

Stopping thefts with electronic background checks

By Sean Kilcarr, senior editor

Randy Brown will tell you that if he had a way to double-check the identities of truck drivers electronically in real time, he wouldn't have been burned for \$500,000.

That's what his company, Ag Depot, a packaging/bulk handling, repackaging, manufacturing, and transportation services provider for manufacturers and retailers of agricultural crop protection products, lost when one of its chemical loads was stolen in June 2002. The incident pushed Brown to develop his own online verification system for truck drivers, called Driver Passport, to prevent similar thefts.

"Had Driver Passport been in place, the theft would not have occurred," said Brown, CEO of Ag Depot. "It relies on a centralized database that provides immediate feedback on valid and invalid drivers, so there's no more guesswork when looking at an identification card."

According to the Dept. of Labor, there are currently 3.24 million truck drivers in the U.S. FBI statistics indicate that freight theft is thought to exceed \$10 billion annually, with the Government Accountability Office (GAO) estimating it to run as high as \$40 billion per year.

"A proactive stance on transportation security is critical in the marketplace now," Brown said. "It is the job of security and transportation professionals to do everything in their power to minimize loss and liability. That's why we developed Driver Passport. It's a simple, efficient way for all concerned to help protect themselves and the nation."

"There's a lot of challenge and risk around drivers today in terms of cargo theft and security issues, so the way you balance that out is with background checks," said Kim Kerr, VP & GM of the LexisNexis Risk and Information Analytics Group. "Electronic background checks allow you to cast a wide net quickly to search several different databases to make sure the person is who they say they are

and that they are neither a security nor safety risk."

Kerr said employers conduct background checks to verify that a candidate's true identity is not fraudulent. This is critical since many candidates try to leverage identity fraud, or misrepresent resume credentials to carry out such crimes as "inventory shrinkage"—a combination of employee theft, shoplifting, vendor fraud and administrative error.

"In addition to loss from theft, employees who misrepresent themselves also pose a security and safety danger to other employees and customers as a result of criminal histories gone unnoticed or undetected," Kerr noted. "That's why new technologies, including online background screening, are increasingly being used to help employers across different industries — trucking included — to identify candidates who misrepresent themselves."

Advances in online screening services are replacing some of the more manual components of a background check that often takes days or even weeks to complete, he added. Online checks are getting faster and more affordable since they often leverage effective information and analytics technologies and massive public records data repositories.

"All totaled, at less than \$20 per person, a company can now have instant checks— 10 seconds at most — covering everything from criminal offenses to motor vehicle violations," Kerr said. "Obviously, that makes a company's due diligence to check out a potential employee's background a lot easier — and a lot faster — than ever before."

"No trucking or shipping company wants to discuss security, loss or theft, but all recognize it occurs," added Ag Depot's Brown. "And a good start to transportation security is to identify drivers to the companies they say they're representing."

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