

Defense Against Identity Theft Begins with Your Waste Basket

For a term that's only been around for a decade, "identity theft" has, unfortunately, quickly become part of everyday business language.

While the incidence of identity theft in the Midwest isn't near the levels of East or West Coast states, it's a growing problem. Farm equipment dealerships aren't immune. "It's becoming a bigger and bigger issue for our members," says Andy Goodman, executive director of the Iowa-Nebraska Equipment Dealers Association.

Identity theft intrusions are perpetrated by thieves who get to the mailbox before you, "dumpster divers" sifting through discarded paperwork, or hackers who invade your computer system.

What these robbers do with stolen personal information causes major headaches. Credit card, bank and loan fraud accounted for more than 48 percent of 255,000 reported identity theft complaints in the U.S. during 2005, according to the most recent figures from the Federal Trade Commission. The average identity-theft victim spends the equivalent of 15 work weeks – 600 hours – resolving his or her case. Experts say the emotional impact is similar to that of violent crime.

First Step Is Simple

Protecting your dealership starts by taking care of the trash, stresses Chris Steinkamp, an AgDirect relationship officer who works with dealerships in western, southern and central Iowa.

"These days, it's almost impossible to be in business and not collect or hold personally identifying information (names and addresses, Social Security numbers, credit card numbers, or other account numbers) about your customers, employees and business partners," Steinkamp notes. "If this information falls into the wrong hands, it could put these individuals at risk for identity theft."

A good shredder can be your best friend when it comes to deterring thieves, he says. "Dealerships should shred all discarded credit card slips and any documents (including credit applications) that have any personal information on them such as customer dates of birth, social security numbers or driver license numbers."

Steinkamp also advises dealerships to promptly remove mail from mailboxes and to deposit outgoing mail in post office collection boxes or at the post office, rather than in an unsecured mailbox.

Guard Computer System Integrity

Protecting computer system integrity from hackers searching for personal information remains critical in this age of cyber thieves, according to Jerry Pope, an information security engineer with Farm Credit Services of America in Omaha.

“Having a properly configured firewall is essential,” he says. “Be sure to tell employees not to share their passwords or save them on their computers.”

Pope says his company takes every precaution to guard identity-related information from dealers and their customers. “We even test our security by hiring ‘attack and penetration’ services, which will attempt to breach our firewalls remotely. Dealers can find companies that offer this service in most major cities.”

Finally, a dealership has a significant responsibility to its customers if the company is the unfortunate victim of an identity theft crime.

“Businesses are required to inform customers about potential identity theft incidents,” Pope explains. “The regulations differ from state to state. If you sell to customers across state borders the notification process becomes trickier because you must follow the rules in the customer’s state of residence, not just where the dealership is located.”

Pope says an excellent resource for both businesses and consumers is the Federal Trade Commission’s website at www.ftc.gov. “This site has some excellent general background information that equipment dealerships should know,” he says. “But they also need to keep up to speed on changing state-level rules as well.”

For more information about AgDirect, a financial service of Farm Credit Services of America, contact an AgDirect representative or the processing center at 1-888-525-9805.