

More Greedies than Stupids — Tips to help detect identity thieves

by : *Gil Van Over*

In a land where chewing tobacco outsells chewing gum, where the tea is already sweetened and where pickles are fried, resides a general manager at a domestic store. Let's call him Sammy Joe.

Sammy Joe's commercials on the local TV station feature a dog that belongs to someone else. He'll gladly charge you a commission for referring his jeweler. SJ has more parables than Yogi Berra has malapropos.

One day he asked me, "Who wins when a stupid criminal meets a greedy salesman?"

Knowing Sammy Joe as I do, I know he is just exercising a pregnant pause before continuing. So I keep my yap tight.

Raising his voice to a pitch that Robert E. Lee would have appreciated, he answers his own query. "The stupid criminal always wins. The greedy salesman is just as stupid!"

Sammy Joe is right on point when it comes to identity thieves and car salespeople. One of the age-old red flags that you may have an ID thief in front of you is a person who agrees to an outrageous gross plus buys every single F&I product. After all, she never intends to pay for it. More greedies than stupids.

Panel discussion

I recently co-hosted an auto dealer symposium in Tampa. One panel's topic dealt with Identity theft. The panelists included an assistant U.S. attorney general, a postal inspector and two county deputies. They all actively investigate and prosecute identity theft.

Their first major point was that the identity thieves who attempt to commit the crime in person, particularly at a car dealership are the stupid ones. The risk of getting caught is just too great. The smart ones ply their trade online and through credit cards where the risk is much lower.

The next point driven home was that these stupid criminals generally make mistakes that could have been detected with just a little bit of patience and due diligence by the employees involved in the transaction.

Finally, they shared a few novel tips that all dealerships could implement to improve their identity theft deterrence program.

Novel tips from the experts

Most of the information these experts shared was a regurgitation of the common-sense practices that most dealers have in place today. For example, a dealership must control and limit access to sensitive customer personal non-public information as required by the Safeguards Rule. A couple of the tips were insightful and novel.

Leverage resources

Apparently, each state has a liquor licensing board or division. Most of these boards have expert trainers

on staff whose primary job is to train bar and liquor store employees on how to spot fake driver's licenses. While these employees focus on businesses that sell liquor, the experts indicated that the trainers would likely come to your dealership and train your sales and F&I staffs on how to detect phony IDs.

ID theft video

The U.S. Post Office produced a DVD (Identity Crisis) on identity theft that can be the centerpiece of a training session. Copies can be ordered at www.usps.com/postalinspectors.

Reminder of tried and true tips

Although you have probably already implemented these tips in your identity theft deterrence process, they still bear worth repeating.

Cleaning crew – Absolutely limit access to areas containing consumer's personal, non-public information from cleaning crews. There are documented cases of janitors stealing and selling information obtained after hours from car dealerships.

Background checks – One case I worked on as an expert witness involved an identity thief who had been caught, prosecuted and served time. As soon as he got out, he went to work at a car dealership as a porter. Conducting background checks will help keep you from doing the same.

Drug testing – Many ID theft investigators comment that meth-heads prefer identity theft as a way to generate the cash to feed their habit. Performing random drug tests of your employees may cull a meth-head from your payroll.

Pay a finder's fee – Consider establishing a reward system for employees who detect and prevent identity theft from taking place at your business. Providing an incentive to the greedy salesperson to catch thieves may help.

Get the software – Sign up for a software solution that will ask your customer a few out of wallet questions that an ID thief probably does not know the answer to.

Thumbprints – Implement a process to obtain thumbprints from every customer as a condition of the sale and for their protection. The experts stated during the panel discussion that they have been able to catch a few criminals because of the thumbprints. Dealers who have implemented this policy report a few customers immediately walking and after further review, they believe they prevented a crime.

NADA Title Manual – The NADA has a titling manual available for purchase. A section of the manual is devoted to descriptions of driver's licenses from each state. You should circulate this section to all of your sales and F&I staff members.

Legible copies – Get a good quality photocopy of the driver's license.

Review your grosses – You should conduct a periodic, systematic review of your front and back end grosses on a transactional basis. Making a \$10,000 front end gross and another \$7,000 in F&I may

deserve a congrats – or a pink slip if everyone overlooked the obvious identity theft.

You want aggressive salespeople. Set the controls in place to keep the aggressive from becoming greedily stupid.

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