

Survey Finds Consumer's Missing Easy Opportunity to Prevent Identity Theft

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Press release from: [eCreditFreeze, LLC](#)



The Woodlands, TX (February 29, 2008) – Identity theft continues to plague consumers. The Federal Trade Commission recently estimated 8.3 million ID Theft victims in the U.S. annually. ID Theft is a term used to describe the illegal use of another's identity. This is normally associated with credit card fraud, but can include more serious crimes such as obtaining new lines of credit, home equity loans, car loans, or even mortgages in an unsuspecting victim's name. This type of ID Theft is considered "new account" fraud and is the worst type of identity theft according to the FTC. It can take months before one realizes they have become a victim of this type of fraud and then months (or longer) and on average \$1,000 to clear one's good name.

A survey conducted in February 2008 on identity (ID) theft by eCreditFreeze, LLC (www.eCreditFreeze.com) showed that over 50% of the survey respondents were unaware of their ability to place a freeze their credit report. A freeze prevents the opening of new lines of credit without the consumer's explicit consent. When informed of this credit freeze capability, 67% of survey respondents reported that they were somewhat or very likely to place a freeze on their credit report. For those who answered that they were unlikely to place a freeze on their credit report, most answered that it was too complicated or they didn't have enough information. While most consumers are not taking advantage of this powerful weapon against "new account" ID Theft fraud, they are very diligent in other activities which prevent identity theft. 87% of survey participants regularly review their monthly bank/credit statements. 86% guard personal information on the phone. 64% shred personal information. 66% protect their online information.

Unfortunately, it may not be the consumer's personal practices that place them at risk for identity theft. The Identity Theft Resource Center (www.idtheftcenter.org), a non-profit organization dedicated exclusively to the understanding and prevention of identity theft documented 448 data breach affecting 127 million personal data records in 2007, some of which included social security numbers and credit information. As a result, no matter how careful one is as a consumer in protecting themselves against identity theft, they still remain exposed to the loss of their personal information.

California was the first state to pass a law in 2003 that requires the three major Credit Reporting Agencies (CRAs), Equifax, Experian, and TransUnion, to place a credit report freeze at the consumer's request for California residents. Between 2003 and mid 2007, 38 states and the District of Columbia passed similar laws. On November 1, 2007, the CRAs voluntarily began offering this credit freeze ability to residents in the remaining states and Puerto Rico. CRAs could substantially reduce "new account" identity theft by making credit freezes easier to place and manage by the consumer. Failure to provide a consumer-friendly process is contributing to the unnecessary risk for "new account" identity theft. Nationwide there are over four hundred variables which one must consider when placing a freeze on their credit report. Companies such as eCreditFreeze, LLC have taken all these variables into account and provide consumers with a credit freeze kit for a low one-time nominal fee of under \$10. No personal sensitive information is required to order this personalized it.

A credit freeze is not fool proof. Some creditors issue new credit prior to verifying a consumer's credit information. It doesn't happen often, but it opens the door for the fraudulent opening of a new credit line even after a credit freeze has been placed on one's credit report. eCreditFreeze, LLC (www.eCreditFreeze.com) has submitted comments to the FTC suggesting that new legislation be enacted. The comments recommended both punitive and actual damages against any lender where a consumer becomes a victim of "new account" identity theft while their credit report is frozen.

This article was prepared by eCreditFreeze, LLC.

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About eCreditFreeze.com

eCreditFreeze, LLC is the leading provider of low cost and affordable ID theft prevention services. We are a consumer-oriented company dedicated to helping our customers protect their identities and credit through the service we offer and the identification of other free or low cost identity protection resources. We have factored in over 400 variables dictated by state laws and the 3 major U.S. credit reporting agencies to provide each customer with a personalized customized credit freeze information kit. eCreditFreeze, LLC is headquartered in The Woodlands, Texas. For more information, see www.eCreditFreeze.com.

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