



LEGAL BRIEFS

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CYBER CRIME

Report: KC becomes 'hot spot' for breaches



THINKSTOCK

Data show that Kansas City is now a "hot spot" for cyber crime.

The area has seen an alarming 67 percent increase in data breach-related incidents during the past month, according to information gathered by data breach detection and fraud analytics company Rippleshot.

Chicago-based Rippleshot monitors point-of-sale terminals throughout the United States to determine whether a data breach has occurred. Founder and CEO Canh Tran said hot spots for cyber crime typically center around Chicago, New York, California, Texas and Florida, though that has changed recently.

"There are now smaller, regional hot spots forming where there is an elevated amount of point-of-sale data breach going on," Tran said. "Not only Kansas City, but we're also tracking hot spots in Madison, Wis.; Memphis, Tenn.; Durant, Okla.; and Jennings, La."

The shift in fraud probably is due to the appearance of new EMV debit and credit cards that have embedded computer chips to make counterfeiting more difficult. Middle-market banks and businesses typically found in areas like Kansas City have been slower to adopt the new EMV cards, which makes them bigger targets than larger banks

and businesses that already converted.

It's a situation that should grab merchants' attention, given that new credit card rules enacted Oct. 1 shift the liability for card fraud away from banks that issued EMV cards and onto retailers that don't have the new EMV card readers.

"Our information shows that 30 percent of the fraud in Kansas City happens at grocery retailers and another 14 percent comes from gas stations with the automatic fuel dispensers, with the rest spread around," Tran said. "Gas stations have another two years to convert to the new EMV cards, so we predict this type of fraud will rise in your area."

"We don't give challenge coins to just anyone. Our banker proved she wasn't just anyone."

—Col. Mike Lierman, President, Wentworth Military Academy and College



ON TRANSPORTATION

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ARRIVAL OF KC'S FIRST STREETCAR

Vehicle is on schedule, and 'it's ready to roll'

The moment of truth is coming soon for the Kansas City streetcar project.

In the final week of October, the city's first streetcar is expected to arrive. The delivery of the Urbos 3 streetcar vehicle from a CAF USA Inc. assembly facility in Elmira, N.Y., will be the most significant milestone the project has reached in the nearly three years since 351 votes approved creating the Kansas City Downtown Streetcar Transportation Development District, and therefore the more than \$100 million project.

Donna Mandelbaum, a spokeswoman for the Kansas City Streetcar Authority Inc., said the streetcar prob-

ably will be trucked in and should arrive the morning of Oct. 29 or possibly the morning of Oct. 28. The vehicle will be placed onto the tracks on Second Street between Grand Boulevard and Oak Street. From there, it will be towed toward the Kite Singleton Vehicle Maintenance Facility in Columbus Park.

The precise times remain unknown as of press time. Mandelbaum said there is no chance the streetcar's arrival will be delayed.

"It's ready to roll," she said. "From what we were told, it's on schedule."

Streetcar builder CAF already missed a pair of delivery deadlines. In Novem-



ANDREW GRUMKE

ber 2013, Kansas City placed an order for four vehicles for about \$18 million. They were supposed to arrive by June. That date was pushed back to Septem-

ber and then to late October. Kansas City's order piggybacked on Cincinnati's order. The Ohio city is supposed to receive its first vehicle before Kansas City, Mandelbaum said. Cincinnati spokesman Rocky Merz said his city's car is expected no later than Oct. 30.

Once the first car is in Kansas City, a months-long testing process can begin. Mandelbaum said the second car is anticipated to arrive by the end of November but didn't know the delivery timeline for the third and fourth car. A third car is needed to finalize the testing process and open the 2.2-mile downtown line for passengers in 2016.