



Dude, Where's My Carrier? Identity Theft in the Transportation Industry

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With the recent pandemic requiring many more individuals to work from home on virtual networks, there has been an escalation in cybercrime. Many industries are particularly vulnerable to this type of crime. As we are now seeing, the transportation industry is not exempt from these potential hazards. Identity theft of motor carriers and property brokers has been widespread, and it does not seem like it is slowing down anytime soon.

Numerous carriers and brokers become victims to identity theft every year. One popular identity theft scheme in particular has been picking up steam in the past few years. The only way to know if you have become a victim of this identity theft is when carriers or brokers begin calling you asking about loads that your company has never heard of. The identity theft scheme works as follows. It starts with a real broker placing a load on a load board. The identity thieves first go onto the FMCSA website and get information such as a MC Number and address for a motor carrier on that website. The identity thieves then book that load with the real broker on the load board by posing as the motor carrier and using their MC Number. Next, the identity thieves

take information from the FMCSA website for a property broker. Once they have this information, they repost the load (sometimes on the same load board) by posing as the broker whose information they stole. A real motor carrier then books this load with the identity thieves. Thus, the identity thieves are double brokering these loads by using the information of different brokers and motor carriers. The identity thieves purchase phone numbers and create email addresses that are very similar to what you would expect the real entities to have by purchasing phone numbers with the same area code as the real phone number. This creates multiple problems on a shipment. First, when the identity thieves rebroker the load on the load board, they usually place a rate for that shipment at a much higher rate than the original rate at which it was posted. The identity thieves do this in order to broker the load to a real motor carrier quickly. An additional problem is communication. Because the identity thief is the intermediary between the real broker and the real motor carrier, updates on the shipment become difficult. Once the load is delivered, the real motor carrier will then try to contact the identity thief, believing it is contacting the

broker, to receive payment. However, by that time, the identity thief will no longer respond, and the motor carrier is left without knowing who the real broker was on the load.

This scheme provides big payouts for the identity thief. The identity thief will first ask for a fuel advance from the real broker. If the broker is willing to pay this, the identity thief will receive this payment immediately. Once the load is delivered, the identity thief will provide proof of delivery and insist on quick payment. It is important to understand that all parties, except for the identity thief, are victims of this scheme. The real broker has just paid the wrong person on the load and the real motor carrier has not been paid for the shipment. The motor carrier and broker whose identity that the identity thief stole will likely receive multiple calls from different entities on shipments in which they were never involved, and might receive negative reviews or scrutiny when the real broker or motor carrier does not understand that they were a victim of fraud.

The solution to this problem is due diligence by both brokers and motor carriers. It is important when communicating with another party in the transportation field to call the phone numbers listed for that entity on the FMCSA website. Of equal importance is researching the entity online to see if there has been identity theft reported. If you have become the victim of identity theft it is vital that you let all load boards know, as well as factoring companies and your insurance company. The victim of identity theft will also need to file an FMCSA Consumer Complaint to document this identity theft. Finally, if you are a motor carrier looking for a load on a load board and see one with an extraordinarily high rate, it is likely too good to be true. Through due diligence and efforts by all of the parties involved, these types of schemes can be avoided. However, this scheme will likely remain a problem for the transportation industry for years to come.