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Sometimes we are our own worst enemy

by Gil Van Over

Last week a news flash came screaming across one of my Google alerts. A former salesman at a Texas dealership and four others were arrested for stealing numerous vehicles in a "complex identity fraud scheme."

As I read the article, I was thinking the whole time; where was the management oversight and policies and reviews that should have caught this scheme before it got past one or two at the most?

Notes from the report and my thoughts:

Note: "There were discrepancies found in the documents they provided," police said. "When they filled out the documents, they weren't using their correct identities."

Thought: Where was the oversight by the F&I Manager, the Billing Clerk and the Office Manager who should be verifying that there is a valid form of government identification in each deal? It is possible that each of these deals had Matricula Consular IDs, which is a problem into itself.

Note: "The salesman had accepted several orders by fax since April without anyone ever showing up at the dealership. He then shepherded those applications through the purchasing process."

Thought: Again, where were the F&I and Sales Managers? It is possible that the arrested employee was the F&I Manager and the reporter mistakenly identified him as a salesman. But, if he was a salesman, how did he get seven deals through the system without the F&I Manager touching them or the Sales Manager letting it go?

Note: "Police linked the four accomplices to the crime by working backward from the fraudulent purchasing papers, all of which listed a Houston-based company called Texas Demolition as the buyers' employer."

Thought: The fraud cases I have seen typically uses a common employer on the deals. I would not be surprised if the ring had a disposable mobile to answer the employment verification calls. If proof of income was collected on these deals, a thorough review of the documents may have uncovered the fraud early.

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