



Resources

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"Knowledge exists to be impaired."

Clyde Allen Smythe-Howlett, aka CASH for short
of which he never is...

Resources

What follows are several example of resources that may assist you, the financial professional, in locating answers and information. Some of the records have story embellishments to highlight how they can be used.

Public records can be used to support information contained in résumés, including identity and address verification. Public records can also be searched as part of a background check on many other claims and representations that we may encounter in our personal and business lives. Understanding what records are available, helps us can search for professional affiliations, licenses, criminal records, judgments, liens, corporate affiliations and bankruptcies.

Public records are increasingly becoming available online for free or for a small fee. For some records you may need to visit the custodian of the records, and possibly identify yourself along with your purpose in requesting the information.

The following list is in no way exhaustive, it is simply a representative sample of common public records that may be available to you, and contains some examples of how they can be used. It is to stimulate the thought process as you pursue what information may be available in your area on the person you are studying.

Municipal Records

Municipalities have many records that can be of assistance in one's research. Building permits, construction inspections and occupancy permits carry information about owners, insurance policies and contactors, including contact and bonding information. Meetings at city hall range from the regular gatherings of representatives to the occasional meetings of boards and commissions, but they all produce records involving the first public discussion of issues. Locations of cell towers, zoning decisions, utility line placements, rights of way and planned construction projects can all help in your research. The police and fire departments also have records that are of great assistance.

A man was selling a dry cleaning operation for a relatively cheap price. A review of the city's records showed a significant development project was planned and budgeted. Its location affected the corner where the dry cleaner was located. The project was to redo the water and power lines while widening the road by one lane. The project was expected to take 11 to 18 months. We confronted the owner of the dry cleaning shop with this news. We learned he knew about it already, and that he was selling his shop because he expected

the project would cause his revenue to drop by half. There was no negotiation on the price, he figured someone would not do his or her homework and would give him what he was asking – he was correct.

An employee of a horse racing track was required at the end of every day to deliver a very time-sensitive cargo to a laboratory – horse urine from the winning horses of that day's races. One day he showed up an hour late to the lab claiming he was delayed by a huge accident with fire trucks and ambulances, etc. A very reasonable excuse, but his manager made a call to the fire department just to check. On that day there were no calls for service anywhere in the city. Driver - fired!

Sales Tax

Depending upon the state and local community, sales tax reports are generally unavailable to the public. These records can be used to confirm sales activity in a business. When buying a business, one of the best ways to find out the level of activity is to review the sales tax reports filed with the city or state. Require the seller to grant access to past sales tax reports filed, don't rely on what the owner represents – get the records from the city.

Water Department

Water usage and hook-up information is often available for both business and residential customers. I have often found the water department to be helpful in locating people. These records can help with verification of ownership, and determining the level of activity in many businesses. Water usage can be very important in analyzing certain businesses. In two businesses I have investigated (a brush and squirt type car wash, and a beauty salon), the volume of water use was directly correlated to sales.

Examining water usage is a good example of investigative technique. The water department is not on any list of resources I would use in most investigations. But this is an example of how to stretch your mind and to think of other sources or locations with information. In doing your research you need to look for any source that will add information to the corollary – including secondary, tertiary and tangential sources that you can use for inference. It's almost always discordance in the expected pattern that exposes false information (or assumptions).

County Recorder's Office

County recorders' offices are an especially good asset, as they are the repository for legal documents from a wide array of sources. Recorders' offices are tasked with maintaining official records, including, but not limited to: mining claims, judgments, purchase or sale of real property, purchases and sales of businesses, tax liens, declarations of homestead, powers of attorney, and the filing of trust documents. These records are extensive and

can reveal many items of issue, fact and interest. Take your time when you go to the county recorder's office and read, read, read.

Country Assessor's Office

The assessor's office is responsible for the maintenance of maps, sales records and tax assessments for a given county. Uses of the sales records can support property valuations or discredit them if you can document that many of the comparables were between conspiring parties to drive up land prices – not that that has ever happened. One can also access information on the payment of taxes on a parcel and sometime see proof of that payment in the form of an imaged check. The level of access will vary, but at least you now know one of our favorite ways of finding accounts on people who have property. If the property taxes are paid by a title company, then we can use discovery powers to work our way back to see how the homeowner pays the title company.

Board of Realtors

The board of Realtors is the licensing body for real-estate agents and real-estate brokers. Brokers are different from Realtors. These records will show if the individual is, or has been, licensed with the state to engage in real-estate transactions and whom they are licensed with. Some states also maintain a real-estate recovery fund to indemnify people from financial harm caused by a Realtor. To emphasize, each state is different and to highlight this fact, here is a little story.

Mr. Smith was offering in the newspaper a 20 to 25 percent rate of return, fully collateralized by property. Mr. Smith would get people to buy property, then he would rent that property out. The property he would have the people purchase would be inexpensive properties. For example, he had one of my clients purchased a town home for \$25,000. The fair market value of this town home was \$18,000. As a consequence, Mr. Smith made, how much?, \$7,000 on the transaction before the provision of his managerial services. When he rented out the property, he would collect the rents for a little while, pay the people and then say the real-estate market has turned, or there are other problems, blah, blah, blah, blah, blah. In short, the investment is not going very well. The investors would have a first position on the property, but nevertheless, by the time they foreclosed on the property, and sold it and went through the legal rigamarole, they would have little or nothing left. Oddly enough, this Mr. Smith purchased properties for his investor victims that were just the right size. These properties would cost him just as much to go through and foreclose and sell as it was to just let them be. Mr. Smith many times offered to pick up these terribly dilapidated properties from his beleaguered for just a few thousand dollars to assuage the investor. He made money on the purchase of the property, on the management

of the property, when he collected the rents and kept the rents not paying them to the investors and than when he took the property off the investor's hands. He was insulated against legal action since all of the investments were small enough that legal action did not look appealing to the investors. He had offices in Tampa, Philadelphia, Chicago, Littleneck, San Jose, Phoenix and Houston. Not surprisingly, all the calls were forwarded to his home in Phoenix. There were no other offices in any of these other locations. It was nothing but a business presence purchased at a suite of offices..

Contractors Board

A state contractors board licenses a variety of contractors and may maintain a recovery fund for victims of these contractors. These records will show if the individual is licensed, the type of work he is licensed to perform, and bonding information. All types of contractors are licensed through contractor departments. Contractors such as cable TV installers, landscapers, roofers, builders and cement layers may have to be licensed with the state by the contractors board. An investigator can obtain a lot of information about an individual or a company if either one is registered with the contractors board.

Corporation Commission / Secretary of State / Corporations Division

A corporation commission maintains records for all of the corporations and limited liability companies within a state (in some states these records may be kept by the secretary of state's office). The corporation commission's records will include who is incorporated, annual reports that show changes in management and structure, and possibly the corporate balance sheet. Only application and termination information is kept on limited liability companies. I am using the state of Arizona as an example because that is where I live and perform most of my investigative work. Records and procedures are different from state to state and in federal territories. Most of the important information you will find, will include the name of the statutory agent, the names of the officers and directors, who the major shareholders are, the standard industrial code under which that business operates, articles of incorporation, and annual reports. You may also be able to run an asset search on the corporation. Many states allow searches by major shareholders, officers and directors. Once you have a person's name, you can cross-reference names and corporations.

Department of Motor Vehicles

The Arizona Department of Transportation maintains records on both vehicles and their drivers. These records will show if a person has a driver's license and what citations have been issued in the last five years. The records will also show all vehicles, including trailers and mobile homes that are registered to an individual. Following up on tickets is always a good idea because the person may have been cited while driving a company vehicle, or the information on the citation may give you their new address, phone numbers

– and lists of witnesses and passengers, if they were in an accident. For people trying to hide, getting in contact with those whom they know may be the only way to locate them.

I had an interesting case that came to me from Germany. Mr. Vonsmith owed a very large sum, several million Deutsche Marks which translated into a little over a million dollars. The client bank had pursued him all the way to the United States. The bank's representatives were particularly upset that Mr. Vonsmith took out a loan and left the country. Hey, he was out of money, he had to get the money somewhere! I was asked to see if I could find Mr. Vonsmith and find out what assets he had. I pulled his driver's license. That was the only bit of information I could find on him in the state of Arizona. What I found is that Mr. Vonsmith had received a few tickets. I pulled the ticket information and found the vehicles he was driving at the time he received the tickets. They were in the name of a business. I checked other cars in that business's name and found two brand new Range Rovers, a relatively new Mercedes and a Rolls Royce Corniche Convertible. He had to do something with the money. By continuing to check on the name of this business, I went back and found out that Mr. Vonsmith had purchased a very nice house in an expensive neighborhood in Phoenix. As luck would have it, I went up and drove past the house and noticed that the house was for sale. I called the Realtor and asked if the Realtor would be kind enough to show me the house. Notice, I did not say buy it! The Realtor was more than happy to oblige. Myself and another investigator posing as my wife went to the house. The female investigator kept the real-estate agent busy while I wandered around the house looking at all the documents left out on the table. Without opening or touching anything, underscore, nothing was opened or touched, we got information about all his credit cards, the several businesses he owned, all of his insurance policies and his impending move to Southern California. The information was turned over to the law firm and within about four months, they were able to seize the home, all of the automobiles, the businesses and the insurance policies since it was all purchased with stolen money.

Insurance Department

The state department of insurance maintains records on both insurance companies, insurance agencies and insurance salespeople. These records will show all of the affiliations with insurance companies and all of the insurance companies' agents and sales people. They also maintain licenses on the individual people who are licensed to sell in that state.

Fairly recently, an insurance agent began drawing workers' compensation for an injury he received while on the job. Apparently,

he slipped and fell on some water that had leaked from a water cooler. This man was a very good and aggressive agent, and after this accident, he requested workers' compensation. The state began to pay it and ding the company for the cost. The company strongly disagreed. But neither the state nor the former employer could find any information to support the company's position. The agent seemed to live for the most part at his house in Arizona. I was hired to find what the insurance agent was doing. A check of insurance licenses in California, Nevada, Utah, New Mexico and Colorado found the individual active in California. In fact, he was so active, he had received several awards for all of his insurance sales in California. He had been working with an associate over there and he was calling all of his buddies here in town asking for referrals to companies in California. Needless to say, the workers' compensation claim was denied for the period of time that he had requested assistance because he could not work. During this four-month time period, he earned more than \$60,000 in commissions.

Liquor Board

The liquor board licenses individuals and their establishments to sell alcoholic beverages. These records will contain lots of information on an individual including useful background details if the person has ever been issued a liquor license. I cannot underscore how much information is available from this licensing board. You will find that the investigation involves a great deal of individual disclosure before the license is issued. There can be information about the spouse, prior employment and any major lenders or silent partners in the bar.

Just a side note, a story on bars. I'm not sure it is necessarily pertinent to financial investigations, but I'll tell it all the same. I have been hired several times to take a look at bars and find out if the operations are doing any type of skimming. For the first operation I was asked to look at, I walked into the bar, and there was not another person in sight. It was absolutely desolate. I sat down at the bar and the bartender came out and asked me what I was doing there. I said I came in for a drink. He said "I don't think I want to serve you. Get the hell out." I did. The bar was shut down about six months later for laundering money. That is one good way to keep the complications low. Have great sales and no patrons. Cuts down on overhead.

Another note, on any type of bar skimming, usually what you will see is a row of registers. For example a row of three registers, with one register that rings up "no sale" the whole night. That is the unimaginative way. The other way I have seen, operates at the front of the bar or near the door where a young person warmly greets arriving patrons and offers them say a long neck beer or a drink for a

very nice price. A price just a little bit below what they are serving at the bar. Kind of a "welcoming" gift. Usually, what happens in those situations is that the owner or the person selling the drinks is buying the drinks retail and selling them at the door. At night's end, they split up the cash, go back and start up all over again the next night. That complete, off-income statement transaction is run out the right and left front pockets of the owner.

Medical Licensing Board

The state medical licensing board licenses most health care practitioners. Records here will show if an individual has been licensed as a medical care practitioner and their most recent professional affiliation. With the medical licensing board, you will find licensing history, complaints, if there is any malpractice that has been submitted to medical board arbitration. You will find complaints there, but you will find most of the medical malpractice claims filed in a nearby county or state court. I find it interesting that there is more information on a person with a liquor license than on a doctor or medical practitioner.

Professional Licensing Board

Many professionals require licensing with governmental agencies. These include accountants, attorneys, medical professionals other than doctors, therapists, technicians, beauticians, food handlers, barricade workers, and all sorts of people such as securities dealers, commodity brokers, Realtors, pest control workers, etc. Check with the local and state regulators to see if the profession of the person you are investigating requires any type of professional licensure requirements.

State Bar

The state bar is a professional licensing board for attorneys-at-law and certified legal assistants. Records here will show if the individual is either an attorney or a certified legal assistant and the most recent professional affiliations of that attorney. It also maintains information about complaints, disciplinary actions, arbitrations, etc.

As a private investigator, I specialize in finding assets. In this particular case, I was hired to find assets for an estate. After the assets had been found, the attorney decided that she was going to claim a contingency fee. A many million dollar contingency fee, all for herself. Well, it ended up in arbitration. The individual said that she would not accept less than her several million dollar fee. The client said "my private investigator found those assets, not the attorney." The arbitration was quite, quite amicable (I was while I was deposed by 13 different attorneys over the course of an afternoon), and in the

end, the attorney was awarded only the several hundred thousand dollars for her actual work. The dispute arose over ambiguities contained in the contingency fee agreement. The attorney claimed the fees on the grounds that I worked for them to preserve attorney-client privilege, but I was paid by the client so the client considered me his man, which meant the attorney did not find the assets I had found and was not entitled to a contingency fee. The arbitrators, I think, got it right, giving the attorney her fee on what she found and exempted what I found from the agreement.

There was a fellow running around the neighborhood, an attorney called Mr. Smith, who was a defrocked, disbarred attorney in a couple of states, but he was still practicing law. He was charging exorbitant fees for trust work and still representing himself as an attorney. As you can tell, the local bar did not have jurisdiction and law enforcement saw it as a civil matter. In the end the client constructed a Web site resplendent with the ex-attorney's background and current waves of misrepresentation. Had some nice photos of him at the seminars Mr. Smith was hosting. Smith threw quite a tantrum – but in the end just left town.

Attorneys are people, and are subject to the same temptations and failings as any other group. No more, but certainly, no less.

State Board of Accountancy

The state board of accountancy is the professional licensing board of certified public accountants. These records will show if the individual is a certified public accountant and their most recent professional affiliation. CPAs must not only pass an exam, but also maintain their dues with the licensing body. If they do not pay those dues with the licensing body, they are not a CPA. There is also separate registration for auditing public companies and tax work.

A little note about financial statements, there are really four different types of financial statements: 1) internal, 2) independently compiled, 3) independently reviewed and 4) independently audited. The audited is the most rigorous. There may be no common control, there may be no other interest in the company by the accountant that audits that company. There should be no commonality at all between the owners and the auditors. No common ownership or control. Further the auditor should not be performing other services for the company, other than tax work. The accounting firm should not be involved in consulting work of any kind. A couple of other things, the major regulatory body for accounting is the Financial Accounting Standards Board (FASB), which promulgates Generally Accepted Accounting Principles (GAAP). The Public Company Accounting Oversight Board governs registration and auditing of public companies.

Department of Game and Fish

The department of game and fish maintains records on hunting and fishing licenses, and boat registrations. These records will show if an individual has a hunting license, a fishing license or boat. Again, it varies from state to state on how hunting and fishing records are kept as well as boat registrations. In some states, boats are a part of the motor vehicle licensing apparatus, or even have separate and distinct licensing processes.

Everyone likes to recreate. Money criminals are no different, they just want to recreate a little bit more than the rest of us. And I will tell you, a money criminal has always got to have a boat. All right, that is an over-broad and generalized statement, but it is true. Boats are a sign of wealth and affluence and are a great deal of fun to have. I have played with other friends' boats, and I know how much fun they are. I am glad they are still other friends' boats. An individual may have stuck his car under a sister's name, or have stuck his house under a trust name, but he won't think of things like boats and airplanes and toys. These things can be easily identified and garnished. Also, if you are looking for someone and you happen to know that they like to hunt, you will find that if they have been issued a hunting license, it will give all sorts of information about their residence and where they are going to be hunting. I have tracked down two people that have owed back child support through hunting licenses in the past, and had them arrested on the outstanding warrants when they showed up at the designated location and time for their hunt. I stayed way behind the law enforcement officers - way behind.

Abandoned Property

Many states have an abandoned property section where items such as insurance refunds, stock certificates, tax refunds, etc... are deposited when the sender cannot find the recipient. After a certain amount of time, the property will revert to the state or county but in the meantime, that information about that asset is public information. I have found in the past when doing an asset check on an individual that has intentionally kept a low-profile because there were judgments against him, that contacting the state abandoned property division is very fruitful. This is because these people, on average, are due everything from insurance refunds to apartment rental refunds to state tax refunds, and it's all the types of information that can usually be found at the abandonedpProperty office of the state. We have also been successful, for those people who move around a lot, in finding that information and directing our clients in garnishing those assets that are at the abandoned property office.

Department of Agriculture

The department of agriculture maintains records on registered livestock brands and transactions under that brand, which can show if an individual has been actively engaged in the purchase and sale of livestock. The department also maintains information on farms, farming and farming programs. When applicable, these records can be a valuable resource.

Records may also be kept on the application of fungicides, insecticides and weed killers and the licensing of those for both commercial and residential applications.

A client who was in a divorce case maintained that her husband was doing lots of business in cattle. None of the other investigators could figure it out. Well, once you know the source of information it becomes relatively easy. By contacting the state department of agriculture, I found out that he had three brands registered under his name, and that he was doing lots of business under the two new brand names that he had registered and none under the old brand that his wife was familiar with. How much more? He had over 400 cow calf pairs and six registered bulls – more than \$1 million in hoofed assets. When this was presented in court, we raised his net worth and gross income substantially.

Banking Departments

State banking departments license banks, finance companies, pawnshops and collection agencies, among others. Their records are useful because they provide the financial status of a company and identify the principal owners. In many cases the banking department supersedes other regulatory agencies with respect to rules governing financial transactions and businesses engaged in financing activities. For example, if you own an automobile dealership and wish to provide financing, your business needs to register with the state banking department and obtain a finance license (in addition to a dealership license).

Credit Reports

A credit report is an important background document to review when hiring any employee who will have access to a company's cash, bank account information, inventory or leased property. A credit report will generally reflect an individual's ability to responsibly handle funds. We must be aware that people can have financial problems in their lives, as a result of an automobile accident, a medical emergency, a divorce, a death in the family, or for many other reasons. If there are problems in a credit report, see if you can identify what those problems are, and try to put problems of an extraordinary nature into perspective. In any case, an employee who is under financial pressure is far more likely to cause a problem than one who is not. Access to a credit report requires either the applicant's written permission or a credit granting relationship with the subject of the credit report.

Federal Licensing Bodies

The federal government licenses many different types of activities and their key personnel, including interstate transportation, securities offerings and banking institutions. These records will show if an individual is licensed or registered to transact business in a regulated field. The Interstate Commerce Commission maintains records on shippers and truckers. The Securities and Exchange Commission maintains records of securities offerings and issuance. The National Association of Securities Dealers maintains records about securities dealers and registered representatives. There are many federal licensing bodies that may be of assistance to you if the person you are researching is required to be licensed. For current links to various federal Web sites, visit www.feeinc.com.

Federal Aviation Administration

The Federal Aviation Administration maintains records on pilots and aircraft, both are public records. For information you can contact the Airman Certification Branch office in Oklahoma at (405) 954-3261. The FAA maintains very complete records. People who steal money generally spend it on lifestyle and status, and one of the most prized symbols of status is a private aircraft. If they can't own, they will rent – but in either case, they will need a pilot's license.

There was a case that I worked on where a very wealthy dealer in scrap glass, paper and iron had gone through several business turnarounds and was being sued for a substantial amount of money. While his business deteriorated, his lifestyle didn't seem to change. I began my investigation knowing that the dealer was fond of airplanes, and quickly found his pilot's license. I contacted several of the fixed base operators (FBOs) in the area to find out if the dealer was a frequent renter or an aircraft owner. One FBO told me that the dealer owned several planes parked at his location, and pointed them out to me when I visited him. I noted the registration numbers of the aircraft (tail numbers), and went to the FAA to find out who owned the planes. The owners were a scrap metal dealer in New Mexico, another dealer in Utah and a third in Nevada. The target of the investigation owned all of these operations. His love of flying, his pilot's license, and the information from the FBO allowed us to locate substantial assets, all which were previously unknown.

Mineral Rights and Production

Each location has its rules and regulations, but generally you will find subsurface rights registered with each specific country recorder. You may also find production history stored with the state, for example in Texas it is the Railroad Commission, in Oklahoma it is the Corporation Commission, in California it's part of the Department of Conservation. Subsurface rights can include, gems, ore bodies, caves, helium, natural gas and oil, geothermal, coal, peat moss and water. You may also find subsurface rights-of-way for pipelines and utility lines.

Military Records

These records may be limited to the branch of service, dates of service, and the current status of the enlistment. Call Military Records Service at the Pentagon in Virginia for further information (703) 545-6700. They will not give you a full history for an enlistment, but they will talk about the date of induction, date of discharge, and whether it was an honorable, general or dishonorable discharge. If you are checking attendance at one of the military colleges, such as West Point, the Air Force Academy, or the Naval Academy, these institutions will release information about an individual's attendance. Again, no grades – just attendance dates.

A very prominent citizen in Phoenix claimed to be a decorated war veteran. He said he had received several medals for bravery and his actions in combat, and frequently appeared in uniform. After a couple of drinks, he used to regale people with one story after another of his fighting days in the Korean War. There was, however, a problem. When his wife divorced him, she applied for her portion of his military benefits and found out he had never served in the military. The revelation was a big embarrassment to the city's major newspapers – their high and mighty, opinionated and self-righteous publisher had concocted his stories of a military career.

Be aware of what you're reading when you review records. I'm aware of a man who was hired as a part-time security professional with an armored car company. He had recently been discharged from the military and received, not an honorable discharge, but a general discharge. The general discharge was a result of this man stealing money from other people in his barracks – but he was never caught in the act. As a consequence, he agreed to accept a general discharge from the military, rather than face prosecution. The person who conducted the background check was unaware of the distinction between an honorable discharge and a general discharge.

Courts

Justice or Municipal Courts

These generally handle small offenses and things specific to that jurisdiction. Misdemeanors and traffic tickets are the norm – but occasionally they will deal with some of the lighter felonies. What is dealt with in a particular court all depends upon that state's and county's customs and choices.

Municipal court is where I find most of my "deadbeats." People who owe a few thousand dollars and skip from apartment complex to automobile contract to partnership. They default on money they borrow and don't repay. ... It seems that it is just a matter of time before they stiff someone else and they have a lawsuit filed against them, which includes the whereabouts of the deadbeat. I will use that information to find the deadbeat. Also, municipal court needs to be checked any time you conduct due diligence on a company. It is very

important even though the lawsuits are under \$10,000, a company, or an individual, could have many small lawsuits. Recently, I looked into an acquisition of an automobile leasing and finance company. There had no complaints against the company in superior court whatsoever. It looked as pristine and pure as the driven snow, but unfortunately, in municipal court, the owners had drifted. It seemed that on a number of occasions, they had leased cars or repossessed cars or had been particularly nasty in their dealings with their customers. They had been sued time and time again in municipal court, and many of the actions were still pending. The total of the lawsuits was more than \$100,000, in 18 individual actions. Not only could this be devastating to the company, but it is also very expensive to litigate 18 different cases. Please check small claims court always.

County Superior Court

The county superior court is the main court for most legal actions and will contain records on an individual if that individual has ever been a plaintiff or a defendant before the court. These records will contain the nature of the cause of actions and a list of the parties to the action. The superior court is where most litigation above \$10,000 occurs, again depending upon the state. The cases and complaints can be pulled and read in full, along with their exhibits, and can be quite useful to the investigator.

In one particular case, in a divorce case, I was asked to take a look into a husband's assets. Three years earlier, the husband had been involved in a long, protracted litigation process with a former partner. Schedules of income and assets were filed in that prior case. Income and assets, that, in the current divorce case, the husband said he did not seem to have. When it was shown that just a few years prior to this, he had all sorts of income and assets out of the United States and in other states, he was ordered by the court to describe and produce documents showing what had happened to the income and assets. He could not. Instead, he amended his financial disclosure statement to include these "lost assets."

State Court

State court maintains records on cases that have come before the court. These records will show if the individual is either a defendant or plaintiff in a case that has come before the court and the nature of the case. Most state court cases are appellate cases. As such, the primary trial or issue of fact has been decided or adjudicated in a lower court. At the appellate court, the case comes down to a decision of law, not the facts.

Federal Court

The Federal Court will involve cases primarily with federal law and enforcement agencies or information on disputes that may cover several state jurisdictions. The federal courts consist of the civil, criminal, bankruptcy and appellate courts. These records will show if the individual is either a defendant or plaintiff in a case that has come before the court and the nature of the case. You will find that the disputes in federal courts, other than bankruptcy, will primarily involve tax issues, patents, trademarks and copyrights.

My client owned a business that specialized in manufacturing weapons, handguns and rifles. He was interested in purchasing another company that had several patents for the design and manufacture of a semiautomatic weapon system. There were approximately 18 patents. It was very impressive, and it appeared to be a substantial bundle of this individual's life. He asked me to check out the individual and the patents. Well, I was given a nice large retainer to do this, and I ended up refunding 80 percent of it because I tripped across enough evidence in one day's worth of work to recommend that the transaction not go through. Specifically, what I ran across, in federal court, was four lawsuits where this individual had sold the exact same information to other weapons manufacturers. The lawsuits maintained that the equipment did not work. A little further checking would show that this individual did not pay an annual maintenance fee on his patents, which is required. As a consequence, all 18 patents were public domain. There were no proprietary rights associated with the semi-automatic systems whatsoever. It was public information. Needless to say, the transaction did not go through.

Federal Bankruptcy Court

The Federal Bankruptcy Court maintains records on entities and individuals that have declared one or another form of bankruptcy. In these records, the individual is required to list all of the assets and sources of income available to him at the time the bankruptcy was filed. This may show other assets and sources of income. A previous bankruptcy petition is a very good source of information on people and persons who were not paid by the target of your investigation. You will find out that an unpaid debt has a memory longer than a private investigator holding a grudge. I have found many times, that the people who were stiffed in the past have an inkling of what this individual is doing now.

In one case, I found out that the fellow I sought was now a muffler king. He owned several muffler shops in Northern Arizona. We were then able to tie him to those muffler shops from a lead on an old bankruptcy petition. Once we tied him to those businesses, we were able to garnish the bank accounts of those muffler shops in Northern Arizona to satisfy my client's lien.

Tax Court

Tax courts are special courts set up in some counties and states as well as the Federal Tax Court to hear matters involving tax disputes. It is very specific to tax matters and interpretations and sums due.

Administrative Hearings

Many departments of both state and federal government have administrative enforcement abilities as well as hearings. Some examples include, the Securities and Exchange Commission, the Occupational Safety and Health Administration, Department of Education, Department of Commerce, Department of Transportation, Industrial Commission, etc...

Other Sources

Colleges and Universities

These institutions not only grant degrees, they maintain records of attendance. They are excellent resources to assist you in your research. If you are lucky enough to live near a Federal Depository Library, you have a rare gem – a treasure trove of information at your fingertips. It may seem silly, but always check to see if a person who has a university or college degree is from an accredited institution, as opposed to a diploma mill.

Newspapers

There is a great deal of information contained in local newspapers. The local papers cover all sorts of events and people and when information does appear it helps to color the more dry facts you have assembled.

But wait, there's more!

This is to give you an idea of the resources that are available and can never be a comprehensive list. There are so many places to look, such as minutes of public hearings, labor relations boards, bid awards, industrial commissions, permits for the use or discharge of something, occupancy permits, building inspections, approved material lists tied to a manufacturer you can decode from those labels you can never remove from furniture. The idea, as is it everywhere in this book, is to spur you on to think more about what you need to know and where you may find the answers you seek.