

Vehicle Cloning Prevention Tips

The NICB and its member companies offer these tips to help you avoid becoming a vehicle cloning crime victim when shopping for a used car or truck:

- Check the VIN with appropriate government agencies and your state bureau of motor vehicles.
- Analyze the ownership pattern for any new or late model vehicle with no lien holder.
- Be careful when purchasing a used vehicle from someone advertising it online or in the newspaper using only a cell phone as a contact number.
- Have a private company conduct a vehicle history search.
- If possible, have your insurer inspect the vehicle prior to purchase.
- Trust your instincts: If a used vehicle deal sounds too good to be true, walk away.

To report suspicious activity, contact the NICB in one of three easy ways:

1. Text "FRAUD" and your tip to TIP411 (847411).
2. Call 1-800-TEL-NICB (1-800-835-6422).
3. Submit a form on www.nicb.org.

Your tip can be anonymous.

For More Information

The National Insurance Crime Bureau (NICB) is the nation's leading nonprofit organization exclusively dedicated to leading a united effort of insurers, law enforcement agencies and representatives of the public to prevent and combat insurance fraud and crime through data analytics, investigations, training, legislative advocacy and public awareness.

Learn more about vehicle cloning and how you can protect yourself from these and other crimes on the NICB's Web site at www.nicb.org.



1111 E. Touhy Ave., Suite 400
Des Plaines, IL 60018
1.800.447.6282
www.nicb.org



Vehicle Cloning Look Twice! Does Your Vehicle Have a Twin?

Fraud Solutions **now.**SM

Fraud Solutions **now.**SM

Doing a Double Take

Cloning is a crime in which stolen vehicles assume the identity of nonstolen, legally owned vehicles that are a similar make and model. What unsuspecting buyers believe is a legitimate used car or truck could actually be a stolen vehicle. By applying counterfeit labels, plates, stickers and titles to stolen vehicles, criminals can make them appear as if they are legitimate, legally owned used cars and trucks. These criminals – many of whom participate in organized crime rings specializing in vehicle cloning schemes – then sell the stolen vehicles to unsuspecting consumers.

The result is that you have two or more vehicles that look exactly alike...at least by their identification documents and vehicle tags. The reality is that only one of them is a legitimate, legally owned vehicle. The rest are stolen and have been disguised to look like the legitimate one.



Easy and Inexpensive

Vehicle cloning is a relatively easy and inexpensive crime to commit. For less than \$2,000, cloning criminals can use a computer, color printer, typewriter, barcode label printer, rotary tool and engraving pen to counterfeit a vehicle's identification numbers, stickers, labels and titles.

Here's how a simple cloning scheme works. An individual will copy a vehicle identification number (VIN) from a legally owned and documented vehicle sitting in a parking lot or car dealership, oftentimes high-value sport utility vehicles and luxury cars. The legitimate VIN is then used to create a counterfeit VIN tag, frequently multiple times. From there, thieves steal a similar vehicle as the legally owned one from the parking lot and replace the stolen vehicle's VIN tag with the counterfeit one containing the nonstolen vehicle's identification numbers. Bearing a counterfeit tag, the stolen vehicle is now a "clone" of the legitimate one and can be titled without detection by government agencies. To the government, the stolen vehicle looks just like the one from the parking lot...on paper that is.

To complete this scam, criminals create counterfeit ownership documents for the cloned vehicle or obtain the ownership documentation under false pretenses, such as identity theft. They use this phony documentation to sell the stolen vehicle to an innocent purchaser for a price that is frequently at fair-or below-market value.

Sophisticated cloning operations can produce vehicle clones that are virtually undetectable by consumers and are oftentimes only discovered through physical inspections by experienced auto theft investigators.

Some insurance crimes are elaborately planned schemes involving dozens of organized criminals. Others are simple attempts to get a little extra money on a claim. Either way, these people cost you money and in some cases jeopardize your safety.

Tools of the Cloning Trade

Vehicle cloning schemes are limited only by the boldness of the individuals involved in these crimes. They use a variety of tools to carry out their criminal trade.

Fraudulent/Counterfeit Documents – Cloning operations typically alter, produce, sell and possess illegal documents, such as vehicle identification stickers, bar codes, titles, registrations, licenses and insurance cards.

Altered Vehicle Identification Numbers – Cloning rings intentionally alter or duplicate a legitimately registered VIN and use that VIN on counterfeit ownership and registration documents, as well as the cloned vehicle.

Title Washing – Title washing involves transferring a vehicle among states to remove title brands and change an odometer reading. Criminals will transfer the title among several states to disguise the vehicle's history and confuse the ownership trail. They use the final clean title to sell the vehicle to an unsuspecting customer.

Identity Theft – Cloning rings frequently steal personal identification documents, such as driver's licenses, social security numbers and credit card numbers, to obtain apparent legal ownership of a vehicle that is subsequently cloned, resold, stripped for parts or illegally exported.

Internet – Criminals increasingly use the Internet to scam vehicle buyers, counterfeit identification documents and steal identities. Organized criminal rings use Internet auction sites to illegally sell stolen cloned vehicles, identification tags, license plates and other parts.

