

Catalytic Converter Thefts on the Rise

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Catalytic converters are a prime target of thieves. According to the National Insurance Crime Bureau (NICB), more than 1,200 catalytic converters per month were stolen in the United States during 2020. Thefts increased almost 300% in the period from July 2020 to October 2021. One insurer reported nationwide payouts in the first eight months of 2021 at \$28.5 million (wfaa.com). Helping clients understand the risk of catalytic converter theft and how to prevent it is another value-added service of the professional insurance agent.

The catalytic converter is a key component of a car's exhaust system. It is at the front of the exhaust system before the muffler. It looks like a muffler, and converts hazardous gasses emitted by the vehicle's engine into less harmful gasses, including water vapor and carbon dioxide (nicb.org). Without it, vehicles no longer reduce harmful emissions such as carbon monoxide, hydrocarbons, and nitrogen oxides. This is bad for the environment, and presents a hazard if the emissions seep into your home once the car is parked in the garage.

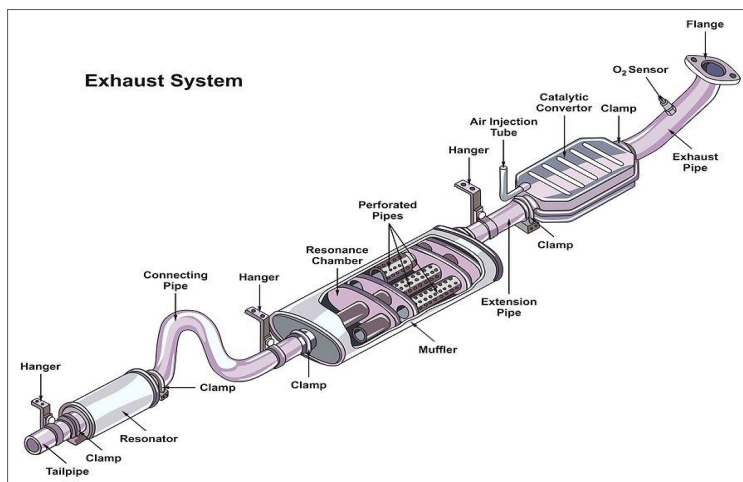
There are a number of reasons catalytic converters are so popular with thieves. They are made of precious metals such as palladium, platinum, and rhodium, and can be sold to recyclers for \$50 to \$250. In November 2021, rhodium cost \$11,000 per ounce. Palladium and platinum are about \$2,000 and \$1,000 respectively. Catalytic converters usually cannot be traced, since there is no registration or identification number on them. They are very easy to steal – the only tool needed is a battery-operated reciprocating saw – readily available at any hardware store - to cut it out of the car. Usually the thief does not even

need to jack the car up. It can take as little as a minute, but usually three to five minutes, to complete the process.

Hybrid vehicles such as Toyota Prius, SUVs from any maker, trucks, and vans are prime targets since they use the highest amount of precious metals. Honda passenger vehicles are also popular (carparts.com). All-electric vehicles are the only ones that do not require catalytic converters because they do not have an internal combustion engine. The one upside of losing a catalytic converter is that the car can still run without it, so the owner won't be stranded. The car will, however, sound very loud – a key clue that there has been a theft. The catalytic converter must be replaced.

Countrywide, law enforcement is working to combat the theft problem. In addition, at least 18 states are working on or have enacted legislation to attempt to reduce the theft problem, including making theft of catalytic converters a felony and requiring recyclers to maintain detailed electronic records of their purchases. Another option to reduce thefts would be to re-engineer the exhaust system to use less expensive materials.

There are simple ways to reduce the chance of becoming a victim of catalytic converter theft. Parking the car in a locked garage or well-lit parking lot is always a good idea. Motion detector lights in the driveway may also deter thieves. Etching or



painting the vehicle identification number or license plate number on the catalytic converter can dissuade thieves and assist law enforcement. Anti-theft devices and shields are available from some manufacturers. Increasing sensitivity on the car alarm may cause it to sound if the thief jostles the car. Report suspicious sawing sounds to the police.

Theft of a catalytic converter is more than a noisy inconvenience. It must be replaced to avoid fines for air pollution and even noise pollution. Comprehensive insurance coverage on the automobile will cover catalytic converters, but only above the deductible amount. This is important since the cost to replace the catalytic converter can be \$1,000 - \$3,000 not to mention the cost of alternate transportation and the overall inconvenience and annoyance. Helping clients avoid becoming a victim of a catalytic converter thief is another sign of the true insurance professional.

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