

THE AUTHORITY

2014 ANNUAL REPORT



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* Uniform Crime Report (UCR) definition: Motor vehicle theft is the illegal taking of a motor vehicle, or driving the motor vehicle without the owner’s consent. Attempted motor vehicle thefts are included. Includes theft of motor-driven buses, motorcycles, motor scooters and snowmobiles. Data finalized for publication on 3/3/15. UCR numbers are subject to continual edit and not complete until the UCR Annual Report is compiled.

** Theft rates are from the FBI and only available through 2012 at the time of publication.

To the Honorable Governor
Tom Wolf & Members of the
Pennsylvania General Assembly:

I am pleased to report, last year was another productive year for auto theft prevention. From 2013 to 2014, convictions increased by 59% and restitution increased 4.7%, as reported by our grantees. The Pennsylvania Auto Theft Prevention Authority (ATPA) once again realized a reduction in vehicle theft across the state with:

- 7% decrease in auto theft statewide in 2014*
- 10% decrease in Pittsburgh
- ATPA grantees and partners recovered \$25.7M in stolen vehicles and parts
- \$7 return on investment since inception

ATPA was created by the General Assembly in 1994. Since then, our work has contributed to a 73% decrease in the rate of motor vehicle theft in Pennsylvania, compared to the national decrease of 53%.** We do not use tax dollars. Our funds come from an annual assessment of more than 380 insurance companies that conduct business in Pennsylvania. Our highly-skilled grantee network of law enforcement officers and prosecutors initiate their own investigations, outreach, and prosecutions, while also offering assistance to unaffiliated agencies and municipalities across the state. This has been a great model for success and provides substantial reach.

Motor vehicle theft is a wide-ranging crime. While joyriders and thrill seekers still exist, often vehicles are stolen by complex, professional theft rings whose tactics often involve violence, financial fraud, identity theft, and international trafficking.

We will continue to tamp down this crime that affects every community and every auto insurance policy-holder in the Commonwealth. Know that the grantees, partners, board members, and employees of the Authority continue to combat theft, protect Pennsylvanians, and keep auto insurance rates low. We are grateful for the opportunity to serve Pennsylvania’s citizens and we thank you for your support.

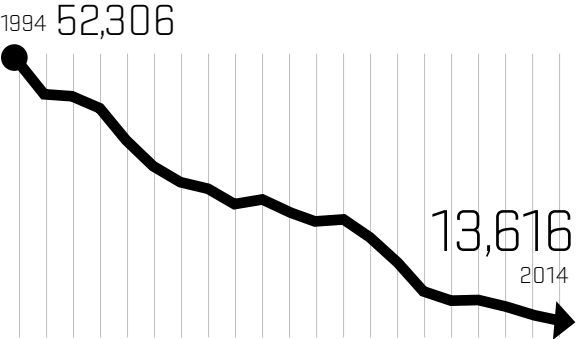
Respectfully,

Ronald W. Kosh

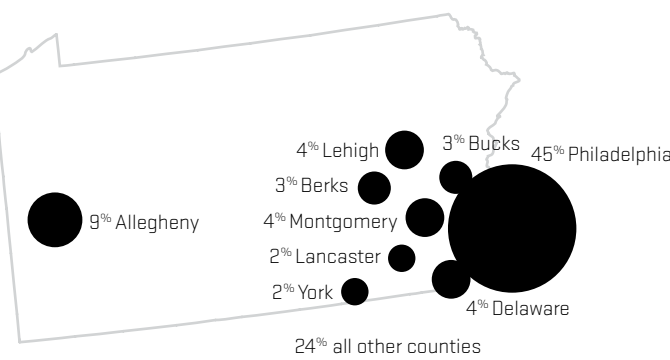
Ronald W. Kosh
Chairman

AUTHORITY IMPACT

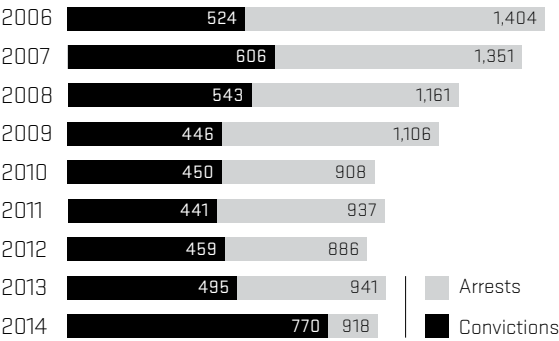
MOTOR VEHICLE THEFTS IN PENNSYLVANIA*



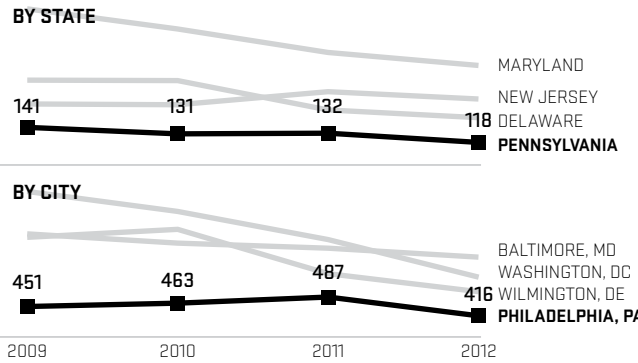
AUTO THEFTS BY COUNTY SOURCE: UCR



INDIVIDUALS ARRESTED & CONVICTED

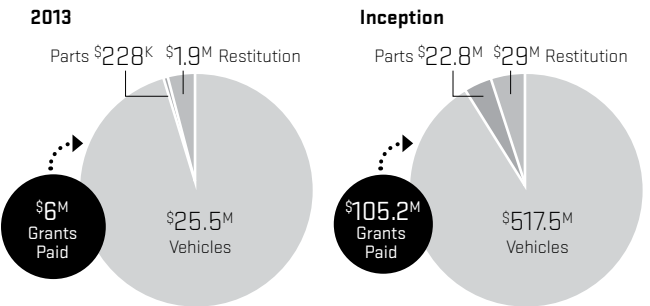


THEFT RATES PER 100,000 INHABITANTS



IMPACT OF GRANTEES’ COMBINED EFFORTS

Value of Recoveries



TOTAL VALUE OF RECOVERED VEHICLES AND PARTS SINCE INCEPTION IN 1994

\$540^M



AUTO THEFT AFFECTS EVERYONE

People sometimes tell us that auto theft does not affect them. This crime impacts everyone. More than 13,000 motor vehicles were stolen in Pennsylvania in 2014. Even without experiencing theft first-hand, you are also touched by the ripple effect of insurance rates and violence:

- When motor vehicles are stolen, **insurance rates go up** and all Pennsylvanians pay the price.
- Stolen vehicles are often used to commit **other violent crimes** that impact your neighborhood, your community.
- If you or someone else leaves your mail, bills, car registration, work files, or other sensitive information in a car, you are now also **vulnerable to identity theft and burglary of your home**.

The goal of the Pennsylvania Auto Theft Prevention Authority is to both attack and deter vehicle theft across Pennsylvania. To do that, we have organized a statewide network of grantees—nearly 100 uniquely-skilled police officers, state troopers, detectives, prosecutors, paralegals, and support staff. They work together to prevent, detect, and prosecute auto theft. They also assist other law enforcement officers and municipalities across the state, provide training, and up-to-date information on auto theft trends.

Auto theft isn't what it used to be

While many vehicles are still stolen as a crime of opportunity for the thief to “get across town,” many are stolen by professional organized crime rings who also engage in violence, financial fraud, identity theft, and international trafficking. To combat these crimes, our team of well-trained experts recognize the distinct tactics and modes of auto theft. We specialize—which given today’s municipal budget cuts, many police departments across the state cannot afford to do.

Few states devote as much attention to auto theft as Pennsylvania. Since 1994, ATPA grantees have recovered stolen vehicles and parts worth \$540 million. In that same period, theft rates in Pennsylvania dropped by more than 73%, compared to 53% nationally.

ATPA does not use tax dollars. Our funds come from an annual assessment of more than 380 insurance companies that conduct business in Pennsylvania. Through this funding, we award grants to 11 investigative and/or prosecutorial units statewide, including juvenile programs, and the Pennsylvania Anti Car Theft Committee (PACT).

The Authority is guided by a board of directors and employs an executive director and grants analyst. ATPA continues to be an effective steward of insurance industry assessments, using only 5% of its funds for administrative costs, with the bulk of funds devoted to investigation, prosecution, equipment, training, public awareness, and prevention.

The Authority provides grants for personnel costs and other expenses for detectives, prosecutors, and specialized support staff. In some cases, law enforcement agencies contribute matching resources. In other cases, ATPA funds overtime costs to expand the capacity of the team. All of these models serve to multiply resources and streamline our investigative-prosecutorial approach.



Ofc. James Campbell and Det. Robert Hammond of the Philadelphia Major Crimes Auto Squad

| ↙ | ↙ | ↙ |
|--|--|--|
| <p>Pennsylvania State Police 14 investigators from county and municipal police departments across the state, 16 state troopers, and 5 state police supervisors (grants pay overtime only), administrative grant assistant (fully funded)</p> <p>Philadelphia Police Department 8 police officers and 4 detectives (fully funded by grant), 8 police officers and 4 detectives, 3 supervisors (grant pays overtime only)</p> <p>Pittsburgh Police 2 detectives (fully funded), 1 detective (50% funded), partial overtime and expenses for 5 detectives</p> <p>Lancaster City Police 2 investigators (fully funded), assistant district attorney (50% funded)</p> | <p>District Attorney Offices</p> <ul style="list-style-type: none">■ ALLEGHENY COUNTY assistant district attorney (fully funded), paralegal (fully funded)■ DELAWARE COUNTY assistant district attorney (50% funded), detective (fully funded), analyst (50% funded), overtime for assisting officers■ LEHIGH COUNTY senior deputy district attorney (50% funded), secretary (50% funded), 4 investigators from local police departments (fully funded)■ LACKAWANNA COUNTY* assistant district attorney (50% funded), 2 investigators from local police departments (partially funded), secretary (50% funded)■ PHILADELPHIA assistant district attorney—Juvenile Division (75%), assistant district attorney—(Adult) East Division (fully funded), law clerk (fully funded), detective (fully funded) | <p>Good Shepherd Mediation Program (GSMP) GSMP delivers an Authority-funded program, "Impact of Auto Theft" (IAT), to first-time offenders selected by the Philadelphia District Attorney's Youth Aid Panels, juveniles who have been offered consent decrees by assistant district attorneys assigned to Philadelphia's Delinquency Court and youth offenders who have been adjudicated for auto theft and are referred by Philadelphia Juvenile Probation Officers. GSMP facilitates an in-school theft prevention seminar for at-risk youth in Philadelphia.</p> <p>Pennsylvania Anti Car Theft Committee (PACT) PACT provides public outreach to increase theft prevention awareness throughout the state.</p> |

GRANTEES

* Serves 11 counties: Lackawanna, Luzerne, Pike, Susquehanna, Bradford, Monroe, Wayne, Wyoming, Sullivan, Columbia, and Carbon

2014 CASE HIGHLIGHTS



Pennsylvania State Police

Retagging/Stolen Vehicles Investigation

After several months of investigation, a detective from the Eastern Auto Theft Unit identified a suspect whose Bucks County dealership was involved in creating fraudulent titles and tags for stolen vehicles. The vehicles were then resold or exported. The suspect's dealership was in Pennsylvania; he lived in New York. The detective reached out to the NYPD Auto Crimes Unit in Queens County, N.Y. and found that they had recovered nearly 150 stolen, retagged vehicles connected to the suspect. Of the 150 vehicles, 45 of them were titled in PA. Of these vehicles, 24 were recovered by law enforcement agencies in New York, New Jersey, Maryland, Virginia, Florida, and the Department of Homeland Security Custom Border Protection. Seven have been exported out of the country without being recovered. After a grand jury investigation, police arrested 18 people responsible for stealing 48 high-end vehicles, valued at approximately \$2.4 million. Of the 45 vehicles titled in PA, 26 were recovered with an approximate value of \$1,271,922.

Lehigh County Homicide and Stolen Vehicle

Grantees from the Lehigh County Auto Theft Task Force and PSP Central Auto Theft Unit worked with the Reading police to track down a homicide suspect in a stolen vehicle. In April, Tyrell R. Young allegedly shot a man after going on a test drive to potentially buy his car. Investigators located the vehicle, arrested Young, and recovered a handgun from the car. He was charged with homicide and firearms violations. Young had previously served prison time for a carjacking at a Northampton County dealership in 2005.

Stolen Farm Equipment

What started as a copper theft investigation in Fayette County, led to a PSP Western Auto Theft Task Force member's keen observation of a stolen truck trailer, chop shop operation, and multi-county stolen farm equipment theft ring. Teamwork from PSP, the task force, and local police led to the indictment of five men accused of stealing lawn tractors, mowers, trailers, and other farm equipment in Fayette, Somerset, Westmoreland, and Washington counties. The stolen equipment was worth nearly \$300,000.

Chop Shop Investigation Fayette County

A Western Auto Theft Unit Member received a tip from a man who believed his stepson was involved in the theft of a burned roll back truck that PSP Uniontown had recovered. The informant said his stepson had borrowed his battery-operated impact gun to help a friend change the rear end in his truck. Investigators found parts from the stolen truck at a local towing garage and evidence that the garage's owner coordinated the theft of the rollback and of a 2012 Peterbilt tri-axle dump truck. The owner allegedly then had one of the employees drive the Peterbilt through his garage to collect insurance money to get a new garage. The owner was arrested and charged with criminal conspiracy, theft, and receiving stolen property. Two additional people were arrested. The investigation continues, additional arrests are pending.



Evidence photos



Evidence photo

Philadelphia Police Department Major Crimes Auto Squad

Honda thefts

The auto squad conducted two major investigations into Honda thefts in 2014. In one investigation, Accords and Civics, model years 1994-to-1999, were being stolen citywide and targeted for their catalytic converters and radios. Using electronic surveillance and facial recognition technology, investigators arrested five men for stealing at least 40 Hondas. They were charged with theft, chop shop, conspiracy, and other crimes.

In a second Honda theft investigation, detectives arrested a man for stealing 12 Honda Civics and Accords from South Philadelphia between January and March. Each vehicle was stripped of its catalytic converter, radio, and battery, though there was no physical damage or other sign of entry to the cars, door locks, or ignitions. Through careful vehicle examinations, interviews, and evidence recovery, auto squad detectives developed a suspect who admitted to the thefts.

Stolen Vehicles at Scrapyard

Auto squad detectives arrested two men for their alleged involvement in stealing 12 vehicles and selling them to a scrapyard. The men were arrested for theft, chop shop, conspiracy and other charges. One of the men had 69 prior arrests.

Airbag thefts

Auto squad detectives launched an investigation after a rash of airbag thefts in the Penn Campus area. Penn Police found an SUV with four Honda airbags, a bag containing broken spark plug pieces of porcelain, and a GPS unit. The airbags had been stolen from cars parked in the immediate area in the past two nights. Auto squad investigators began looking at citywide airbag thefts over the prior six months and found 145 Honda driver-side airbags had been stolen. All had been removed by someone breaking the curbside car window and unbolting the airbag unit from the steering wheel, with no damage to the steering wheel. Investigators identified two suspects who were arrested. One of the men was a repeat offender and he pleaded guilty to charges in this case in January, 2015.

Tailgate thefts

Auto squad detectives arrested two men for stealing tailgates in the Northeast section of Philadelphia. The men would sell the tailgates through Craigslist, Facebook, and junkyards. Detectives recovered 5 tailgates and charged the men with 15 counts of theft, conspiracy, and other charges.



Ofc. Lawrence Rawle and Ofc. Francis Leaden of the Philadelphia Major Crimes Auto Squad, holding an airbag



Evidence photo

Lancaster

A tip from a confidential informant led members of the Lancaster City Police Auto Theft Unit to investigate and arrest a Russian man for his role as a high level manager of a multi-state Eurasian car theft ring. He was arrested on May 25, 2011, while trying to collect \$22,000 for his delivery of four high-end cars stolen from car rental agencies in Miami, Florida. The man was indicted and promised to report to the U.S. Marshall, but he fled to Florida and then Mexico. In March, he was arrested in Tijuana and extradited back to Pennsylvania. He was sentenced to 27 months in prison and will be deported to Russia.

Allentown

Lehigh County Auto Theft Task Force detectives solved two difficult burglary and car theft cases that lead to a major organized theft ring bust. It is alleged that criminals used stolen vehicles, including a Treasury Department van from New Jersey, to burglarize electronic stores across several states. They reportedly used a drone to conduct their own pre-burglary surveillance and keep an eye on local police. In all, detectives arrested three men who are accused of more than 30 burglaries of \$2 million in stolen property in eight states.

Pittsburgh

A thief responsible for stealing at least 10 cars was nabbed due to collaboration between ATPA grantees: Pittsburgh Police Auto Squad, Office of the District Attorney of Allegheny County, and PSP Western Auto Theft Unit. Investigators were also able to solve multiple cases of vehicle break-ins from a port authority commuter parking lot in the Pittsburgh suburbs. The 21-year-old man was arrested for stealing cars and using the cars to commit other crimes. Investigators say they found him with numerous keys to stolen vehicles as well as a significant amount of stolen property.

Det. Sgt. Salvatore Aprile, Lehigh County Auto Theft Task Force



David J. Mussel, Senior Deputy District Attorney, Lehigh County District Attorney's Office

PUBLIC EDUCATION

Public education is one of the pillars of our prevention strategy. Our grantees tell us that nearly half of all stolen cars in Pennsylvania were unlocked and/or had the keys inside. Our goal is to educate Pennsylvanians about this common sense solution: “lock your car, take your keys, every time.” In 2014, the Authority selected strategic partners to help disseminate this message.

National Cinemedia

ATPA partnered with National Cinemedia, operator of the largest digital in-theater advertising network in North America. For five weeks in June and July, our 30-second summer theft prevention commercial was viewed by 850,000 people in 25 theaters across the state.

PACT

The Pennsylvania Anti Car Theft Committee (PACT) is a statewide group of law enforcement officials, business leaders, and insurers who provide public outreach for auto theft prevention. PACT provided speakers and presentation visuals for meetings at civic centers and neighborhood watch groups in Philadelphia. PACT also produced a six-minute auto theft prevention video, which will be widely distributed in 2015. The video shows surveillance footage of how and why cars are stolen, and includes interviews from a motorcycle thief and two ATPA law enforcement grantees.

Philadelphia Phillies

Partnering with the Philadelphia Phillies, ATPA targeted the southeast region, which continues to have the highest auto theft rate in the state. Throughout the baseball season, ATPA reminded the hundreds of thousands of Phillies fans in the stadium and listening to the radio broadcasts to lock their cars to prevent theft. On July 13, the Phillies distributed 26,000 acrylic cups to fans with ATPA's prevention message.



TRAINING

Preventing and reducing auto theft requires unique skills. It's a complex crime, with tendencies toward violence and larger organized crime schemes. Having a modern and well-trained team of investigators and prosecutors is imperative. ATPA offers topical training to grantees, and grantees also offer training to the communities and law enforcement agencies they help serve.

For Grantees

In April, ATPA held tactical interview training at Fort Indiantown Gap in Lebanon County. Grantees engaged in both classroom and practical scenarios to learn more about how to gather information through interviewing and interrogation techniques. In October, at the annual grantee training conference, investigators and prosecutors were offered four training seminars:

- how to investigate and prosecute complex cases,
- how to use information, tracking, and analysis to predict crime for a specific case or overall trends,
- how to handle heavy equipment theft and security in the Marcellus Shale region,
- how to recognize, identify markings, and track ownership of heavy equipment related to theft.

By Grantees

The Authority and its partners offered VINetching training to police departments in central Pennsylvania, so that they may hold their own community VINetching events. Chemically etching a car's vehicle identification number (VIN) on the windshield and windows deters auto thieves. If stolen, a thief must replace all of a car's glass before trying to sell it. The Philadelphia Major Crimes Auto Squad and the Lehigh County Auto Theft Task Force hold several VINetching events throughout the year, etching hundreds of cars and raising awareness in their communities.

Members of the Lehigh County Auto Theft Task Force delivered theft prevention presentations to community groups and insurance companies. They also presented two engaging three-hour classes at the police academy to educate cadets about identifying and investigating stolen vehicles, chop shops, and altered VINs.

ATPA's executive director's message was published in the Fall edition of The Bulletin, the official publication of the PA Chiefs of Police Association, as well as The APB, the official publication of the International Association of Auto Theft Investigators. The Authority continues to be the recognized leader in auto theft prevention and a trusted source for media inquiries and news reports.

FISCAL YEAR 2013/2014

| | |
|---|-------------------------|
| Assessments | \$6,989,826.00 |
| Interest Earned | 3,871.00 |
| Miscellaneous | 3,338.00 |
| Balance carried over from previous year | 822,267.00 |
| Total Funds Available | \$7,819,302.00 |
| Program Expenses: | |
| Grants Paid | (\$5,917,909.00) |
| Grant Reviews | (66,146.00) |
| Public Awareness | (357,553.00) |
| Training | (25,646.00) |
| Total: | (\$6,367,254.00) |
| Operating Expenses: | |
| Personnel Expenses | (\$229,400.00) |
| Operating Expenses | (\$138,512.00) |
| Capital Asset Expenses | (\$1,572.00) |
| Total: | (\$369,484.00) |
| Net Effect of Balance Sheet Changes | \$80,471.00 |
| Year-End Balance | \$1,163,035.00 |
| (to be applied to future grants and operational expenditures) | |

The ATPA operated at 5% (\$369,484.00) of the total assessments collected.

BOARD & STAFF

Board Members



Ronald W. Kosh
Chairman
Director, AAA
Mid-Atlantic
Southeast
Pennsylvania



Charles H. Ramsey
Commissioner,
Philadelphia Police
Department



Celeste C. Dodson
Secretary
Claims Manager,
State Farm
Insurance



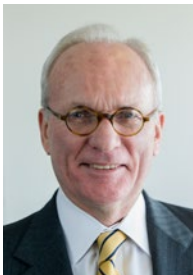
Frank E. Pawlowski
Retired Colonel,
Pennsylvania State
Police



Kimberly A. Bezy
Treasurer
Northeast
Claims Director,
Nationwide
Insurance



Frank Noonan
Commissioner,
Pennsylvania State
Police



James Fitzpatrick
Chief Deputy
Attorney General,
Office of the
Attorney General

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Steven R. Wheeler
Executive Director



Alissa Temperine
Grants Analyst

Pennsylvania Auto Theft Prevention Authority

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