

ChoicePoint hacking attack may have affected 400,000



As many as 400,000 consumers may be affected by hackers who penetrated the database of ChoicePoint Inc. and stole sensitive financial information, authorities said.

The number is higher than what the Alpharetta-based company first reported when it acknowledged Tuesday that several hackers broke into its computer database and stole data from as many as 35,000 Californians.

But credit records around the country _ not just the 35,000 in California as ChoicePoint said _ were accessed, the Los Angeles County Sheriff's Department said Wednesday.

"We know that there is a national number that is much larger than that," said sheriff's Lt. Paul Denny. "We've used the number 400,000, but we're speculating at this point."

Denny said investigators in California know of about 765 instances of financial charges being made to consumer accounts because the ring accessed ChoicePoint's records.

Executives at ChoicePoint, which maintains one of the largest databases of personal information in the country, acknowledged Wednesday that the number of potential victims is much higher than first thought. But they also suggested the actual number is lower than what law enforcers are estimating.

James Lee, the company's marketing director, said ChoicePoint estimates as many as 145,000 consumers are affected, including those in California. He said the company could not yet say what states other than California were affected, or whether any Georgia consumers were on the list.

The company's database of 10 billion business and personal records contains information such as names, addresses, Social Security numbers and credit reports. With such information, criminals could steal identities and use the information to buy jewelry, consumer electronics and computers, Denny said.

One arrest has been made in the case. A 41-year-old Nigerian national, Olatunji Oluwatosin, was arrested Oct. 27 after he faxed an application for a ChoicePoint account from a Kinko's in Los Angeles. That aroused suspicion at ChoicePoint, which notified authorities. They sent a fax back and Oluwatosin was arrested when he walked into the Kinko's to pick up the return fax.

He's been in jail since then and is scheduled to appear in Los Angeles County Court on Thursday.

But the public was told of the scam only last week, as ChoicePoint began notifying 35,000 Californians whose credit records were accessed.

But investigators believe Oluwatosin is not the only person involved in establishing the bogus accounts, Denny said.

"What we know is that there were about 50 of these accounts," Denny said. At least three were used to access records outside the state, the sheriff's investigator said. He would not say which states.

ChoicePoint, which sells such data to government agencies and a variety of companies, says it has strengthened its screening procedures as a result of the incident.

Identity theft is the country's fastest-growing crime, and more than 9.9 million Americans were victims last year. The crimes cost a total of \$5 billion, not including lost productivity, according to the U.S. Postal Inspection Service.