

FOR IMMEDIATE RELEASE Tuesday, November 1, 2022 Contact: Pete Shipley, 614.965.0203 Email: <u>pjshipley@columbus.gov</u>

City of Columbus Cracks Down on Southside Scrapyard Alleged to Have Accepted Dozens of Fraudulent Vehicle Titles and Stolen Cars for Cash

City Attorney Zach Klein says city crackdown will hold rogue businesses accountable and protect residents from fraud

COLUMBUS, OH— Columbus City Attorney Zach Klein today announced his office filed a complaint on behalf of the City of Columbus to obtain a preliminary injunction against Columbus Auto Shredding, a scrapyard located at 2181 Alum Creek Drive, which investigators believe has been accepting fraudulent, doctored vehicle titles for stolen cars and parts.

In their filing, the City Attorney's Office asked the court to declare the facility a public nuisance, impose strict requirements on facility operators to verify Ohio vehicle titles and to cease certain operations until the additional safeguards are implemented at the facility.

"The City of Columbus has zero tolerance for criminal enterprises that moonlight as businesses. Not here. Not ever. Businesses that perpetrate fraud and deal in stolen property will be held accountable, they will be prosecuted, and if necessary, they will be shut down," said Columbus City Attorney Zach Klein. "We will explore every legal option to hold rogue businesses accountable, protect residents and uphold the rule of law in our city. Filing action against this facility is the first step toward that end."

According to court documents, in July 2022, Groveport Police investigated Columbus Auto Shredding for paying multiple towing companies for vehicles that did not match Ohio titles to the vehicles being junked, as well as accepting vehicles without proof of ownership to be scrapped.

In August 2022, an investigator for the BMV began reviewing dozens of Ohio vehicle titles submitted by Columbus Auto Shredding for junked vehicles. That probe uncovered massive amounts of fraud and dozens of falsified or otherwise improper vehicle titles. Among the titles investigators flagged were 17 that had previously been reported as stolen or lost by previous owners.

Another 16 titles listed company names as the owner of the vehicles, but agents of that company did not sign the title. Titles in company names must have a signature from an agent or person authorize to sign for the vehicle sale.

In addition, Columbus Auto Shredding improperly accepted 15 vehicles whose titles were missing required notary, 15 more that were missing required labels for "junk" designation, and another 11 titles that did not match the legal owner/seller signatures, which were determined to be forged and falsified. Still yet, another three vehicle titles were signed by the incorrect person altogether.

The BMV investigation also found two bill of sales which included VIN that do not exist and another two titles listing a completely different company name on the document than the legal ownership on file with the state. The investigation also uncovered that Columbus Auto Shredding accepted as proof of ownership a vehicle title that included a VIN cut from a previous title and taped to the new title document.

During the course of the probe, BMV investigators discovered Columbus Auto Shredding was counseled multiple times for failure to verify true and recent Ohio BMV records, but willfully continued their pattern of criminal conduct.

The City Attorney's Office also noted Tuesday that there are a number of open criminal investigations into thefts of vehicles, titles and parts, including catalytic converters, in Columbus. Those cases are separate from the City's filing in Environmental Court, and those investigations remain ongoing.

A preliminary hearing in the case is set for Nov. 14 at noon.

Court documents are attached.

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