



Investigations Council
April 2008

**Investigations
Council
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Chairman’s Comments

At the end of 2007, the Investigations Council leadership team met to discuss how council members could best take ownership of our 2008 deliverables. Even though Headquarters outlines strategic goals, we considered it best to have members choose goals that met their competency skills and take responsibility for achieving those goals. This philosophy should produce better results for all ASIS members interested in investigations. So far, this empowerment has worked surprisingly well.

We now have members dedicated to writing our newsletters and pursuing topics that are of interest to the general investigative community, in addition to keeping tabs on legislation that pertains to our profession. There are members partnering with other councils to deliver a pre-seminar at the annual ASIS Seminar on effective investigative strategies for those charged with mortgage fraud crimes. We have a member who developed a presentation called “Anatomy of an Investigation in Latin America” that will be delivered in Spanish to our Latin American members at the annual seminar. Our Philippine and Hong Kong council members continue to work hard with their local chapters to promote council/chapter partnerships.

This is a remarkable group of professionals who are willing to go the extra mile to make this council productive and of value to our members both inside and out of the investigative sector. It should be a tremendous 2008.

Legislative Update

On January 29, 2008, seven Corporate Security/Investigation professionals, several of whom are ASIS International members, traveled to Washington D.C. to meet with members of the Federal Trade Commission (FTC). The meeting was with the FTC Assistant Director, Division of Privacy and Identification Protection and two of her associate attorneys in a continuing effort to establish a dialogue regarding the use of database services, the proper use of pretext, and continued access to social security numbers in database research by Corporate Security/Investigators. The consensus of those attending the meeting was that the FTC privacy people really do understand what our industry does as

well as our need for continued access to this information. They also expressed a clear understanding of the different types of pretexts and even acknowledged that the FTC runs sting operations, and these are legitimate forms of investigations – provided they are not being conducted in an illegal manner (i.e. pretexting for phone records or financial/bank information, which would be in violation of the Graham Leach Bliley Act and the Telephone Records and Privacy Protection Act). The FTC expressed considerable interest in our industry's thoughts on how data can be protected against illegal access and use. The FTC representatives also understood that very little, if any, identity theft occurs from accessing databases that Corporate Security/Investigation professionals use everyday (i.e. Choicepoint, IRB, Lexus, etc.).

All of this is important because the FTC has been charged with providing the President with a report on identity theft, its causes and recommendations for preventing this crime. The FTC has been working with several bureaucracies and expects to have its report completed shortly. Furthermore, when federal privacy legislation regarding social security numbers (SSNs) is passed, the FTC will most likely be the agency charged with promulgating rules and regulations regarding its uses. There are currently at least three bills before Congress on this very issue.

In addition to the meeting with the FTC, the industry group also had meetings with senior aides at Senator Bill Nelson (D-FL) and Senator Diane Feinstein (D-CA) offices. Senator Nelson has introduced language that would benefit Corporate Security/Investigations if a SSN bill does move forward. Senator Feinstein is a sponsor of a SSN bill that already has language that industry believes will not hurt our ability for continued access to SSNs. Both of these meetings also went very well, and it was apparent that both of these Senators understand industry needs.

Peter Psarouthakis
Owner-EWI & Associates, Inc.
ASIS International member
ASIS Investigations Council member

Conducting Investigations in Latin America

Unlike many investigations conducted in the United States that follow a fairly consistent set of procedures or processes, most investigations performed in Latin American countries most often require the investigator to follow an innovative approach to produce favorable results. On the road to a successful investigation in Latin America, even the most effective investigators encounter numerous obstacles not often easy to overcome. Obviously, it is important for investigators to understand these obstacles and develop a strategy to overcome them or at least diminish their influence in an investigation. At the same time, clients and/or companies need to be aware of these roadblocks in order to establish reasonable expectations as to the successful outcome of an investigation.

Perhaps the greatest stumbling block to a successful investigation in most Latin American countries is the lack of reliable sources. Whereas in the United States, a diverse and reliable set of public records is available to the average investigator, such is not the case throughout Latin America. While all Latin American countries have national identification numbers, on many occasions the respective governments do not capture all their citizens in this national system. In other instances, some of the numbers are falsified, or in some cases, individuals have more than one national identification number. On the other hand, in the United States, the social security number opens the doors to a lot of information and operating with a false social security number is not easy to do. Websites with valuable information on individuals and companies abound in the United States, and in Latin America these sources are extremely limited and poorly sourced with information. Additionally, many Latin American governments place restrictions on disseminating

derogatory information about individuals and/or companies. While certain derogatory information may be valid, restrictions are placed on the utilization of this information in a negative way against an individual or company. For example, companies that use derogatory information as justification for not hiring an individual can be subject to a legal suit. Quite often, information on pending legal cases pertaining to an individual or company is closely guarded information and not available to the public. Credit records in Latin American countries are not as comprehensive and easily accessible as in the United States, and normally, they exist for only a small portion of the population.

In general, the most successful investigators in Latin America are lawyers with good interviewing techniques because they know best how to navigate the public bureaucracy as well as certain networks of information not available to the normal investigator without a legal background. Almost all investigators are reliant on outside resources for support because selected sources often have good access to certain types of information that investigators simply do not have ready access to. Consequently, what many perceive as simple background checks or due diligence investigations become very labor intensive and more costly than a comparable records check in the United States.

The additional value of having a qualified lawyer as an investigator lies in the fact that lawyers tend to have a good understanding of what the rules of evidence are. This is very important since, most often, there is usually never enough valid evidence to convict an employee of theft or malfeasance. Most often, the best a client can hope for is to remove the problem (the guilty employee) from the company, and that often amounts to paying off the employee. However, the rules of evidence and the shortcomings of the Latin American judicial systems are a topic for a separate article. In the meantime, clients or investors new to the region should be aware of the investigative difficulties in the region, since a mishandled investigation could significantly affect the bottom line.

Steve Wager, CPP
Vice Chair - Operations
Control Risk
Vice President Crisis Security Consulting Latin America

Investigations Council Mission

Promotes ethical and thorough investigations by private, corporate, and government investigators by providing analyses of emerging investigative technology and techniques in the global investigative arena.

Interested In Joining the Investigations Council?

The Investigations Council seeks qualified ASIS members with a professional investigative background to expand its membership to a full complement of fifteen professional investigators. If you would like information about the Investigations Council, or if you would like to be considered for membership on the Investigations Council as vacancies occur, please contact Council Vice Chair and Membership Committee Chair Steve Wager, CPP at steve.wager@control-risks.com. We are a working Council, and all members are expected to remain actively engaged to maintain membership.



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