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**T**hese days, you cannot turn on the television or pick up a paper without seeing an article about a company mishandling sensitive customer data. From national retailers like T.J. Maxx and Marshalls, to hospitals, financial institutions, and even government agencies, no one is immune from the fastest growing crime in the country—identity theft. Automobile retailers and their customers are no exception, because just like banks, credit unions, and credit card companies, dealers collect and store reams of personal customer data.

Offering an identity theft protection product is a fantastic way to build confidence with your customers and a great revenue generator for your dealership. In addition, providing an identity theft solution could lower your overall liability in the event your dealership

## Identity Theft Protection Programs: To Enroll Or Not To Enroll; That Is The Question

experiences a data breach. The question is: Which product should you offer to your customers?

It is important when reviewing an identity theft protection program to learn the dealer's responsibilities and liabilities. Just like any product offered to your customers, even though you might not be the obligor, your customers will hold you responsible if the services are not performed. Just one case could cost thousands of dollars to fix, so before you enroll in any identity theft protection program, ask the following questions:

**Who is the underwriter insuring the product?** Just like with your service contracts and GAP insurance, make sure there is a reputable insurance company who insures the performance of the services listed in the customer agreement. If there is no insurance or guarantee of performance, you may find yourself in the identity theft recovery business.

**What are the services and what do they do for your customers?** The most important component of any identity theft protection program is the service provided to your

customers if they become a victim. Look for programs that offer fully managed recovery and restoration services. Fully managed programs perform all the necessary steps on behalf of your customer to recover and restore their identities. Stay away from anything else.

**Are the services guaranteed?** It is one thing to provide services; it is another to put it in writing with a performance guarantee.

**Does the program have lender approvals?** Chances are that if it is not insured, it will not have lender approval. Your business office will have a difficult time accepting and selling a new product if it is another line one add.

If chosen carefully, an identity theft protection product is a great addition to your dealership. Follow the criteria above and you will find a new way to provide a valuable service for your most valued asset—your customers!

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