

INTEROFFICE COMMUNICATION

WASHINGTON STATE PATROL



TO: Captain Brian A. Ursino, Field Operations Bureau

FROM: Captain Larry K. Raedel, Traffic Investigation Division

SUBJECT: Herman Goldstein Award

DATE: April 12, 2002

02-56

Summary:

The Washington State Patrol (WSP) worked an auto theft case beginning in August of 2000. At the conclusion of the investigation in October of 2000 an auto theft ring had been stopped and suspects arrested. The group was responsible for at least seventeen thefts of vehicles with V-TEC engines. Detectives discovered the group had used an employee at a local Honda dealership that targeted desirable vehicles for theft using the dealership's information and made keys for those vehicles. The group had stolen keys from other dealerships for different makes by exposing weaknesses at dealerships.

To establish baseline data as to the size of this problem, WSP tested local dealerships to see if they could steal keys from dealerships in order to "steal cars." Out of twenty attempted thefts of keys, detectives were able to "steal" a targeted vehicle's key or keycode fifteen times or a 75% success rate. The average exposure time inside the dealership was 8.3 minutes and the average cost of the car that detectives "stole" was \$11,058. In two hours and five minutes worth of exposure time detectives "stole" \$165,870 worth of cars.

The goal of the WSP is to limit auto theft suspect's ability to use key theft as a means of stealing cars. Several presentations have been given to local dealerships, insurance agencies and local law enforcement with the proposed solution: S.U.M.

- Solvability through tracking
- Uniform policy to safeguard keycodes
- Minimize access to key codes

Detectives provided each dealership with a previously made folder that was simple and easy to apply at any dealership. The folder contains an example document that should be created by the dealership when a key or keycode was made or given out to a customer. The page consists of a photocopy of the registration for the vehicle, driver's license, and a thumb or fingerprint. The dealerships were asked to use these folders or create something similar. The S.U.M. system is designed to work as an investigative tool and more importantly as a deterrent. This project is in the assessment phase.

Description:

A. Scanning:

- I. What was the nature of the problem?
Auto dealerships were providing keys to auto theft suspects, which enabled them to target and steal cars in the greater Spokane area.

2. **How** was the problem identified?

While investigating a significant auto theft case, it was discovered that one of the suspects was an employee at a Honda dealership. In the course of the investigation, without the suspects knowledge detectives discovered a list of eight VIN numbers in the possession of the suspected ring-leader. Of those eight VIN numbers, six vehicles had already been stolen. It was later determined that all of the VIN numbers represented cars that had been serviced at a downtown Honda dealership in Spokane.

During a warrant service on the chop shop, freshly cut keys were located for Honda vehicles. The suspects later confessed that a Honda employee had provided keys for specific vehicles targeted for theft. Detectives believed that the suspected employee had targeted vehicles that had V-TEC engines. The employee accessed customer information including the customer's residence. The employee would have either cut the key at the dealership or have taken the key code to a locksmith to have a key made. The employee would then give the suspects the key and location of where the vehicle could be found and subsequently stolen.

3. **Who identified the problem?**

Detective E. J. Swainson, Spokane Traffic Investigation Division

4. **Far more problems are identified than can be explored adequately. How and why was this problem selected from among problems?**

After evaluating the problem, potential was seen in terms of involving auto dealerships, locksmiths, and law enforcement. Because the nature of this information is sensitive, this project has been kept out of the eyes of the public, at least until the response is completed and the assessment shows little chance of suspects attempting this m.o. in the future.

5. **What was the initial level of diagnosis/unit of analysis?**

This problem could be caused by employees or non-employees who know how to manipulate the dealerships.

B. Analysis:

1. **What methods, data, and information sources were used to analyze the problem?**

There were no known sources of information for gathering the number of keys provided by dealerships that were used to steal cars. In order to establish baseline data, detectives stole keys from the dealerships testing the difficulty of such an action. The results are listed below:

Detectives attempted the theft of twenty-three vehicles in the greater Spokane area. Three of these attempts were dropped due to "technical difficulties." Detectives consider an attempted theft a "technical" when the dealership wants to give them the key or keycode, but the model or year that the detectives had chosen had no keys or keycodes available. As a result, detectives didn't count these attempted thefts in their baseline data. Out of the remaining twenty attempted thefts, detectives were able to acquire a key or keycode fifteen times, giving them a 75% success rate.

The scam the detectives used was basic; they would walk into the dealerships service counter and state that they had lost their keys. Detectives gave the attendant a VI I number and they either gave the detectives a key, a key code or refused to give them a key. Detectives were only asked for identification one time. Detectives were refused a key six times, on one of those refusals, our suspect saw the key code for the vehicle anyway and so the detectives stole the vehicle too. The complete breakdown will be given at the Problem Oriented Public Safety (POPS) in-service, however; the highlights of the baseline data showed the following:

The average time to acquire a key from entering the service door to having a key or keycode was **8.3 minutes**.

The average cost of the cars the detectives "stole" was *\$11,058* (Kelley Blue Book with 12,000 miles per year and conservative components).

Total exposure time, where service attendants might have reported our suspect to law enforcement was two hours and five minutes. Even when detectives were denied a key, detectives were never reported or questioned.

In two hours and five minutes, detectives "stole" \$165,870 worth of cars.

2. How often and for how long was it a problem?

Detectives became aware of the problem in July of 2000. The theft of cars using dealerships to provide keys appeared to be nothing new, however; it is even depicted in a movie released in 1999, "Gone in 60 Seconds." Informants have stated that this m.o. has been used for some time but how long is unknown.

3. Who was involved in the problem and what were their respective motivations, gains and losses?

1. Victims of the theft suffered the loss of their vehicle, means of transportation, sense of security, deductible costs (typically \$500-\$1000), and whatever personal property was in their car at the time of the theft.

One of the victims was totally uninsured on a \$15,000 car, when the detectives recovered it, they found it had been cut up by a sawzall.

2. Auto Dealerships ran the risk of the public finding out that their lax security could result in cars being stolen. If this occurred, they would suffer a damaged reputation and a corresponding drop in sales.

3. Locksmiths make money when they provide keys. defeat or replace locks. There is no professional code of ethics imposed upon locksmiths, unless such ethics come from within a locksmith company.

4. Insurance Companies pay the lion's share of any damages taken as a result of an insured stolen car.

Citizens who are insured insurance companies are forced to raise insurance rates in order to remain profitable.

As a result of any insured theft, *all insured clients ultimately pay more money.* Currently 40 to 50% of what a person pays for insurance is a direct result of auto thefts and insurance fraud claims.

Auto Thieves' motivations were that their exposure time at the moment of the theft was drastically reduced. Although experienced thieves can rapidly steal a car without the key, a key speeds the process dramatically. A person using a key to open the door of a car presents a much better image than a person prying the window open or punching an ignition. Since the auto theft suspects also had a key in the ignition, they would be less likely to arouse an officer's suspicions should they be stopped while driving the vehicle from the point of theft to the *chop shop*. By *not* damaging the car during the theft, the thieves are more likely to sell the car or parts for more money. Other motivations included greed, image, bragging rights, and thrills.

4. What harms resulted from the problem?

The previous answer covered this answer in terms of losses.

5. How was the problem being addressed before the problem-solving project? What were the results of those responses?

Detective Jim Speaks had worked with Detective Swainson on this case. After they made arrests and concluded the case, Detective Speaks had contacted Honda of Spokane and Dishman Dodge, informing them what had happened and cautioned them that it could happen to their dealerships. As a result of these contacts, both auto dealerships addressed the problem in different ways and with different results.

When detectives attempted our baseline gathering, they were unaware that these dealerships had been made aware of the m.o. Both dealerships demanded to see a registration when our thief attempted to get the keys, but detectives still succeeded on one of the two attempts.

Honda of Spokane ended up denying our theft, but the attendant checked the VIN number to see if they had a code for that car out of "courtesy to the customer."

When the attendant checked for the code, he wrote the four-digit number down and our thief saw it, remembered the number and got the key from Allied Security later.

Dishman Dodge had gone a step further by removing keycode decisions from their hectic service counter environment. Our thief was brought into a back room to a person who handled financing decisions. This person politely refused to give the key unless the detective had a registration to show that he owned the car. Our thief persisted that the registration was locked in the car, but the Dishman Dodge employee was firm. After continued pleading, the employee said that a photocopy of the registration or even a proof of insurance for the car would be enough. Detectives considered concoctin^g a fraudulent insurance card, but dropped the matter as they had learned another important issue to use in their response (obtaining a thumbprint).

Detectives later learned that Detective Speaks had contacted both of these dealerships using traditional law enforcement techniques. Detectives took important lessons from these two contacts into account for their response, encouraging auto dealerships to remove these decisions from the counter, to guard computer screens, all customer information and obtain thumbprints to protect against fraudulent or stolen documents.

6. **What did the analysis reveal about the causes and underlying conditions that precipitated the problem?**

The analysis showed a fundamental weakness in auto dealerships and the attitude that "the customer is always right." In roughly half of the cases, dealerships were willing to give detectives a key for free, (charges for keys which detectives attempted to steal . ranged between \$3 and \$77.50), with the implication that the detectives would perhaps someday return and buy a car from them or at least service their car there.

Another discovery was the willingness to give a key/keycode out varied a great deal depending on the manufacturer. As an example, many auto dealers carry several different makes of cars. One dealership who carried Subarus gave detectives a key. The same dealership refused to give detectives a key to a BMW on a different day, using a different thief. Detective Swainson later learned that it had nothing to do with our thief, but standards set by the manufacturer.

7. **What did the analysis reveal about the nature and extent of the problem?**

The analysis showed that the problem was huge. The detective's theft success rate was much higher than they had anticipated. The analysis also revealed the weaknesses created by the mentality of dealerships - to please everyone walking through the door. A good deal of the response has been dedicated to helping dealerships to understand that not everyone who walks through their doors are customers, some are thieves. General security weaknesses were also exposed as described in the answer to question number five.

8. **What situational information was needed to better understand the problem?**

Since there was no statistical information that had ever been gathered relating to this problem, detectives established our baseline data from scratch by thinking outside the box. Our baseline data was based entirely on situational information that they created.

9. **Was there an open discussion with the community about the problem?**

On June 20, 2001, eighteen people attended a presentation covering the results of the baseline data gathered from the attempted thefts.

Detective Swainson was invited to the Spokane New Car Dealer's Association meeting on November 5, 2001, where he gave a second presentation. One of the managers of the auto dealership is pushing for this information and proposed solutions to go to the state level and beyond.

Response:

1. What range of possible response alternatives were considered to deal with the **problem?**

Traditional law enforcement techniques were ruled out because it is impossible for detectives to stop it alone. Additionally, detectives are totally reactive to the problem, when, and if, they even realized that key/key code theft was a factor in a case.

Contacting all the manufacturers of the cars to alter their dissemination of key codes was ruled out because there are too many types of manufacturers, too many models of cars, and they are all spread out over the globe. The manufacturers are less likely to respond to a problem from Spokane, Washington than one in their own country or city. Local dealerships were viewed as a superior starting point.

The use of the media was ruled out because increasing the public's knowledge of this would educate thieves about a weakness they could exploit; it would embarrass the local dealerships and drive a wedge between detectives, making productive cooperation less likely. Detectives hope to include the media once they have eliminated the problem.

The insurance industry was consulted and kept informed, however; they are already donating undercover cars, bait cars, analytical resources, special agents, and money in fighting auto theft.

Hoping to influence locksmiths, detectives sought a professional league or association of locksmiths but found none. Detectives contacted a well respected security company that is heavily involved in locksmithing. That company, Allied Security, helped us to understand the locksmithing industry. Detectives learned that locksmiths are created without any real standards, that the information to make keys is easily acquired and that you become a locksmith "as soon as you hang a shingle above your door." As a result, detectives worked with Allied Security for advice and to help them in cutting keys where they had gained the key code only.

Block-watch and other citizen groups were ruled out because they couldn't offer any real solutions and the further this information spreads, the higher the probability of thieves using it to commit the crime.

The Better Business Bureau was considered but ruled out since involving them may have created an adversarial situation between the dealerships and the detectives. The Better Business Bureau would be a last resort had detectives not received the cooperation that they have from the auto dealerships.

What responses did **you use** to address the problem?

During the meetings on June 20 and November 5, 2001, Detective Swainson recommended that each dealership use "S.U.M."

This system was designed to be the least intrusive on business operations with little to no cost, while increasing security. Each dealership was given a pre-made folder which included:

- A photocopy of the registration to the vehicle for which a keykeycode was given
- A photocopy of the driver's license for the person the keykeycode was given to
- To protect against fraudulent or stolen ED and registration, a thumbprint of the person the keykeycode was given to

The format allowed all of the above to be on one slip of paper for each keykeycode handed out. The attendant who issued the keykeycode also signed and dated the paper so that it could be tracked and detectives would have a future witness should it become necessary. The dealerships were pleased with this simple format that was ready to use.

Detectives were well aware that any security measures can be defeated or overcome and that this recommended system is fallible. Nevertheless, this system is most likely to stop a key theft before it ever occurs, acting as a deterrent. Should a thief push on and attempt a key theft from a dealership, detectives would have their identity either from the documentation or the thumbprint to work with.

During the meeting, some of the managers asked to have the detectives provide them with a poster that would help them to "sell" the added security steps to their customers. As a group, we agreed that such a poster should state something to the effect of: "NEED A KEY?"

WE NEED YOUR REGISTRATION, DRIVER'S LICENSE AND
THUMBPRINT...IN CO-OPERATION WITH THE WASHINGTON STATE
PATROL , SPOKANE POLICE DEPARTMENT AND SPOKANE COUNTY
SHERIFF'S OFFICE."

We are currently working on a design for this poster and funding to print them. The National Insurance Crime Bureau (NICB) may fund such standardized posters. The dealerships also asked for fingerprinting ink. The National Insurance Crime Bureau may also help with such costs, but no money has been secured for either the posters or ink at this time.

3. How did you develop a response as a result of your analysis?

Our primary goal was to eliminate key theft from dealerships, but in doing so detectives crafted our response to be considerate of our stakeholders pride. Detectives were careful to involve all of our stakeholders with information and input, even if they weren't part of the actual response. As stated above, detectives were mindful to take into account the concerns of our primary stakeholders, the auto dealerships. Detectives made the response simple, cheap and uniform while limiting impact on the relationship between auto dealerships and their customers. Detectives also made sure that we didn't embarrass one dealership in front of their competitors.

4. What evaluation criteria were most important to the department before implementation of the response alternative(s)?

Goal four of TID's strategic plan states; "Contribute to the reduction of vehicle theft and related crimes in Washington State." By implementing our response, detectives are completing exactly that.

Goal four, Objective A, of TID's strategic plan states, "Increase the knowledge and awareness of stakeholders in vehicle theft and related crimes." Using the strategic plan as a guide, detectives struck a balance between getting the word out and keeping other thieves from exploiting the m.o. Keeping costs down is always critical to our agency and detectives were able to complete this project with no money at all. Although it would have been nice to let our community know what detectives were doing to protect their property, it would have been counter-productive. If detectives succeed in eradicating this problem in our community, press coverage of our success here, could spawn a spree of this m.o. in other states.

5. **What did you intend to accomplish with your response plan?**

Although detectives only needed to remove one side of the "crime triangle" to stop this problem, (theoretically), our response plan attacks all sides of the triangle. The response deters future key thieves and helps to catch them. The auto dealerships and would be victims of thefts are much better protected from this m.o. for key theft and security in general. Since the location of the key thefts occurs at an auto dealership, by enhancing the security, the location is removed, the thieves are forced to steal cars the old fashioned way.

VICTIM / \ SUSPECT

LOCATION

6. **What resources were available to help solve the problem?**

Other than manpower, no resources were available to resolve the problem. Allied Security believed that detectives would not be able to steal any key /key codes from dealerships prior to gathering our baseline data. Allied Security agreed to cut any keys that detectives got codes for, which totaled eight, so this was a resource for us. Detectives are still attempting to find resources for the creation of posters and fingerprint ink.

7. **What was done before you implemented your response plan?**

The scanning and analysis steps were completed prior to response.

8. **What difficulties were encountered during the response implementation?**

Detectives had anticipated the problems associated with the customer is always right" mentality and it was a hurdle to overcome. By educating^g our stakeholders that some of the people who come through their doors are thieves, not clients. detectives were able to overcome this obstruction with tighter security.

When the auto dealerships looked at the problem from the angle that the key they were handing out could be used to steal their own customer's car, they wholeheartedly agreed. The motto that detectives encouraged the auto dealerships to take back to their service counters was to "be polite but firm." To explain to their customers, if necessary, that they had adopted these measures to protect the customer's property. The auto dealerships agreed that true customers would appreciate these efforts to protect their property.

9. Who was involved in the response to your problem?

Detective Major Bamino, Washington State Patrol
Senior Special Agent Craig Fairfield, National Insurance Crime Bureau
Trooper Brad Hudson, Washington State Patrol (assessment)
Sergeant Dawn Noetzel, Washington State Patrol
Trooper Pat Percival, Washington State Patrol (assessment)
Detective Mark Porter - Spokane Police Department
Ms. Diane Ray, Washington State Patrol
Detective Jim Speaks-Spokane County Sheriff's Department
Detective E.J. Swainson, Washington State Patrol
Detective Jeff Thoet, Washington State Patrol
Lieutenant Rich Wiley, Washington State Patrol
Allied Security
Appleway Subaru/Mazda/VW/Audi
Barton Oldsmobile/Cadillac
Becker Buick/Pontiac
Camp Chevy/BMW/Subaru
Downtown Honda
Downtown ToyotaLexus
Foothills Lincoln Mercury
Jaremko Nissan/SAAB
Saturn of Spokane
Sutherland Motors Mercedes Benz

Some of the auto dealerships mentioned above sent more than one manager to the meetings. Many other auto dealerships were invited but didn't attend. On November 5, 2001, another presentation was given to the Spokane New Car Dealer's Association (SNCDA). The Spokane New Car Dealer's Association group responded in a positive manner to the presentation and have promised to increase their level of security.

Assessment:

On March 6, Trooper's Pat Percival and Brad Hudson will begin to collect a second string of baseline thefts. Detective Swainson will report their findings once they have completed their attempted thefts of keys.

Reference List:

Feeding the Animals Police-Media Relations by Rick Rosenthal. Copyright RAR Communications, Inc., 1999.

Solving Crime and Disorder Problems by Melissa Reuland, Corina Sole Brito and Lisa Carroll.
Copyright Police Executive Research Forum, 2001.

Agency and Officer Information:

1. At what level of the police organization was this problem-solving initiative adopted (e.g., the entire department, a few select officers, etc.)?
The Washington State Patrol chose to begin an organizational transformation in 1998. The agency introduced POPS to all commissioned officers in 1998 and designated eighteen officers as dedicated POPS officers. In 2000, seventy-two officers were designated as POPS officers. The Washington State Patrol has been heading toward "total integration" of the POPS philosophy aimed at the year 2003 with the idea being that all officers in the agency will be "POPS" officers.
2. **Did the officers or management receive any training in problem-oriented policing and/or problem solving before this project began or during its execution?**
In 1998 all commission personnel received a two-day class introducing them to the POPS philosophy, including then Trooper E.J. Swainson. In the summer of 2000, Detective E.J. Swainson was designated as a POPS Detective and received a two-week course on POPS. Detective Swainson identified this problem during an auto theft investigation in October of 2000 and applied the Scan Analyze Respond Assess (SARA) model to it.
3. **Were additional incentives given to police officers who engaged in problem solving?**
No.
4. **What resources and guidelines (manuals, past problem-solving examples, etc.) were used, if any, by police officers to help them manage this problem solving initiative?**
The initial two day course in 1998 for all officers was an orientation/introduction to the POPS philosophy. The Public Oriented Public Safety (POPS) Basic Training course Detective Swainson attended in 2000 lasted for two weeks and was comprehensive. The course had several guest instructors dealing with problem solving techniques, presentation, facilitation, time management, stakeholder management, resource gathering, media relations, and "POPS in practice." The Public Oriented Public Safety (POPS) in practice training was given by previously designated POPS officers who had successfully applied SARA on projects around the state.
5. **What issues/problems were identified with the problem-oriented policing model or the problem-solving model?**
At first glance, the problem appeared rather simple, that dealerships were providing keys to auto thieves. The model, however; revealed the true problem, the mentality in the car sales community that "the customer is always right." When detectives stepped into the shoes of the thieves and attempted to thief the keys themselves, did they see how easy it was to take advantage of this trusting mentality.
6. What general resources (financial and/or personnel) were committed to this project. and of those resources, what went beyond the **existing department budget?**

The only resource on hand was Detective Swainson and Trooper Dawn Noetzel who was available to assist for two weeks. No funds were dedicated for this project. Now that the project has moved into the assessment phase, Trooper Pat Percival has joined the project and is currently collecting the second set of baseline information. Trooper Percival is using several other Troopers to attempt new key thefts from dealerships. No overtime or budgeted funds have been used on the project.

7. Include the following project contact person **information:**
 - a. **Name:** E.J. Swainson
 - b. **Position/Rank:** Detective
 - c. **Address:** 6403 West Rowand Road, Spokane WA 99224
 - d. **City/State:** Spokane, Washington
 - e. **Phone:** (509) 456 4101 extension 143
 - f. **Fax:** (509)456 4128
 - g. **E-mail:** eswains@wsp.wa.gov

If you have any questions, please call me at (360) 753-1118.
If you have any questions, please call me at (360) 753-1118.

LKR:srb
LKR:srb