

National Insurance Crime Bureau (NICB) Offers Free Access to Insurers' Total Loss Claims Data

VINCheckSM is NICB's third consumer protection service.

Des Plaines, IL—Robert M. Bryant, President and Chief Executive Officer of the National Insurance Crime Bureau, announced today the expansion of NICB's popular "VINCheck" consumer protection service to include information on vehicles that have been declared "total losses" by its participating member insurance companies.

Consumers anywhere can now obtain valuable pre-purchase information about used vehicles that is made available to the NICB by participating insurance companies supporting the free VINCheck program.

"Our goal is to provide as much information as possible to consumers—at no charge—to protect them against fraudulent used car sales and potentially deadly accidents from driving unsafe vehicles," said Robert M. Bryant, NICB President and Chief Executive Officer.

"NICB's membership includes over 1,000 property and casualty insurance companies and, collectively, they insure roughly 91 percent of the vehicles on the road. When one of those vehicles is declared a total loss and sold for salvage, our members do not want them being rebuilt and fraudulently resold to unsuspecting consumers.

"VINCheck delivers a much-needed service that offers total loss claims data to consumers. It is the third such free service that NICB has introduced since rolling out the Hurricane Katrina Flood Vehicle Database in October, 2005 and VINCheck for unrecovered stolen vehicles last November. NICB and its member companies recognize that consumer protection is paramount, which is why they support this unprecedented program," Bryant said.

With this announcement, the expanded VINCheck will include the existing Hurricane Katrina Flood Vehicle Database. All VINCheck queries will now automatically search for flood vehicles that have been declared total losses, as well as all other total loss designations and unrecovered stolen vehicles.

How VINCheck Works

A VIN or vehicle identification number—is a vehicle's fingerprint. From production to destruction, a VIN is the singular identifier which establishes everything there is to know about a particular vehicle. As such, state motor vehicle departments, law enforcement, insurers and auto dealers rely on VINs to distinguish one vehicle from another.

Once a vehicle is declared a total loss by a participating carrier, its identification number is uploaded into the ISO ClaimSearch® All Claims Database, which is operated by the Insurance Services Office (ISO). From the moment that data is in the ISO system, it is subject to a VINCheck query.

Why VINCheck is Important

Each year, millions of insured motor vehicles are involved in accidents and cannot be repaired economically or safely. Most carriers sell these vehicles through brokers, salvage operators or independent parties.

Titling laws vary in each state, but generally once a vehicle is declared a total loss it receives a title that identifies that vehicle as a “total loss” or “salvage” vehicle. In most states, that “brand” remains on the title, but titling laws in other states are not enough to prevent unscrupulous individuals from selling rebuilt total loss or salvage vehicles to unsuspecting consumers.

The presence of total loss or salvage vehicles masquerading as perfectly reliable used vehicles presents tremendous opportunity for fraud within the used car resale environment. Even more important, it could be a potential safety hazard to the purchaser and other motorists. This is the kind of activity that VINCheck seeks to minimize.

If used vehicle sellers are up front and disclose a vehicle’s history prior to a sale then people are getting a good amount of the necessary information to help them make an informed decision. On the other hand, if a used vehicle’s history is not disclosed, then consumers are at risk of buying a potential death trap. VINCheck offers a free and simple way for consumers to obtain critical information about a used vehicle purchase *before* they make a commitment.

Each year since 1987, over 1 million vehicles have been reported stolen in the United States, but only 60-65 percent are ever recovered. Many of these unrecovered vehicles are often sold through advertisements in local media, as well as over the Internet. VINCheck will also alert consumers to unrecovered stolen vehicles reported by participating member companies. Even with the additional information available through VINCheck, NICB recommends that consumers seek the advice of a certified automotive technician before making the final decision on a used vehicle purchase.

Persons wishing to use VINCheck or for more information on NICB, visit www.nicb.org. To report fraud call 1-800-TEL-NICB (1-800-835-6422).

The National Insurance Crime Bureau is the nation’s premier not-for-profit organization exclusively dedicated to fighting insurance fraud and vehicle theft for the benefit of its member companies and the public through information analysis, criminal investigation support, training, and public awareness.