

John Marshall  
Corporate Secretary  
Grismer Tire  
Proponent Testimony for HB 408

Good morning, Chairman LaRe, Vice Chair Swearingen, Ranking Member Leland, and members of the House Criminal Justice Committee. My name is John Marshall and I serve as the Corporate Secretary of Grismer Tire. I also have the privilege of serving on the Ohio Tire and Automotive Association (OTAA) board and I am a proud member of the Ohio Council of Retail Merchants. Thank you for affording me the opportunity to testify in support of House Bill 408.

Grismer Tire is a family-owned business which has been serving customers in Southwestern Ohio since 1932. Over the years, we have been fortunate to expand to twenty-four locations in the greater Dayton, Cincinnati and Columbus areas. Most importantly, we proudly employ 227 hardworking Ohioans. I come before you today because of a disturbing trend impacting our company and our industry--the rampant theft of catalytic converters. Over the past 12 months we have personally observed a dramatic rise in these thefts including forty-four incidents impacting just our company alone. We also have documented another eighty-seven thefts impacting our customers. In fact, just last month police apprehended a theft ring in central Ohio suspected of being responsible for over 1,100 of these thefts. In addition, according to the National Insurance Crime Bureau, the number of catalytic converter thefts reported in claims to insurance companies jumped from 3,389 in 2019 to 14,433 in 2020<sup>1</sup>. These thefts impact both our customers and our own fleet vehicles. The cost of replacing a catalytic converter is \$1,300-2,000 dollars. That is a significant cost for customers who are too often the main victims of these crimes. When businesses are targeted, not only do companies have to incur the cost of fixing their own fleet vehicles, but they must also bear rising insurance premiums as well.

The catalytic converter is the one of the most valuable parts on a car. It contains precious metals that have rapidly increased in value and due to inflation and the ongoing conflict in Ukraine, that value will only continue to increase. As a result, criminals have targeted catalytic converters as a valuable commodity they can turn into quick cash by selling these stolen parts to scrap metal dealers. Too often, these transactions are met with little to no scrutiny regarding how individuals came to acquire these parts. House Bill 408 would put in place additional guardrails that would require scrap metal dealers to stipulate proof of ownership when individuals are seeking to sell a catalytic converter. We feel this is a commonsense approach to overseeing these transactions. In fact, we sell catalytic converters for scrap ourselves. Our process is to tag used catalytic converters that are set aside for scrap. These tags include the date of removal and service information which proves where we obtained the part. This is common practice among most tire and automotive service shops. Simply by requiring this proof of ownership, which reputable business are happy to provide, we can dramatically curtail the ability of criminals to access quick cash.

We know that House Bill 408 is only a piece of addressing this problem, but it is a vitally important one. It likely will take the work of law enforcement, businesses, and the community to fully put a stop to these thefts. As legislators you also play a crucial role in protecting consumers and businesses by advancing this legislation. I urge your support of House Bill 408 and I would be happy to answer any questions you may have. Thank you.

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<sup>i</sup> *Police take down catalytic converter theft ring operating in central Ohio.* Landers, K. The Associated Press (March 29, 2022) Retrieved April 5, 2022 from <https://www.10tv.com/article/news/crime/catalytic-converter-theft-ring-central-ohio/530-2951fd3b-e612-4c26-b294-30527cd55c91>