

# PROTECT YOUR INVESTMENT

## **“The criminal world has discovered a lucrative and growing market – construction equipment”**

According to the National Insurance Crime Bureau, close to \$1 billion a year is lost nationwide due to the theft of construction equipment and tools.

Despite the value of construction equipment and the direct impact that equipment loss has for the independent contractor, for the multi-million dollar contracting firm and for the economy in general, few hard statistics are available that document the issue of construction equipment loss on the local, state or national level.

By disseminating information of this type, S&L Services Inc, believes it may help increase Construction Company’s awareness of a growing and very real problem at job sites nationwide. Awareness by equipment owners may lead to preventative measures to reduce equipment losses and assist law enforcement in the ongoing fight against crime.

During the 2002 calendar year, 17 states reported equipment theft. In those 17 states, police reported, seven theft rings were disbanded with an approximate value of more than \$4 million of additional equipment recovered. Three chop shops were also uncovered with an approximate value of \$3 million worth of equipment.



Combination backhoe/front end loaders are the second most stolen pieces of equipment.

### **If it's popular on the jobsite, it's popular in the chop shop**

The equipment recovery data illustrated the most popular types of equipment for thieves. These four types of equipment represent 69 percent of thefts and recoveries.

Ranked by frequency of theft:

#### **1. Skid steers**

These compact machines are in high demand. Both highly versatile and multifunctional, they can be readily moved from jobsite to jobsite. Based on ease of transport and the high demand on a jobsite, skid steers are a popular equipment type for thieves.

## **2. Combination backhoe/front end loaders**

Combination backhoe/front end loaders are multipurpose pieces of equipment needed on most jobsites. They can be used for many different jobs, making them a profitable piece of equipment. There is little visual differentiation from one backhoe to another and they all share a common key. So, they are prime targets for thieves based on the ease of theft and how hard they are to track.

## **2. Compressors**

Compressors are versatile pieces of equipment and their high rental costs make them attractive to thieves who are looking to use them on another job or to resell them below market rates. These pieces of equipment can be easily attached to a trailer hitch and taken from a job-site.

## **3. Generators**

Like compressors, generators are versatile pieces of equipment, have high rental costs and are easily attached to any trailer hitch. One difference is that generators are useful in the private, as well as commercial sector. With such a high cost of energy today, generators become prime targets for thieves.

### **What is the most popular time for thieves to strike?**

Weekends. Approximately 37 percent of thefts are reported on Monday mornings, when workers arrive on the construction site to find that the equipment they parked on Friday afternoon has been stolen. A quiet jobsite with little activity is a prime target for theft -- thieves realize that the jobsite won't reopen until Monday, giving them a head start.

### **Who is stealing the equipment?**

Professional construction theft rings are emerging. Professional thieves appear to have discovered a lucrative market in construction equipment, re-selling the equipment to unsuspecting contractors or chopping it into pieces and reselling the parts.

### **Where equipment is usually recovered?**

Construction theft is a local issue. In more than 70 percent of the cases, the stolen equipment never left the area -- it was either in storage or in use on a local jobsite. Unlike auto theft, which has a higher incidence in major cities around the country, construction theft is not confined to city streets and urban areas. Suburban regions, where growth is prevalent and where construction vehicles are at work on active jobsites, are also high-risk areas.

### **If it's recovered, what condition is the equipment in?**

Shorter recovery times result in less damage to equipment.

### **Conclusion**

While police around the country have actively cracked down on auto theft, criminals who would have traditionally stolen automobiles have now discovered that equipment theft is also a lucrative business.