

Vehicle Fires & Theft — Fun or Profit?

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You receive a report from an insured their vehicle was stolen. A short time later, the local police department notifies you the vehicle was found a short distance down the road, on fire. Was the vehicle really stolen or did the insured stage a crime to collect from his insurance policy? Was it burned for fun or to cover the fact there was no crime to begin with? What was the motive behind this act?

Your initial interview with the vehicle owner may cause you to question the claim. If the results of your interview do not answer all of your concerns, Phoenix's investigative staff can help.

Burning a vehicle attracts attention. Why would a thief want to attract attention to what they have done? A vehicle might be burned to cover evidence of a crime. Would an educated thief really trade a misdemeanor joy ride charge for a grand larceny and arson charge? A burned vehicle guarantees the owner will not get the vehicle back. A thorough investigation of the remains of the vehicle can substantiate the motive behind the theft. The method and medium used to initiate the fire can show the person responsible planned the event.

Hard economic times have caused some vehicle owners to consider ways of getting out from under the financial stress of their car payment without hurting their credit. The actions they take can be out of desperation. Often, they do not realize the insurance companies DO investigate these losses.

It's getting harder to steal a car without a key. In the past, a person could run a wire from the battery to the coil, jump the terminals at the starter and off they went. Technology has produced some very effective vehicle anti-theft deterrent systems which come standard on today's vehicles. The pricier the vehicle, the more elite the system. It's not surprising considering an average vehicle costs \$18,000. Even with the advent of the new security systems, vehicles are still reported stolen. Some simple questions to ask the insured to help to determine their level of involvement:

- Who has keys for the vehicle and are they all accounted for?
- Who was the last person to drive the car and when did they drive it?
- Are they current with their payments?
- Was the vehicle parked in an area where there are problems with theft, vandalism or similar crimes? Is it normal to park the vehicle there or was this an isolated event?
- Has the value of the car decreased faster than the loan is being paid off (upside down)?

When reviewing a stolen car claim, one must consider why anyone would want this vehicle. A simple joy rider does not have the technical knowledge to override today's deterrents; however, they

rely on opportunity - the key was left in the vehicle, for example. Furthermore, it is not common for them to burn the vehicle when they get to where they are going.

Today, a professional vehicle thief has to be quite smart. They have to be able to read and understand vehicle wiring schematics and be knowledgeable about the different types of deterrents. They would have to enter the vehicle, bypass the security system sensors, access the ECM, and override the steering wheel lock mechanism and the shift lock mechanism in a short amount of time without setting off the audio alarm or putting the computer in its "no start" mode.

An average thief can get into the vehicle without setting off an alarm. One trend now is to gain entry into a vehicle using a device similar to a remote door bell which operates in the same frequency range as a key fob. This type of intrusion is more likely to occur in a busy parking lot. However, the thief is not able to drive away with the vehicle. The initial police report may read "I returned to my car, the doors were locked, but all my possessions inside were missing."

Another motive for reporting a vehicle stolen is based on a mechanical failure. The vehicle owner says they had no mechanical issues prior to the theft. A gasoline engine can cost \$5000 and up, not including the labor to install it, which will run around \$2000. Automatic transmissions can cost \$2000 and up. Having the insurance company replace the "faulty" equipment, the owner can keep the vehicle running like new without having to pay for it.

Claims of contaminated fuel from the local gas station or by vandalism are being used to collect for expensive engine repairs. Common sense dictates the current economic crunch has caused some vehicle owners to get creative. These individuals are not aware of the techniques used to substantiate or negate their claim. Phoenix's investigators can analyze the fluid samples, conduct the interviews, review the service records, identify the vehicle security system and analyze the ignition lock and steering column.

One indicator this may not actually be a stolen vehicle is the ignition system shows very little damage. The interior of the vehicle is also undamaged and nothing has been removed. Another indicator may be the vehicle recovery area is in a public place, such as a store parking lot or on the side of a busy road.

There are valid claims of vehicle theft out there, though they are few and far between. We have the skills, knowledge, and training to determine what is a valid claim and what is not. Our mission at Phoenix Investigations has always been to do the research, consider and eliminate the possibilities, and conduct the investigation in an efficient manner. If you have a vehicle claim for fire, mechanical problems or reported theft, call Phoenix. We can make your job easier in determining the truth behind the claim.