

Lethbridge Police Service helps crypto scam victims using Chainalysis



Customer Story



LETHBRIDGE
POLICE
SERVICE

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Company Name: Lethbridge Police Service
Type of Business: Law Enforcement
Chainalysis Solutions: Crypto Investigations Solution
Operating Regions: Canada

Challenge: Conduct an effective crypto crime investigation

The [Lethbridge Police Service](#) serves the City of Lethbridge in southern Alberta, Canada. According to its [2023 census](#), Lethbridge has nearly 107,000 residents and expects a consistent rate of sustainable and healthy growth.

Sergeant Kevin Talbot, Supervisor of the Economic Crime Unit for the Lethbridge Police Service (LPS), faced a challenge when he joined the team. When victims were reporting crypto scams, the department wasn't equipped to assist them other than documenting reports about their experiences. Because LPS didn't have the requisite knowledge and tools to investigate crypto crime, frontline officers were often intimidated by taking these calls from victims. That didn't sit well with Talbot, and he and his team began to research what more they could possibly do.

Solution: The right knowledge, tools, and current on-chain data

Sergeant Talbot and his team were introduced to Chainalysis by working with the Calgary Police Service Blockchain Investigation Team. LPS received [training](#) on how to use the [Chainalysis Crypto Investigations solution](#) from the Calgary Police Service's Centre of Excellence and Chainalysis. This experience enhanced the partnership between the two police forces, and improved information sharing. Using the same platform that the Calgary Police Service was

already successfully using made it easier to collaborate on investigations, too.

"We chose the Chainalysis Investigations solution because it provides excellent data for us," says Talbot. "It allows us to identify where funds are being transferred to, and enables us to be able to identify who a suspect might be or where the funds are sitting, which helps us decide what disruption techniques we may want to employ."

It helped that, right from the start of LPS establishing its new program, Talbot created policy around how to conduct crypto crime-related investigations and established subject matter experts on each frontline team. Officers are now trained in how to identify a crypto scam, understand what information they need to collect in order to do a trace, know who's responsible for what in the course of an investigation, and what the potential outcomes could be.

The Chainalysis experience

Talbot expressed appreciation for the onboarding process. "My relationship with Chainalysis has been nothing but positive," he said. "Right from the purchasing of the licensing, the training, and then the follow-up, plus resources and support if I'm having difficulties with something. And, it's really enjoyable working with Chainalysis."

He also appreciates that Chainalysis data is constantly being updated behind the scenes. It helps his team when tracing because they have the latest data and research available to them,

which improves investigations and helps LPS stay up to speed with what criminals are doing now rather than a month ago.

Results: Recovery of funds for victims

Shortly after LPS implemented Chainalysis, it began to see results that advanced its crypto investigations. Instead of concluding an investigation after creating a report, LPS could now use crypto transaction tracing to identify where victims' funds had been transferred and identify suspects.

Talbot says that Chainalysis has been “a force multiplier. Historically, we would look on blockchain browsers to try and identify where our victims' crypto was being deposited, which takes an enormous amount of time to do. Recently, I introduced one of our investigators to Chainalysis and he was stunned at how quickly and easily it is to identify where funds have been deposited.”

Now, when LPS does an investigation involving cryptocurrency, the frontline officer obtains the victim's statement in order to understand how the person got in touch with the suspect, what form of communication was used, and where the victim sent their crypto — specifically, what was the deposit address or transaction hash identifier. The officer then passes that information to Talbot, who traces the funds. Talbot produces a report and reviews it with his peers at the Calgary Police Service. From there, he provides recommendations to the officer on what the next steps should be for the case. If it's a viable route to take, he'll

recommend a production order be written to obtain data and records from the exchange where the money or crypto was deposited. If the case checks out and occurred in a cooperative jurisdiction, LPS will lay criminal charges and seize funds so they can be returned to the victim. Additionally, LPS will employ disruption techniques to prevent another person from being victimized in the future.

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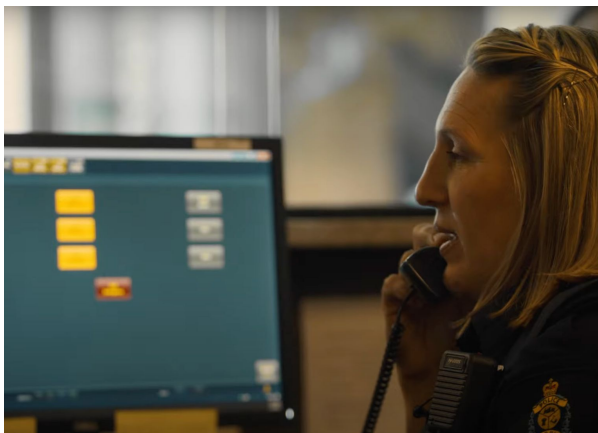
Sergeant Kevin Talbot
Lethbridge Police Service

With officers feeling more empowered to conduct these investigations, they see the value in using the platform. The best part is that LPS no longer has to tell victims that there isn't much they can do when a new crypto-related crime gets reported. The department has also been able to participate in seizing some funds for victims.

Talbot says, “The emotional toll for any type of fraud is devastating for victims. So, it's important that we do whatever we possibly can with the resources that we have in order to bring that investigation to a conclusion and help that citizen. We've gone from saying 'no' to saying there are things we can do to advance this investigation.”

When asked what advice he might have for other police forces considering getting involved with crypto investigations, he said to start slow, do your research, and make the time to explain to leadership how crypto-related crime impacts victims in your community.

“You need leadership in your building that's progressive and has the courage to invest in this type of a program in order to advance your investigations,” Talbot said. “That is critical. In addition to that, you need everyone to get on board in your department, too.”





Building Trust in Blockchains

About Chainalysis

Chainalysis is the blockchain data platform. We provide data, software, services, and research to government agencies, exchanges, financial institutions, and insurance and cybersecurity companies in over 70 countries. Our data powers investigation, compliance, and market intelligence software that has been used to solve some of the world's most high-profile criminal cases and grow consumer access to cryptocurrency safely. Backed by Accel, Addition, Benchmark, Coatue, GIC, Paradigm, Ribbit, and other leading firms in venture capital, Chainalysis builds trust in blockchains to promote more financial freedom with less risk. For more information, visit www.chainalysis.com