

Management Article – Diary of an Identity Theft Victim Two Tools to Protect Yourself from Identity Theft

Imagine receiving a visit from a local sheriff with a handful of your mail that he retrieved from a ditch. Consider how it would feel to get a welcome call from an account representative at a store in a city 1,000 miles away verifying that you have opened a charge account.

The Federal Trade Commission estimates that 9 million Americans have their identities stolen every year. If you are a high profile person in your community, your odds just increased.

Identity thieves target me about three times a year, so I have learned a few simple steps to protect myself. It may be prudent for you to put a fraud alert or a freeze on your credit bureaus.

With a police report, you can place a permanent fraud alert on your reports. Before new credit is issued, the issuing company will call you at the number you provide to the bureaus and verify the legitimacy of the request. Without a police report, a temporary fraud alert can be placed on your file for 90 days. With a police report, the alert lasts up to 7 years.

To place a fraud alert, call one of the three credit bureaus, or go to their web sites:

- Equifax: 800-525-6285, www.equifax.com
- Experian: 888-397-3742, www.experian.com
- TransUnion: 800-680-7289, www.teansunion.com

By asking the credit bureaus to do this, you ensure that only businesses that you have an established relationship with can see your credit file. Before issuing any new credit, the credit issuer must speak to you personally at the number that you provided to the bureaus. It's far better to learn about an attempted identity theft before any damage has been done.

However, I recently had a reminder of how this added protection can have a downside. I purchased a new Apple iPhone. It took me days to get it activated because we had reshuffled the extensions in my office and I didn't update the credit bureaus in writing of my new contact number.

The credit issuer will ONLY speak to you at the number you have provided the bureaus. The onus is on you to remember to update the bureaus when you make a change. Despite this drawback, it is worth considering putting a fraud alert on your credit file.

The other option is to freeze your report. A freeze allows you to restrict access to your report. It is a good solution for people who want to protect themselves from identity theft and who do not regularly apply for credit.

The downside: a freeze takes a few days to lift, so freezing your credit can cost you if you need to apply for credit quickly. A freeze means only companies with which you have a business relationship can see your report. To get new credit, you must notify the bureaus and lift the freeze.

You can lift it across the board if you are shopping around or lift it only for a specific creditor to look at your report.

To put a freeze on your report, send certified letters with proof of identity and address and \$10, or a copy of the police report, to:

- Equifax Security Freeze. P.O. Box 105788, Atlanta, GA 30348
- TransUnion Fraud Victim Assistance Dept., P.O. Box 6790, Fullerton, CA 92834
- Experian Security Freeze P.O. Box 9554, Allen, TX 75013

A credit report freeze on all three of your reports will cost \$30.83 in Texas. It varies by state because sales tax is added to the \$10, but the bureaus will freeze your report for free if you have a police report. The cost to temporarily thaw your credit report ranges from zero to \$12, depending on the bureau. A report can be temporarily “thawed” if you need an employer, lender, insurer or anyone else to have access to your report. Again, no police report is required.

Don't forget to go to the website for my new book, www.greenweenies.com, to learn all the backroom business terms. There are 1,200+ terms in over 300 pages, with hilarious illustrations by world famous Gahan Wilson. You can register there for your free weekly “green weenie.” If you want to know what a three-fingered booger is, or what's in a train wreck envelope, it's the only place to go!

Remember, only you can make BUSINESS GREAT! Next month, more from Chapter Six of *How to Salvage Millions from Your Small Business*.

Please email if you would like me to send previous articles.

AutoSalvageconsultant.com was formed in 2001 to help recyclers improve their businesses. With over fifty years of experience in three staff members, the group is THE definitive source for recyclers' management and training needs. The founder, Ron Sturgeon, is past owner of AAA Small Car World. You can review his resume, with skills and experience, at our website. In 2002, his book *How to Salvage Millions From Your Small Business* was published to help small business owners achieve significant success. It was recently reprinted in the U.S. and published in China, Korea and the Czech Republic. You can learn more about how to help your business at www.autosalvageconsultant.com. You can reach us at 5940 Eden, Haltom City, TX 76117, or by calling or emailing Mike Gibson or Tammy Sturgeon. Mike can be reached at 817-925-0061 or mikeg@autosalvageconsultant.com, and Tammy can be reached at 817-999-1224 or tammysturgeon@all-import.com