

To OVDA from
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Odometer fraud is still significant

This link takes you to the most comprehensive study prepared by NHTSA back in 2002.
<http://www.nhtsa.gov/cars/rules/regrev/evaluate/pdf/809441.pdf>
Much of what is in the study is still very relevant. For example, here's what the study states on the financial impact of odometer fraud:

“There are approximately 452,000 cases of odometer fraud per year in the United States based on the fraud rate and number of registered vehicles by vehicle age. This study also estimates the increased price consumers pay for the odometer rollback at the time they purchase a vehicle: The difference between the inflated prices that consumers actually paid for the rolled-back vehicles and the prices they would have been willing to pay if they had known the true mileage.

Those costs average \$2,336 per case of odometer fraud. Given 452,000 cases per year in the United States, that amounts to \$1,056 million per year (confidence bounds from \$737 million to \$1,376 million).

That sum does not include inflated financing, insurance and tax costs; additional amounts consumers pay for vehicle repairs; other consequential damages; the decreased resale value due to the vehicle having an altered odometer; or the many indirect or intangible costs of odometer fraud: time spent waiting for vehicle repairs and road service, consumers' anger and frustration at being cheated and getting a car they wouldn't have wanted, and costs of government programs to detect and deter odometer fraud. The increased cost consumers pay to purchase passenger vehicles with odometer rollback of \$1,056 million per year makes odometer fraud one of the top crimes against property in the United States. By comparison, the Federal Bureau of Investigations estimated that in the year 2000, auto theft resulted in direct losses of \$2,900 million, arson \$760 million, burglary \$3,000 million, and shoplifting \$200 million.”

In addition, based on the CARFAX user experience (consumer/dealer viewed vehicle history reports) we've seen odometer rollbacks increase in OR by 2% year over year. We've increased our coverage of odometer reporting by working with dealer and aftermarket service and repair facilities through our Servicelink program.

Any opportunity allowing for the collection and disclosure of an odometer reading we support as long as we can verify the quality of the disclosure.

I will make sure we follow and will help where possible.

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OVDA Note:

Oregon Financial figures based on national amounts

National Total Fraud

452,000 cases per year in the United State

\$1,056 million per year

Oregon 1 % of national population

4520 odometer fraud cases per year

\$10,560, 000 per year in up front costs to Oregonians.

Plus: inflated financing, insurance and tax costs; additional amounts consumers pay for vehicle repairs; other consequential damages; the decreased resale value due to the vehicle having an altered odometer; or the many indirect or intangible costs of odometer fraud: time spent waiting for vehicle repairs and road service, consumers' anger and frustration at being cheated and getting a car they wouldn't have wanted, and costs of government programs to detect and deter odometer fraud.