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National News

Vehicle Theft Drops Again in 2006

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In 2006, 1,192,809 motor vehicles were reported stolen which is 42,417 fewer than in 2005, representing the third year in a row that vehicle theft has declined. Even so, every 26.4 seconds a vehicle is stolen in the United States, according to a recent study by the National Insurance Crime Bureau.

Using the FBI's average valuation of \$6,649 per stolen vehicle, this amounts to a cost of more than \$7.9 billion in losses in 2006 just in vehicle value alone.

"Hot Wheels," the National Insurance Crime Bureau's companion study to its annual "Hot Spots" auto theft report examines data reported to the National Crime Information Center (NCIC) and determines the vehicle make, model, and model year most reported stolen in 2006. See the full report at www.nicb.org.

"The decrease in vehicle thefts is certainly welcome news to law enforcement, the insurance industry and vehicle owners nationwide," said Robert M. Bryant, NICB's president and CEO.

For 2006, the most stolen vehicles in the nation for 2006, according to stolen vehicle data reported to NCIC were:

1. 1995 Honda Civic
2. 1991 Honda Accord
3. 1989 Toyota Camry
4. 1997 Ford F-150 Series Pickup
5. 2005 Dodge Ram Pickup
6. 1994 Chevrolet C/K 1500 Pickup
7. 1994 Nissan Sentra
8. 1994 Dodge Caravan
9. 1994 Saturn SL
10. 1990 Acura Integra

Vehicle recovery

Although overall thefts are down for the third consecutive year, only 59 percent of stolen vehicles were recovered last year, the lowest recovery rate in over a decade.

The more than 700,000 vehicles still not recovered last year are fueling a number of related insurance fraud and vehicle theft activities, according to NICB.

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

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

NICB's Foreign Operations group actively pursues the repatriation of stolen vehicles in foreign countries and works closely with U.S. embassy personnel and foreign government officials to return those vehicles. In 2006, more than 4,000 vehicles with a value of nearly \$42 million were returned to the United States from Belize, Costa Rica, El Salvador, Dominican Republic, Guatemala, Honduras, Jamaica, Lithuania, Mexico, Nicaragua and Italy.

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

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

In addition, a good percentage of stolen vehicles end up in chop shops. These are places that disassemble stolen vehicles and sell their parts to individuals, dealers and body shops. Thieves can sell the individual parts from older models for more money than the vehicle is worth intact.

Recommended protection

The NICB recommends a layered approach to protection against auto theft.

NICB's four layers of protection are:

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

Warning Device: Having and using a visible or audible warning device.

Immobilizing Device: "Kill" switches, fuel cut-offs, and smart keys are among the devices which are high and low tech, but extremely effective.

Tracking Device: These systems help law enforcement track and recover stolen vehicles quickly. Some systems will even inform the owner if the vehicle has been moved without their knowledge.

Source: NICB, www.nicb.org

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