



Introduction

Recent changes by the Association of British Insurers (ABI) to increase the UK's 20 insurance group rating system to 50 groups, could have a significant effect on the security features fitted by vehicle manufacturers in the UK market.

This, together with changes introduced by Thatcham to the NVSA and VSS criteria, will no doubt provide an interesting challenge to vehicle manufacturers.

SBD is currently advising its customers on the impact these changes will have on their business. By clarifying this complex situation, we are able to provide cost-effective solutions to meet the most stringent insurance and legislative requirements.

To find out how **you** can benefit from SBD's vehicle security expertise, e-mail leanneflower@sbd.co.uk.

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Vehicle Manufacturers

Replacement key cost



A study on the cost of replacement keys by **Whatcar?** found that prices ranged from £63 (**Daihatsu** Charade) to £200 (**Volkswagen** Golf), with these costs including the coding of the new key to the vehicle. Waiting times also varied between one and ten days depending on the manufacturer. Whatcar? reported that in almost all cases multiple identification checks were carried out to verify the owner of the car.

SBD investigated this issue in 2006 and found verification of owner identity was frequently the weakest point of the key and component management process.

Source: What Car?, 26/03/07

New Smart Key systems released

Hyundai have launched their new Veracruz in the US, featuring the first smart key system from the Korean manufacturer. The Veracruz is expected to be released in Europe later this year and, if it is equipped with the system, Hyundai will join the growing number of vehicle manufacturers who offer smart key systems in the European market.



The **Nissan** Teana model released this month in India includes an updated Nissan smart key system. With the Teana, Nissan has moved away from the mechanical steering lock configuration used on Micra, Quashqai, Pathfinder and Note, and incorporated a push button start.

SBD believe that a push button start feature is much more in-line with customer expectation and offers a significant perceived quality improvement over systems that are based around the conventional mechanical steering lock.

Source: www.hyundai.com, www.thehindubusinessline.com, 01/04/2007

Tesla sports security innovation



The **Tesla** Roadster on sale in the US features an interesting valet mode, activated via the touch screen *Visual Display System*, which limits the car's range, acceleration and top speed. Valet mode is deactivated upon entry of a unique PIN number which is also used to unset the vehicle immobiliser.

Source: www.teslamotors.com

SBD Information

Reports

Malaysian Insurance Requirements report ~ Now Available!



This report provides a detailed overview of the Malaysian insurance requirements for vehicle security. It contains both market and technical information on the current insurance situation, as well as important changes being considered for the future.

If the expected changes are made vehicle manufacturers will, for the first time, see a clear insurance benefit for the fitment of security systems. This report explains why the Malaysian market should be monitored by manufacturers.

Vauxhall Zafira Smart Key evaluation ~ Now Available!

The Zafira is the latest vehicle to be tested as part of SBD's rigorous bench-marking programme.

Notably, it is the first European vehicle from General Motors to be equipped with a smart key system, and it is also the first "C" segment vehicle to feature a smart key system with touch sensitive handles.

- **European Insurance Technical Requirements**
- **European Insurance Market Requirements**

NB: The above insurance reports can now be purchased with **FULL** Japanese translation.

For more information about any of our reports, please contact: leanneflower@sbd.co.uk.

Theft Trends & New Technologies

Temp tags stolen in the US



Thieves have stolen 1,200 temporary licence plate tags from a dealership in Albuquerque. The tags act as temporary licence plates and are being used by car thieves to disguise the identification of stolen and unregistered vehicles. The tags are simply \$2 pieces of paper, but they can be sold on the black market for up to \$200. The *New Mexico Automotive Dealers Association* are studying alternative electronic systems to help the police identify suspect vehicles and cut down on vehicle theft.

Source: www.krqe.com, 20/02/07

Opportunist theft on the rise



RAC Auto Windscreens warned that there has been a 23% increase in the number of side windows smashed last year in order to steal expensive gadgets from car interiors. Their research has revealed that one in ten cars has contents worth more than £1000 including sat nav, laptops, iPods, mobile phones and portable DVD players. Some insurance premiums do not cover "smash and grab" thefts if the items are not securely locked away out of sight, so not only do motorists lose their valuables but they also have to pay for any repairs.

Source: www.racnews.co.uk, 02/02/07

Multi-layered label to combat counterfeiting



Labelling and packaging group **Tesa** has developed a label to provide authentication of genuine goods and deter counterfeiting. The 'Holospot' has four layers of information but only two of them can be seen by the naked eye. These are holographic and can contain a product number, company logo and more detailed code for the manufacturer. The other two layers contain a variable shining image and a high security computer encrypted data layer that can only be read with laser magnifiers and digital reading devices. Siemens VDO has trialled the system with a view to combating losses from counterfeiting in the spares market. Counterfeiting is estimated to account for at least 5% of all world trade.

Source: *Professional Engineering*, 07/02/07

Regulations & Standards

European WOVM gains momentum



A special conference is being held in Brussels in July where members of the European parliament will consider a proposal to adopt *Whole Of Vehicle Marking* (WOVM). This follows the adoption and trials of microdot marking in New Zealand, Australia, Taiwan, Poland, South Africa and Russia. A vehicle is typically sprayed with thousands of microdots each containing the vehicle's VIN number. WOVM is considered to be a method to tackle organised crime and further strengthen terrorism defences.

SBD caution that in order for WOVM to have any effect on vehicle crime there has to be an effective method of identifying vehicles across individual member states and between the various layers of law enforcement in each country.

Source: www.scoop.co.nz, 09/03/07

Thatcham TQA grows



The Thatcham Quality Accreditation (TQA), launched at the start of 2007 to replace the 'Q-list', continues to grow with the recent addition of Tracker and Cobra products. Other TQA accredited stolen vehicle location / tracking products include systems from NavTrak, TrafficMaster, Jaguar Watch, Land Rover Watch and i-mob. Thatcham's Accreditation Manager said, "We are working with some of the top manufacturers and service providers in the UK to provide an independent certification of only the highest quality products."

SBD believe that consumers and insurers may not be aware of important performance differences that exist between Cat 5 and TQA-approved systems for vehicle tracking and recovery. If these differences are not recognised it is possible that potentially less effective TQA products will gain a dominant share of the vehicle tracking marketplace.

Source: Thatcham, April 2007

SBD Information

"Did you know...?"

A microscopic pattern etched onto vehicle parts is yet another method to combat counterfeiting. The **Simatic HawkEye** is used to scan the pattern of pin pricks on the parts surface and compare this to a database of known patterns. Many fake parts are placed in seemingly genuine packaging but this device can verify the authenticity of the component itself. Anticipated users of this system include customs officials, car manufacturers (prior to vehicle assembly, for example) and trading standards officers on the high street.

ITIS Holdings has recently sold its stolen vehicle tracking division, **NavTrak**, to **Cobra Automotive Technologies**. **ITIS** can now focus on its core traffic information business, whilst **Cobra** will continue to grow **NavTrak's** relationships with Europe's premium vehicle manufacturers.

Event Calendar

National Vehicle Crime Conference 2007

24-25 April
Heritage Motor Centre
Gaydon, UK
www.iaati.org.uk

IFSEC 2007

21-24 May
NEC, Birmingham
UK
www.ifsec.co.uk

JSAE Auto Engineering Expo

23-25 May
Yokohama
Japan
www.jsae.or.jp

Triple Focus 2007

20-21 June
Thatcham
UK
www.thatcham.org.uk

To meet with an SBD representative, or to request SBD research at these events, please contact: leanneflower@sbd.co.uk

"Did you know...?"

Remote control doorbell transmitters are being used to jam key fob frequencies when motorists try to lock their cars. If owners do not check the vehicle is locked thieves can simply open the doors and steal any valuables inside.

The world's first and only **Museum of Automotive Theft** has opened in Moscow on the second floor of a Lada-Favorit dealership. It features displays of forged documents, flexible jimmies and wire hangers for prying locked doors.