to inspect any vehicle of a type registered under 2805 V.C. or any identifiable vehicle component in the following locations:

- Highway
- Public garage
- Repair shop
- Terminal
- Parking lot
- New or used car lot
- Auto dismantler's premises
- Vehicle shredding facility (scrap yard)
- Car rental lot
- Agricultural construction location.

The list of locations continues. The paramount point is that it allows law enforcement specifically assigned to motor vehicle theft investigations to conduct investigations at a broad range of locations without impediments.

2805 V.C. legislation again streamlines and clearly defines the role of a law enforcement officer specialising in vehicle theft investigations. It cannot be abused, as not all law enforcement officers are assigned to a dedicated motor vehicle investigations unit.

## **RELEVANCE TO NSW**

From the 10 points I listed above, I can only be legitimately on one of these premises, conduct a business inspection, inspect, seize records and seize suspected stolen rebirthed vehicle and parts/s or components/s without warrant or the invitation of another government officer. This is highly restrictive for investigating vehicle-related theft and fraud.

If I enjoyed the use of 2805 V.C. legislation, I cannot abuse the legislation as I am assigned to a dedicated vehicle theft investigation unit.

### **– 21610 legislation targeting scrap metal yards**

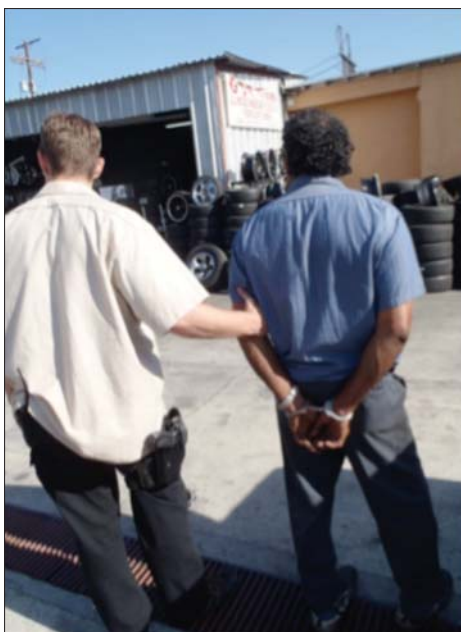
As I have articulated throughout this report, the scrap metal industry in NSW requires major scrutiny. Californian scrap yards are enforced under 21610 legislation. 21610 legislation investigates dismantled vehicle parts, and specifically catalytic converters, at scrap or junk dealers (**see annexure**).

Catalytic converters are valuable components from vehicles as they are lined with a precious metal, either platinum, rhodium or palladium, to process the toxic fumes from the vehicle exhaust. The receipt of catalytic converters in the unregulated NSW market received a standard payment of \$50.00 – \$80.00 cash in 2010. The black market rate could be even more now.

### **– Examination of 21610 legislation**

The details of 21610 legislation are lengthy and I will summarise the key points. Under 21610 legislation, recyclers and scrap yards need to strictly comply with industry requirements. There is an attempt to account for and thwart the flow of money to sellers. Any deviation will warrant monetary and criminal action by way of a misdemeanour arrest.





*Arrest by Newton Divison Detectives following 21610 inspection at a scrap yard in south central Los Angeles*

## – Full identification information must be recorded

A recycler scrap dealer must record full details of any seller of catalytic converters such as their driver's licence details and vehicle registration details of seller. Other requirements are:

- A clear photo of the seller;
- A statement indicating the source history of the catalytic converter;
- A scrap dealer must maintain records relating to the customers that he is selling converters to.

## – Payment by scrap yards

Only by cheque and after a range of criteria are met (**see annexure**):

- Seller of catalytic converter cannot have a cheque mailed to them at an alternative address other than a post office box;
- The recycler scrap yard must obtain a copy of the seller's driver's licence or electricity utility bill addressed to the seller at the alternative address with a due date no more than 2 months prior to the date of sale.

## – The penalties escalating scale for non compliance

A recycler scrap yard will maintain relevant records for a minimum of two (2) years. The information will be made available for inspection by law enforcement upon demand.

- False, misleading, fictitious records and statements provided by persons are liable for a misdemeanour (penalty of one (1) year imprisonment);

- Upon conviction, a person who knowingly and wilfully violates the requirements of section 2610 are punished as follows:
  - First conviction, a fine of \$1,000 dollars;
  - Second conviction, a fine not less than \$2,000 dollars;
  - In addition to the monetary penalty, a court may order the defendant to cease business activity for a period not exceeding thirty (30) days;
  - Third conviction, a fine of not less than \$4,000. In addition, a court may order the defendant to cease business activity for a period not exceeding one year.

## – Relevance to NSW

The NSW Pawnbrokers Second Hand Dealers Act 1996 has more authority and this highlights the anomaly existing in NSW. A person pawning a watch has to produce forms of identification whilst the merchant must record details of the transaction. Conversely, an individual in NSW can sell a stolen car and collect \$500 without producing any form of identification or having the transaction recorded.

There have been serious discussions lately in Australia concerning the state of the scrap metal industry.

The NMVTRC hosted a national forum focusing on the End of Life Vehicles held in Melbourne on 7th June 2012. Nearly 50 stakeholders ranging from insurance companies, scrap metal industry representatives, police, registration and environmental authorities attended.

- The scrap metal industry was heavily featured in discussions. In particular, the onset of the Global Financial Crisis saw a greater number of older vehicles stolen off streets for their metal value. Forums such as this is are needed to highlight the important issues affecting the vehicle and metals industry.
- Discussions regarding legislative reform in the second-hand dealing and recycling industry as identified by the inter agency Task Force Nelme in 2010<sup>21</sup>.

## SUMMARY

California's strong legislation ensures that recyclers and scrap metal industry members will adhere rigidly to industry responsibilities or face severe consequences which range from fines to suspensions or arrests. This is a noticeable contrast to the vacuum existing in compliance by scrap metal, auto dismantlers and vehicle repairers in NSW.

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21 NMVTRC National Forum on the Management of End of Life Vehicles summary notes June 2012.

## THE SIGNIFICANCE OF THE VEHICLE IDENTIFICATION NUMBER (VIN)

American Detectives reinforced the significance of the Vehicle Identification Number, commonly known as the VIN, to ascertain the true identity of a vehicle. In America they have mandated a relatively simplified system to ensure the all-important VIN is clearly identified on a vehicle in various locations.



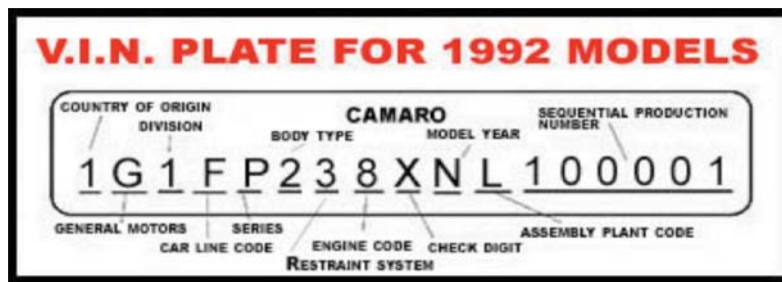
*Detective Luke Magee LAPD BADCATS examining a VIN*

A VIN, when decoded, provides a true description of the vehicle to which it was assigned. The VIN is tantamount to a fingerprint unique for a specific vehicle. The VIN can distinguish identical vehicles. From 1954 to 1979 there have been several changes to the way VINs are displayed in American registered vehicles.

During the mid 1960s a Federal Motor Vehicle Safety Standard required all road worthy vehicles to have a public VIN. This standard would attach a VIN plate to the left side of the dash or instrument panel, visible through the windscreen.

This program was phased in over a number of years. Starting on January 1, 1969, all passenger vehicles in the U.S. manufactured domestically or overseas and imported into the U.S. on or after January 1, 1969, were required to have a public VIN. This was part of the efforts by the U.S. Congress to establish the National Highway Traffic Safety Administration in the mid 1960s.

After 1st January 1980, VINs were required to use a uniform 17-character format. This standard establishes a fixed VIN format, including a check digit, and applies to all passenger cars, multi-purpose vehicles, trucks, buses, trailers, incomplete vehicles and motorcycles with a gross weight of 10,000 pounds or less.<sup>22</sup>



*Sample breakdown of a 17 character VIN*

## – Additional VINs affixed to U.S. vehicles

Also since 1970, the U.S. Government has required motor vehicle manufactures to display a Federal Safety Certification Label (the Fed Sticker) on all motor vehicles distributed in the United States. On the certifying label is the date of assembly, the VIN, shape and size of the label, as well as the materials from which they are constructed. Some foreign manufacturers construct the certifying label out of a thin metal and attach it with rivets.

In response to an upsurge in motor vehicle theft and to assist in tracing and recovering of stolen vehicles and parts from stolen vehicles, Congress enacted legislation in 1984 called the Motor Vehicle Theft Law Enforcement Act.<sup>23</sup>

The primary purpose of this legislation was to compel vehicle manufacturers to provide, on high theft passenger vehicles, the VIN on the engine, the transmission and 12 major body parts.<sup>24</sup> This procedure was aimed at professional “chop shops,” using stolen motor vehicles to source replacement parts for other vehicles damaged in accidents. These are “crash” parts or ‘prescribed parts’ in Australia (i.e. fenders, doors, hoods, airbags etc.) which were not previously marked with identification numbers. They were virtually impossible to identify once detached from the stolen vehicle.

The 1984 Act provided criminal penalties for altering or removing motor vehicle identification numbers and allows seizure and forfeiture of vehicles or components with falsified or removed identification numbers.

The Federal Anti-Car Theft Act of 1992 expanded vehicle parts markings to include all makes and models by December 1997.<sup>25</sup> Manufacturers are obliged to mark saleable parts of a vehicle with the vehicle’s VIN.

Under the Act, smash repairers, insurers, auto recyclers and auto dismantlers handling used parts are to

<sup>23</sup> NYPD ACD Auto School

<sup>24</sup> ACD Auto School course notes

<sup>25</sup> Massachusetts State Police GATSF

cross-check received parts or those sold against a national stolen vehicle database. Vehicles will contain stickers with the VIN attached to those parts.

There is no legislative requirement for 'prescribed parts' marking in Australia.

## – Australian VIN locations – confusing, inconsistent and open to tampering

In comparison to the evolution in the United States' VINs and corresponding legislation, the current situation in Australia is of a poor standard.

There also does not appear to be any strict guardianship of identifiers by members of the motor vehicle industry. Take for example the advertisement by a Land Rover parts supplier uploaded on the internet. Clearly advertised by this company is the location of the all important covert VINs. Advertising of this crucial identifier only exposes the industry to re birthing activity (**see annexure**).

17-character VINs only became compulsory in Australia during 1989. There is no mandatory requirement as to where the VIN is positioned in Australian vehicles. The only proviso is that the VIN be permanently affixed to a substantial part of the frame or vehicle chassis. I find this inadequate as a VIN plate attached by two rivets constitutes as being 'permanently affixed'.

Different models will have different locations for VINs. From experience there are occasions where there is difficulty in trying to locate a VIN on a vehicle. This is a consistent challenge for experienced investigators, Roads & Maritime Service vehicle examiners, auto mechanics as well as members of the public.

To illustrate the confusing VIN system in Australia here are some examples:

### Domestically Produced vehicles

Vehicle	VIN Location
Ford Falcon EA to FG models (1989 – 2010)	Near side inner skirt
Ford Falcon (from 2010)	Top of floor pan in front of driver's seat
Holden Commodore (1989)	VIN plate affixed to lower left hand side of windscreen by two rivets (similar to public VIN in U.S.)  Later introduction of primary (windscreen) & secondary VIN stamped to floor pan underneath driver's seat & viewed through a flap cut through carpet. This procedure is still in operation today.
Holden Barina, Astra, Vectra	VINs stamped to the offside front strut tower

## Imported Vehicles

Vehicle	VIN location
Peugot	Lower left hand corner of windscreen
BMW	Off side front strut tower
Volkswagen	Off side front strut tower, firewall, plenum chamber
Japanese vehicles	VINs usually on firewalls

VINs stamped on the pan area under seats are simply being cut out and replaced with other replacement VINs. This system is popular with Toyota vehicles which tend to have a high theft and unrecovered rate.

A consistent public VIN system would deter the incidence of altering or removing VIN plates. There would be immense difficulty removing a vehicle windscreen to gain access to the public VIN. Attempting to re-install a removed windscreen would likely show signs of tampering around the rim of the windscreen as a perfect fit is unlikely.

## SUMMARY

Legislation in America is clearly defined to allow law enforcement to conduct their investigations. There are also clear rules as to where the all-important VIN is visible on the vehicle, a stark contrast to the loose arrangements currently in Australia.



# **PROACTIVE MEASURES TO DETER VEHICLE THEFT**

During my visit to the Boston area, I was shown the initiatives by the GATSF to target vehicle theft. They were inexpensive measures available to the public to insure against their vehicle being stolen.

## **– GATSF Program Coordinator**

GATSF appointed a civilian 'Program Coordinator' (P.C.) in 1999. The individual contracted to this position plays a strategic role in liaising with stakeholders in the motor vehicle industry. The P.C. has an extensive background in the motor vehicle industry and parts sphere. The P.C. personally visits automobile related businesses, new and used car dealerships, parts distributors both retail and wholesale, salvage businesses, repair shops, insurance companies and technical colleges.

This is more than a public relations exercise as the P.C. will appraise stakeholders of GATSF initiatives and will leave literature and brochures detailing significant aspects of GASF work.

The personal interaction of a civilian P.C. creates a non threatening environment when dealing with representatives of the automobile industry. The civilian P.C. has no enforcement powers and an arrangement such as this encapsulates the term 'community policing'.

With the P.C. dealing daily with industry members, valuable information is shared amongst the industry. When the P.C. receives relevant information, it is referred to a sworn officer on the GATSF who will then follow up leads. This is the point where the P.C. will detach themselves from the investigation. Such an arrangement has resulted in significant search warrant seizures and recoveries of stolen vehicles, parts and arrests.

## **– Vehicle glass etching program**

Introduced across Massachusetts in 1999, the 'Auto Glass Etching Program' is a program promoted alongside local Police departments. The P.C. coordinates this program. A vehicle VIN will be chemically etched into all windows of a vehicle. Potential vehicle thieves will resist stealing a car with etched windows. The simple economics of replacing a window with etched glass acts as a deterrent for criminals.

An added bonus for consumers etching their vehicle windows is a 15% discount of one's comprehensive insurance policy if a vehicle's windows are etched.

Campaigns to highlight etching draws between 50 – 200 car owners. For a cost of \$10.00 a cheap vehicle theft prevention system is available for consumers.

## – 1800-HOT-AUTO

This is Massachusetts equivalent of Crimestoppers where the public can confidentially phone a number to give information pertaining to auto thieves. If the information given leads to the arrest of a car thief, or the location of a 'chop shop' the caller may receive a confidential cash reward of up to \$10,000. The line is operated by the GATSF at their Medford headquarters.

The line was established in collaboration with the insurance industry as insurance companies recognise that vehicle theft costs everyone extra money in the form of higher insurance premiums

## SUMMARY

American law enforcement enjoys a good working relationship with the all important insurance industry to achieve their objectives. Both parties are prepared to offer alternatives to the general public to deter vehicle theft.

## THE IMPORTANCE OF ONGOING TRAINING

The Western States Auto Theft Investigators (WSATI ) is a non profit organisation. It is comprised of professionals from the fields of law enforcement, rental car and insurance companies whose primary goal is to reduce vehicle theft.

I was fortunate to observe their chapter training day at the Shelby factory in Torrance California. The Shelby factory was the creation of the late Carroll Shelby the inspiration behind the iconic Cobra sports coupe. Shelby passed away a week before I arrived in Los Angeles. Sergeant Tim Glover of TRAP is the current President of WSATI.



*Cobra sports coupe on display at Shelby factory Torrance California WSATI training day.*

WSATI members staged demonstrations to attendees highlighting vehicle issues. Education and important networking was focused at this day. I liaised with numerous police, insurance investigators, government vehicle inspectors and Lo Jack representatives covering the west coast and Mexico.

Workshops such as WSATI are invaluable to exchange information amongst like minded people. In Australia we have the International Association of Auto Theft Investigators (IAATI) regional meeting once a year. This is a program which we should encourage more of. Sharing knowledge and ideas is so important in investigating vehicle theft and criminal investigation as a whole.

The larger departments such as the LAPD and NYPD ran regular auto schools to teach front line police officers the basics in investigating vehicle related crime and vehicle identification.

## **SUMMARY**

In NSW the Police vehicle identification course is run by the Forensic Services Group. Victoria Police ran a national vehicle identification course in Melbourne for many years. Unfortunately, the Victoria Police Vehicle Theft Unit has now been disbanded. NSW appears to have the only dedicated Police vehicle investigation unit for the entire nation. The Motor Unit of the NSW Police regularly conducts training days and lectures for trainee officers at the Goulburn Police Academy, Local Area Commands and internal training courses such as the Highway Patrol course. However, staff numbers are limited and operational constraints affects the units commitments from time to time.

There is a real need for the development of a law enforcement program which Police from around Australasia can attend, learn new information and exchange thoughts with law enforcement officers and stakeholders.

## **CONCLUSIONS**

American and Canadian law enforcement have a mindset that when they are faced with significant issues they are not discarded and forgotten. I saw strategies, technology and information systems which I have never seen domestically in twenty four years as a Police Officer. The law enforcement officers I collaborated with for six weeks were passionate in sharing information, strategies and tactics in investigating vehicle theft. There is also strong legislation in place so that police and allied groups have the strong powers to respond to a traditional crime.

It was also noticeable that the prosecuting authority, the District Attorney's Office were actively working alongside auto investigators to achieve the best possible convictions and sentences. Perhaps the Office of the Director of Public Prosecutions (ODPP) here in NSW examine the possibility of assigning junior lawyers to gain experience at specialist squads such as the motor unit. Vehicle theft investigation is a specialised field and not all police or lawyers are familiar with the unique characteristics of this area. Any experience acquired by a lawyer can be filtered through the ranks of the ODPP.

Recently I heard a remark on Sydney commercial radio which I believe unfortunately characterizes our society. Australians embrace the 'ambulance effect' i.e. we are at the bottom to catch something rather than at the top to prevent it. I hope this report will allow stakeholders to absorb what measures can work overseas and be assertive. Waiting for something to happen will ensure Australia playing 'catch up' for long periods. The following are my recommendations. They are based on the success of these models operating overseas.

# **RECOMMENDATIONS**

## 1. Significant legislative changes

- redefine the powers of a police officer in seizing suspected stolen rebirthed vehicles and parts as per 10751, 21610 and 2805 legislation in California.
- repealing the exemption under the NSW Motor Dealers (Exemptions Order) 1986 excluding scrap metal dealers as auto dismantlers.
- include Police officers as authorised officers under the Motor Repairers Act 1980
- articulating penalties whether by arrest, fine or trade suspension for serious breaches under the NSW Motor Dealers Act 1980 and Motor Repairers Acts 1974.
- legislating that costs incurred in the Customs inspection of exported cargo are the responsibility of the shipping carrier as per practice in Newark New Jersey.

## 2. Industry Cooperation

- Bring together the insurance industry and vehicle manufacturers to combine their information systems in a common database to be shared with law enforcement as per NICB ISO system.

## 3. Encouraging and promoting technology

- Technology exists overseas and domestically to recover stolen vehicles through ALPRs. Explore increasing these throughout police vehicles in Australia and mounting fixed units at major transport centres as per New York City model.
- Investigate feasibility of a radio frequency vehicle recovery system fitted within Police vehicles, aircraft and strategic locations to recover stolen vehicles. A 90% recovery rate was achieved with the Lo Jack system if integrated with the police stolen vehicle computer system. Lo Jack system utilised extensively by law enforcement in the U.S. and around the world for the last 25 years. Major insurance benefits flow to consumers, whilst police recover stolen vehicles, apprehend offenders and potentially uncover further crimes.

## 4. Reorganisation of Police response to motor vehicle theft investigation

A recurring model practiced in the United States and Canada was the multi agency strike force. Personnel from a variety of sources came together for a common purpose. This model was briefly practised for 6 months during 2010 under Strike Force Nelme at the Motor Unit NSW Police. I was the Officer in Charge of this investigation. As per Canadian and American models, one unit could cover a variety of situations and contingencies in a motor vehicle theft investigation.

In my work place I would envisage the following;

- A dedicated motor unit suitably staffed to respond to organised vehicle theft and related issues.
- A core group of investigators would be supported by secondees rotated on a regular basis. The unit would undertake investigations and other projects such as Roads and Maritime Service and interstate referrals. Rotation of staff from suburban police stations will assist in a wider understanding of basic methodology, training and investigative techniques. This will improve the Police response towards vehicle crime.
- An education function for general duties staff, Police College students, trainee Highway Patrol Officers.
- A bait car team to assist Local Area Commands and Regions with spikes in vehicle theft or any special project.
- A compliance team targeting scrap metal yards, recyclers, dismantlers, repairers and dealerships.
- Commence dialogue amongst stakeholders to examine my findings for possible introduction in Australia.

## **DISSEMINATION CHANNELS**

The NMVTRC would be the logical starting point to commence examination of my findings as they are the conduit between industry stakeholders at a national level. On a state level there is the NSW Car Theft Action Group (CTAG).

Relevant government agencies such as Transport, Police and Attorney Generals Departments should be briefed of my findings. Throughout this report the media is crucial in so many ways. To highlight what is pertinent within Australia, media must be briefed accordingly.



## CONCLUDING WORDS

This report evolved after being inspired by a presentation from Vancouver Canada at Sydney's Darling Harbour in 2008. The presentation nurtured my desire to learn more about how the Canadians successfully tackled a major problem.

The late U.S. Attorney General Robert F. Kennedy in one of his many inspiring quotes epitomises why I pursued a Churchill Fellowship, "**I dream of things that never were and ask why not?**". I will be eternally grateful to the Churchill Fellowship for giving me the opportunity to fulfil my dream and make a contribution to Australian society.



## ANNEXURES

Motor Dealers Act 1974 No.52 regulates vehicle auto dismantlers.

An auto-dismantler means a person who carries on the business of;

(a)demolishing or dismantling motor vehicles or parts r accessories of motor vehicles,

Or

(b)buying motor vehicles and substantially demolished or substantially dismantled motor vehicles and selling substantially demolished or substantially dismantled motor vehicles(whether or not the person also sells parts or accessories of motor vehicles), or

(c) buying and selling prescribed kinds of parts or accessories of motor vehicles.

The Australian Commonwealth Government has introduced a new reform bringing several Commonwealth, State and Territory laws and Registers regarding Personal Property Security Interests under one National System.

From Monday January 30 2012, there will be one National Personal Properties Securities law and one National Personal Properties Security Register (PPSR). Consequently a number of existing Government Security Registers including the current State based REVs/VRS registers and VCheck Service will close.

From Monday January 30, 2012 - one single PPSR Certificate will replace all the current REVS and VCheck Certificates.

The single PPSR Certificate will confirm:

Vehicle description Information

Vehicle encumbrance status

Vehicle write-off status

Vehicle stolen status

One single PPSR Certificate will offer a purchaser of a second-hand vehicle, a quick and easy way to obtain important vehicle information prior to purchase. The release of this information to the general public and the motor vehicle industry allows the consumer to take a proactive role in the deterrence of vehicle theft and fraud and make a more informed decision about your purchase.

The PPSR Certificate enables the purchaser to verify if the vehicle they are purchasing has a stolen status recorded against it. The PPSR Certificate will also display if there is a repairable or statutory write off recorded.

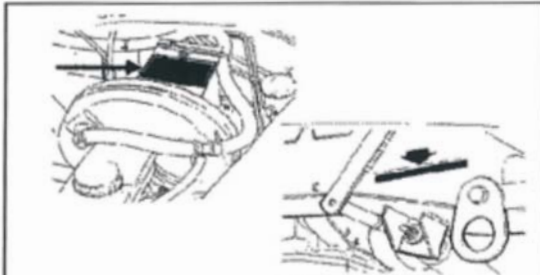
The PPSR Certificate may also detail the type of damage sustained (eg. Fire, water damage), plus the date and state where the vehicle was written off.

By purchasing a clear PPSR Certificate (formerly known as a Security Interest Certificate, Vehicle Security Register Certificate, VSR or Clear Title Certificates) on the day you are purchasing a Used Car, Truck, Caravan, Campervan, Trailer, Bus, Motor Cycle, Boat, or a Jetski you are protected against repossession.

PPSR Certificates are available for registered vehicles Australia wide.

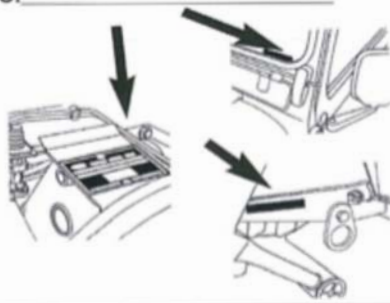
# 2

## DISCOVERY IDENTIFICATION

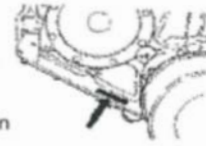


### Vehicle identification Number (VIN)

This number can be found stamped into a plate attached to the top of the brake pedal box, in the engine compartment. It is also stamped on the drivers side of the chassis in front of the Panhard Rod bracket and just back from the towing lug. It is the number that begins with SAL.....  
VIN NO. \_\_\_\_\_



### 4 SPEED GEARBOX & TRANSFER CASE NUMBER TYPE LT95 SUIT V8 & ISUZU



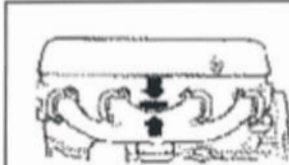
This number can be found on the rear of the transfer box on the passenger side below the P.T.O. cover plate  
TRANSMISSION NO. \_\_\_\_\_



**TD5 LT230** Transfer gearbox serial number is stamped on the LH side of the gearbox casing below the mainshaft rear bearing housing adjacent to the bottom cover.  
TRANSMISSION NO. \_\_\_\_\_



**200/300TDI** The engine number is stamped on the driver's side cylinder block above the camshaft front cover plate.  
ENGINE NO. \_\_\_\_\_

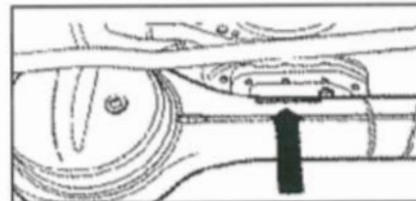
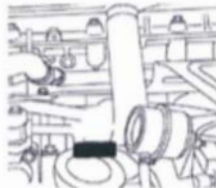


### Engine Numbers

**V8 Models:** The engine number is stamped on a cast pad on the passenger side of the cylinder block between the exhaust manifold.  
ENGINE NO. \_\_\_\_\_

### TD5 ENGINE

The engine number is stamped on the LH side of the cylinder block, below the exhaust manifold.



### FRONT AXLE NUMBER ALL MODELS

This number can be found stamped on top of the passenger side axle tube  
FRONTAXLE NO. \_\_\_\_\_



## Section 10751 Manufacturers Serial or Identification Numbers

### Manufacturers' Serial or Identification Numbers

10751. (a) No person shall knowingly buy, sell, offer for sale, receive, or have in his or her possession, any vehicle, or component part thereof, from which any serial or identification number, including, but not limited to, any number used for registration purposes, that is affixed by the manufacturer to the vehicle or component part, in whatever manner deemed proper by the manufacturer, has been removed, defaced, altered, or destroyed, unless the vehicle or component part has attached thereto an identification number assigned or approved by the department in lieu of the manufacturer's number..

(b) Whenever a vehicle described in subdivision (a), including a vehicle assembled with any component part which is in violation of subdivision (a), comes into the custody of a peace officer, it shall be destroyed, sold, or otherwise disposed of under the conditions as provided in an order by the court having jurisdiction. No court order providing for disposition shall be issued unless the person from whom the property was seized, and all claimants to the property whose interest or title is on registration records in the Department of Motor Vehicles, are provided a postseizure hearing by the court having jurisdiction within 90 days after the seizure. This subdivision shall not apply with respect to a seized vehicle or component part used as evidence in any criminal action or proceeding. Nothing in this section shall, however, preclude the return of a seized vehicle or a component part to the owner by the seizing agency following presentation of satisfactory evidence of ownership and, if determined necessary, upon the assignment of an identification number to the vehicle or component part by the department.

(c) Whenever a vehicle described in subdivision (a) comes into the custody of a peace officer, the person from whom the property was seized, and all claimants to the property whose interest or title is on registration records in the Department of Motor Vehicles, shall be notified within five days, excluding Saturdays, Sundays, and holidays, after the seizure, of the date, time, and place of the hearing required in subdivision (b). The notice shall contain the information specified in subdivision (d).

(d) Whenever a peace officer seizes a vehicle described in subdivision (a), the person from whom the property was seized shall be provided a notice of impoundment of the vehicle which shall serve as a receipt and contain the following information:

(1) Name and address of person from whom the property was seized.

(2) A statement that the vehicle seized has been impounded for investigation of a violation of Section 10751 of the California Vehicle Code and that the property will be released upon a determination that the serial or identification number has not been removed, defaced, altered, or destroyed, or upon the presentation of satisfactory evidence of ownership of the vehicle or a component part, if no other person claims an interest in the property; otherwise, a hearing regarding the disposition of the vehicle shall take place in the proper court.

(3) A statement that the person from whom the property was seized, and all claimants to the property whose interest or title is on registration records in the Department of Motor Vehicles, will receive written notification of the date, time, and place of the hearing within five days, excluding Saturdays, Sundays, and holidays, after the seizure.

(4) Name and address of the law enforcement agency where evidence of ownership of the vehicle or component part may be presented.

(5) A statement of the contents of Section 10751 of the Vehicle Code.

(e) A hearing on the disposition of the property shall be held by the superior court within 90 days after the seizure. The hearing shall be before the court without a jury. A proceeding under this section is a limited civil case.

(1) If the evidence reveals either that the serial or identification number has not been removed, defaced, altered, or destroyed or that the number has been removed, defaced, altered, or destroyed but satisfactory evidence of ownership has been presented to the seizing agency or court, the property shall be released to the person entitled thereto. Nothing in this section precludes the return of the vehicle or a component part to a good faith purchaser following presentation of satisfactory evidence of ownership thereof upon the assignment of an identification number to the vehicle or component part by the department.

(2) If the evidence reveals that the identification number has been removed, defaced, altered, or destroyed, and satisfactory evidence of ownership has not been presented, the vehicle shall be destroyed, sold, or otherwise disposed of as provided by court order.

(3) At the hearing, the seizing agency has the burden of establishing that the serial or identification number has been removed, defaced, altered, or destroyed and that no satisfactory evidence of ownership has been presented.

(f) This section does not apply to a scrap metal processor engaged primarily in the acquisition, processing, and shipment of ferrous and nonferrous scrap, and who receives dismantled vehicles from licensed dismantlers, licensed junk collectors, or licensed junk dealers as scrap metal for the purpose of recycling the dismantled vehicles for their metallic content, the end product of which is the production of material for recycling and remelting purposes for steel mills, foundries, smelters, and refiners.

Amended Sec. 455, Ch. 931, Stats. 1998. Effective September 28, 1998. Amended Sec. 596, Ch. 784, Stats. 2002. Effective January 1, 2003.



## 2805 VC BUSINESS INSPECTION

### Inspection of Vehicles

2805. (a) For the purpose of locating stolen vehicles, (1) any member of the California Highway Patrol, or (2) a member of a city police department, a member of a county sheriff's office, or a district attorney investigator, whose primary responsibility is to conduct vehicle theft investigations, may inspect any vehicle of a type required to be registered under this code, or any identifiable vehicle component thereof, on a highway or in any public garage, repair shop, terminal, parking lot, new or used car lot, automobile dismantler's lot, vehicle shredding facility, vehicle leasing or rental lot, vehicle equipment rental yard, vehicle salvage pool, or other similar establishment, or any agricultural or construction work location where work is being actively performed, and may inspect the title or registration of vehicles, in order to establish the rightful ownership or possession of the vehicle or identifiable vehicle component.

As used in this subdivision, "identifiable vehicle component" means any component which can be distinguished from other similar components by a serial number or other unique distinguishing number, sign, or symbol.

(b) A member of the California Highway Patrol, a member of a city police department or county sheriff's office, or a district attorney investigator whose primary responsibility is to conduct vehicle theft investigations, may also inspect, for the purposes specified in subdivision (a), implements of husbandry, special construction equipment, forklifts, and special mobile equipment in the places described in subdivision (a) or when that vehicle is incidentally operated or transported upon a highway.

(c) Whenever possible, inspections conducted pursuant to subdivision (a) or (b) shall be conducted at a time and in a manner so as to minimize any interference with, or delay of, business operations.

Amended Sec. 21, Ch. 688, Stats. 2000. Effective January 1, 2001.

21610. (a) For the purposes of this section, the term “core recycler” means a person or business, including a recycler or junk dealer, that buys used individual catalytic converters, transmissions, or other parts previously removed from a vehicle. A person or business that buys a vehicle that may contain these parts is not a core recycler.

(b) A core recycler who accepts a catalytic converter for recycling shall maintain a written record that contains all of the following:

(1) The place and date of each sale or purchase of a catalytic converter made in the conduct of his or her business as a core recycler.

(2) The name, valid driver’s license number, and state of issue, or California-issued identification number, of the seller of the catalytic converter and the vehicle license number, including state of issue of a motor vehicle used in transporting the catalytic converter to the core recycler’s place of business. If the seller is a business, the written record shall include the name, address, and telephone number of the business.

(3) A description of the catalytic converters purchased or sold, including the item type and quantity, amount paid for the catalytic converter, and identification number, if any, and the vehicle identification number.

(4) A statement indicating either that the seller of the catalytic converter is the owner of the catalytic converter, or the name of the person from whom he or she has obtained the catalytic converter, including the business, if applicable, as shown on a signed transfer document.

(c) A core recycler engaged in the selling or shipping of used catalytic converters to other recyclers or smelters shall retain information on the sale that includes all of the following:

(1) The name and address of each person to whom the catalytic converter is sold or disposed of.

(2) The quantity of catalytic converters being sold or shipped.

(3) The amount that was paid for the catalytic converters sold in the transaction.

(4) The date of the transaction.

(d) A core recycler shall not provide payment for a catalytic converter unless all of the following requirements are met:

(1) The payment is made by check and provided to the seller by either of the following:

(A) (i) Except as provided in clause (ii), mailed to the seller at the address provided pursuant to paragraph (3).

(ii) For a seller that is a business, mailed to the seller’s business address.

(B) (i) Except as provided in clause (ii), collected by the seller from the recycler on the third business day after the date of sale.



(ii) A seller that is a business may receive immediate payment. A seller that is a business that has a contract with a core recycler or a seller that is a licensed auto dismantler may receive immediate payment by check or by debit card or credit card.

(2) At the time of sale, the core recycler obtains a clear photograph or video of the seller.

(3) (A) Except as provided in subparagraph (B), the core recycler obtains a copy of the valid driver's license of the seller or the seller's agent containing a photograph and an address of the seller or the seller's agent, or a copy of a state or federal government issued identification card containing a photograph and an address of the seller or the seller's agent.

(B) If the seller prefers to have the check for the catalytic converter mailed to an alternative address, other than a post office box, the core recycler shall obtain a copy of a driver's license or identification card described in subparagraph (A) and a gas or electric utility bill addressed to the seller at the alternative address with a payment due date no more than two months prior to the date of sale. For the purpose of this subparagraph, "alternative address" means an address that is different from the address appearing on the seller's driver's license or identification card.

(4) The core recycler obtains a clear photograph or video of the catalytic converter being sold.

(5) At the time of sale, the core recycler obtains a written statement from the seller indicating how the seller obtained the catalytic converter.

(e) The requirements of subdivision (d) shall not apply to a core recycler that buys used catalytic converters, transmissions, or other parts removed from a vehicle if the core recycler and the seller have a written agreement for the transaction.

(f) Core recyclers accepting catalytic converters from licensed auto dismantlers or from recyclers who hold a written agreement with a business that sells catalytic converters for recycling purposes are required to collect only the following information:

(1) Name of seller or agent acting on behalf of the seller.

(2) Date of transaction.

(3) Number of catalytic converters received in the course of the transaction.

(4) Amount of money that was paid for catalytic converters in the course of the transaction.

(g) A core recycler shall keep and maintain the information required pursuant to this section for not less than two years.

(h) A core recycler shall make the information required pursuant to this section available for inspection by local law enforcement upon demand.

(i) A person who makes, or causes to be made, a false or fictitious statement regarding any information required pursuant to

this section is guilty of a misdemeanor.

(j) A person who violates the requirements of this section is guilty of a misdemeanor.

(k) Upon conviction, a person who knowingly and willfully violates the requirements of this section shall be punished as follows:

(1) For a first conviction, by a fine of one thousand dollars (\$1,000).

(2) (A) For a second conviction, by a fine of not less than two thousand dollars (\$2,000).

(B) In addition to the fine imposed pursuant to subparagraph (A), the court may order the defendant to cease engaging in the business of a core recycler for a period not to exceed 30 days.

(3) (A) For a third and subsequent conviction, by a fine of not less than four thousand dollars (\$4,000).

(B) In addition to the fine imposed pursuant to subparagraph (A), the court shall order the defendant to cease engaging in the business of a core recycler for a period not less than one year.

(l) The provisions of this section apply to core recyclers and do not apply to a subsequent purchaser of a catalytic converter who is not a core recycler. Other than subdivision (f), the provisions of this section do not apply to a core recycler who holds a written agreement with a business or recycler regarding the transactions.