



How Large is the Current Catalytic Converter Theft Problem?

There is a general awareness that the scope of the catalytic converter theft problem is great, but hard to quantify. One reason for the lack of hard numbers is that theft statistics are very limited, and police theft reports are rarely taken because once the crime has been committed, there is rarely any evidence, and the catalytic converters are normally not marked and cannot be traced back to a donor/victim vehicle. Also, unlike vehicle theft reports, these thefts are reported as stolen articles and not to a centralized database to codify and record these particular thefts.

Catalytic converters theft has also not been well documented by most insurance companies, so general availability of statistics has not been well recorded. Some insurers have started to improve their recording of these thefts, so that claims made under comprehensive insurance coverage are now starting to be generated by some insurers.

Additionally, most older vehicles do not have comprehensive claims coverage, and as a result, few of the thefts from this segment of the vehicle population will be reported. Roughly 50% of the total registered vehicle population operate with just state required insurance coverage due to the age of the vehicle or other financial considerations.

Despite these challenges to estimating the scope of the catalytic converter theft problem, there are some sources of information that allow for a good estimation.

For example, State Farm Insurance has started maintaining better statistics on comprehensive insurance claims for stolen catalytic converters. State Farm Insurance presently services 15.98 percent of the general automobile insurance marketplace in the US. According to State Farm, in the most recently recorded 12-month period of July 1, 2020 – June 30, 2021 they paid out 18,000 claims for catalytic converter theft¹. Since State Farm holds roughly 16% of the general auto insurance market, which is over the total insurance claims marketplace to roughly 112,500 claims across the industry. Recognizing that more than 50% of the vehicles on the road only have liability coverage as required by the States, when converters are stolen from those vehicles there will be no claims filed with any insurer. Additionally, some vehicles which are prone to be targeted are in populations such as dealer resale inventory or commercial fleets which are not insured by parties such as State Farm. As a result, the State Farm type statistics cover insurers with a combined coverage of probably 45% of the total 'at-risk' vehicle population. Consequently, the total estimated number of catalytic converter thefts consistent with the State Farm reported numbers would be roughly 300,000+ catalytic converter thefts for that time period.

Since June 30, 2021 catalytic converter theft rates have continued to climb rapidly according to all accounts. Based upon the theft rate increases, the current catalytic converter theft rate is likely now closer to 450,000 – 500,000 units a year. Given that the total operating vehicle population in the United States is now considered to be 250 million-280 million vehicles, that theft rate would represent roughly 2% of the vehicle population.

There are other ways to estimate the volume of catalytic converter theft rates based upon recent police actions which are also consistent with these numbers. According to a recent indictment by the US Attorney's

¹ <https://newsroom.statefarm.com/auto-claims-analysis-reveals-explosion-in-catalytic-converter-theft/>

The National Salvage Vehicle Reporting Program (NSVRP) is a not-for-profit 501 (C) (3). The organization was founded to support law enforcement and to promote and support efforts to advance the National Motor Vehicle Title Information System (NMVTIS). NSVRP's mission is to support initiatives to control auto-theft and title abuse. NSVRP's Board of Directors consists of representatives of major law enforcement groups. The US Department of Justice has applauded NSVRP for developing reporting standards for NMVTIS reporting and has strongly encouraged the operator to adopt these standards as suggested voluntary compliance standards. NSVRP has been recognized both by the Department of Justice and the FBI for 'Exceptional Service in the Public Interest' for its public policy efforts.



Office in the Western District of Missouri², over a four-year period an individual has been accused of receiving over \$11 million dollars from the sale of stolen catalytic converters. Based upon a survey of the average payment for the purchase of detached converters, the purchase price is roughly \$300 per converter. Using that \$300 per converter estimate, the \$11 million dollars reportedly paid for detached converters represents roughly 36,000 detached converters for just this one criminal enterprise. According to the indictment, the bulk of these converters were acquired from a single region of Missouri and would represent roughly 10,000 stolen detached converters a year from that one region.

In another recent investigation in Houston Texas³ investigators recovered \$1 million dollars of stolen converters in a collection operation. Using that same \$300 estimate for the scrap value in the scrap converter market, a \$1 million-dollar recovery is the equivalent of roughly 3300 converters seized. The report identified from just one location alone 477 converters and 2800 oxygen sensors recovered, and a total of 7 locations were raided with material found at multiple locations. It should be noted, that the theft problem in Houston has been especially great, and this investigation only identifies the converters on hand at the time of the enforcement operation. Once stolen, converters would be resold regularly and converted into cash so this would only represent a very small portion of the annual activity for any criminal enterprise.

Most recently, a major organized crime organization was reported to have dismantled on July 29, 2022 in Beaverton, Oregon⁴. According to the complaint, it was estimated that the participants handled more than 44,000 stolen detached catalytic converters just in a period beginning January 1, 2022 through July 29, 2022. Annualized that would represent more than 85,000 stolen converters from just this one operation.

Based on the State Farm claims information, and also using the supporting theft information from these three indictments which cover operations in different regions of the country, this information is consistent with the current estimated overall theft rate of roughly 450,00 - 500,000 stolen detached converters a year for the most recent 12-month period.

It should be noted that the cost to the public of a stolen catalytic converter is far greater than the scrap value that a thief gets from the resale of that converter. The repair cost to a consumer, insurer, rental fleet or vehicle dealer will range from a low of about \$1500 up to more than \$7500 depending upon the model of vehicle and related damage. Using a very low estimate of \$2000 per event, the total cost to the public from these thefts will likely be in the range of \$800 million - \$900 million dollars annually.

NSVRP is a national law enforcement support organization established at the request of the US Department of Justice to support the National Motor Vehicle Title Information System. NSVRP works with many agencies and has developed best practice standards that are widely used in reporting with multiple agencies. Please look at our website NSVRP.org and in particular the special website page on catalytic converter theft.

For more information please refer to the NSVRP website NSVRP.org Catalytic Converter Information Page

² <https://www.justice.gov/usao-wdmo/pr/independence-man-indicted-multi-million-dollar-conspiracy-sell-stolen-catalytic-0>

³ <https://autos.yahoo.com/thieves-caught-hoarding-12-million-145600353.html>

⁴ <https://www.oregonlive.com/crime/2022/08/catalytic-converter-crime-ring-indicted-in-washington-county-connected-to-thousands-of-west-coast-thefts.html>

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