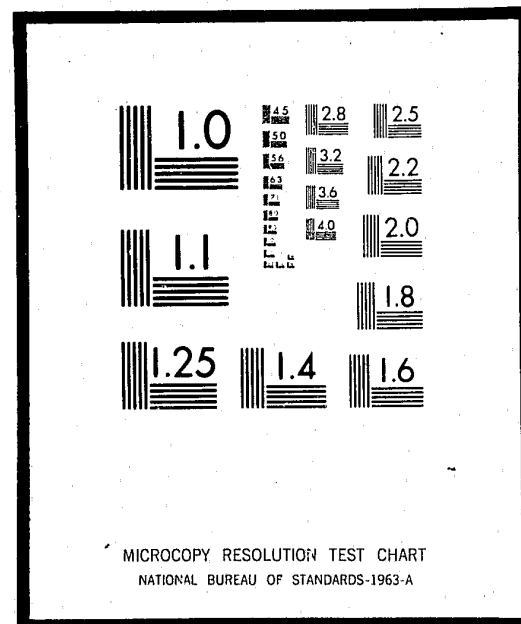


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REDUCING SHOPLIFTING LOSSES

16232



By Addison H. Verrill

SUMMARY

Shoplifters and magicians have one thing in common. Both rely on sleight-of-hand. However, amusement turns to anguish when individuals who pretend to be customers come into a small store and prove that "the hand is quicker than the eye."

The methods which shoplifters use are discussed in this *Aid*, and the types of persons who practice this form of thievery are described. The *Aid* also gives practical suggestions on using protective devices, on what employees must do, and on apprehending and arresting shoplifters.

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Shoplifters are stealing me blind, is a complaint made by many retailers. And rightly so, because in some localities the shortages caused by nimble-fingered artists are the greatest percentage of a retailer's inventory shrinkage.

Unfortunately, there is no easy way to break up such thievery. It is a constant battle in which you must fight individual engagements. One difficulty is identifying your opponent. Challenging an innocent person can be costly as well as embarrassing.

A key to reducing shoplifting losses is knowing your man and catching him in the act. What methods are used by the shoplifter? What kind of person is he?

METHODS OF SHOPLIFTERS

Professional shoplifters are sleight-of-hand experts. Under ordinary circumstances, they can, and do, snatch items from counters and pass these items to confederates without detection.

The best protection a retailer has is a sales force trained to watch for such things. In stores where clerks are not wide awake, shoplifters can literally take over. These thieves have

been known to step behind counters, pose as sales clerks, and collect money from customers.

As for the hand-is-quicker-than-the-eye techniques, shoplifters come equipped with coats and capes which have hidden pockets and slits or zippered hiding places. Hands emerge unseen from slits to snatch up articles directly from open displays. Many times, such performances are blocked from view by the open coat itself. These shoplifters are also adept at palming small items with the cover-up aid of loose handkerchiefs and gloves.

Sometimes shoplifters have special hooks or belts on the insides of their coats or tricky aprons and undergarments designed to hold innumerable articles. Some sleight-of-hand thieves slip merchandise into packages or into boxes that have a hinged top, bottom, or end. Salesclerks should know how to spot such devices. Employees should also be suspicious of and watch shoppers who carry bulky packages, knitting bags, shopping bags, and umbrellas. These are handy receptacles for items which a shoplifter *purposefully* knocks off counters.

Some shoplifters do not confine their activity to shopowners. They even steal from customers. They pick up packages or handbags which store patrons carelessly lay aside in their pre-occupation with shopping.

Ticket switching is another method used by shoplifters. It is an especially vexing problem for owner-managers of a store. It is almost impossible to prove the guilt of a ticket switcher, for one thing. Also there is the hazard of false arrest countercharges.

TYPES OF SHOPLIFTERS

Fortunately for the owner-manager of a small store, the majority of shoplifters are amateurs rather than professionals. A breakdown of various types should help you to understand the motives which causes these individuals to steal and the methods they use.

JUVENILE OFFENDERS. The young make up about 50 percent of all shoplifters, and indications are that this type of offender is on the increase. Sometimes youngsters steal "for kicks" or because they have been "dared" to do so. They may enter stores in gangs. In order to discourage these rebellious and unsupervised juveniles, retailers should "get tough." Youth is no excuse for crime. It should be prosecuted and made to pay through the proper legal channels.

HOUSEWIVES. Many retailers report that the majority of adults who are apprehended are women, and a significant number of them are housewives. They steal because they have given

in to momentary impulse and temptation. Many of them are first offenders and by catching them, you may help prevent them from becoming habitual shoplifters.

KLEPTOMANIACS. Thefts by kleptomaniacs stem from psychological compulsions. The term is a combination of the Greek word for thief, "kleptes," and the word "maniac." Often kleptomaniacs do not need the items they pick up. But even so their behavior is no less costly to you.

DRUNKARDS AND VAGRANTS. Drunkards and vagrants are probably the most clumsy shoplifters and the easiest to detect. They often steal because they desperately need money and food.

NARCOTICS ADDICTS. Drug addicts are, of course, more desperate than vagrants. Also addicts may be armed. They should be handled by the police.

PROFESSIONAL SHOPLIFTERS. The professional is the most difficult type to detect and apprehend. He is clever at his craft. When he comes into the store, he often pretends that he is shopping for something to buy for his wife.

The professional shoplifter is "in business" for money. He usually steals to resell his loot to established fences. He often has a police record. Indeed, he may belong to an underworld organization which will supply bail and help him in court.

The professional can be discouraged from stealing if he sees that store personnel are really alert.

CALL THE POLICE

Regardless of the type of shoplifter, the common answer that most shoplifters give when caught is: "I have never done this before."

Failure to prosecute "first offenders" encourages shoplifting. It is best to operate on the premise that he who steals will also lie. Call the police when you catch a shoplifter.

When every merchant in town follows the policy of prosecuting each shoplifter, the word gets around. Hardened professionals will avoid the town. Amateurs will think twice before yielding to the temptation to pocket a choice item.

PROTECTIVE PERSONNEL AND DEVICES

In reducing shoplifting losses, the deterrent factor is all important. Protective devices help you to discourage borderline shoplifters—ones who don't steal unless the coast is clear—and to trap bold ones. Among these devices are two-way mirrors, peepholes, closed-circuit television, radio communication, and detectives posing as customers.

Some large stores use uniformed guards and plainclothes personnel who serve as a reminder to patrons that only legally purchased merchandise may be removed from the premises. One way to identify such merchandise is to use stapled packages with receipts attached outside.

When you have no guards and rely solely on your own people, convex wall mirrors can be helpful. They allow store personnel to see around corners and keep several aisles under observation from regular work stations.

Anti-shoplifting signs prominently displayed warn potential thieves and deter some. Various uses of public address systems have also been employed to discourage shoplifters. When a suspect has been observed, a "walkie-talkie" radio can be used for speedy communication between you and those employees who handle such situations.

Electronic devices which expose the shoplifter are also on the market. One example of such a device is an electronic pellet or wafer attached usually to an expensive garment so that it cannot be removed without tearing the merchandise. If a shopper tries to remove the garment from the store, the pellet or wafer sends out signals. The cashier removes the pellet with special shears when the customer purchases the garment.

You should keep in mind that there is a legal danger in using electronic devices. If the cashier forgets to remove the pellet device, an innocent shopper may be stopped outside and falsely detained.

When shoplifters use ticket switching to gain their ends, you can use the following alternatives:

- (1) *Tamper-proof gummed labels* which rip apart when attempt is made to remove labels.
- (2) *Hard-to-break plastic string* for softgoods tickets.
- (3) When tickets are stapled on, *special staple patterns* are used which are recognizable to store personnel.
- (4) *Extra price tickets* are *concealed* elsewhere on merchandise.

If you use simple and basic pricing methods, don't ticket prices in pencil. Use a rubber stamp or pricing machine.

PHYSICAL LAYOUT OF STORES

A store's layout can discourage or encourage shoplifting. For example, high fixtures and tall displays which give visual protection to the shoplifter will encourage his practices. To destroy such protection, set your display cases in broken sequences. If possible, run them for short lengths with spaces in between.

Keep small, high-priced items out of reach, preferably in

locked cases. Keep valuable and easy-to-hide items at counters where clerks are in continuous attendance. Or better yet, let the customer ask a salesman to show him such items.

If fire safety regulations allow it, lock all exits not to be used by customers. In addition, attach noise alarms to the exits which must be kept unlocked. Always close and block off unused checkout aisles.

WHAT EMPLOYEES MUST DO

Employees must watch merchandise and people if you are to prevent shoplifting. Generally, your salesclerks should be alert to persons who wear loose coats or capes or bulky dresses. They should also watch persons who carry large purses, packages, umbrellas, and shopping bags. Those who push baby strollers and collapsible carts also bear watching as well as individuals who walk with short steps. The latter may be carrying stolen goods between their legs.

In clothing stores, clerks should beware of the "try-on" shoplifters. They try on an item for size, as it were, and then, if they feel no one has seen them, walk out wearing the garment. Salespeople should keep a check on the number of garments carried into the fitting rooms. Thieves often try to sneak in extra garments beyond the number permitted.

You and your people should be especially alerted for "teams"—thieves who pretend not to know each other. One of the team will attract the clerk's attention away from the partner. He will cause a fuss, ask unreasonable questions, create an argument, even stage fainting fits while his partner picks up the merchandise and makes a quick exit.

Sales persons should keep in mind that ordinary customers want attention while shoplifters do not. When busy with one customer, the salesman should acknowledge other customers with polite remarks such as, "I'll be with you in a minute." It can make a shoplifter feel uneasy. Such attention pleases ordinary customers.

Salesclerks should not give the impression that they distrust customers, but they must always be alert to their movements. If possible, they never should turn their backs to customers even when fetching merchandise for them. They should display merchandise neatly because missing items are easily detected when orderly arranged.

You should schedule your employees' working hours with floor coverage in mind. An adequate number of clerks should be on duty during your store's busy periods. These periods are most conducive to theft.

Finally, and most important, you should instruct employees

about what they are to do when they observe a theft by a shoplifter. This training should be done periodically, at least once every 3 months. Such knowledge helps prevent legal problems in addition to catching offenders.

APPREHENSION AND ARRESTS

Be certain or risk a false arrest suit is a good rule to follow when catching a shoplifter.

In pursuing this rule, salespersons should not accuse patrons of stealing. Nor should they try in any way to apprehend shoplifters. When a salesperson sees what appears to be a theft, he should keep the suspect in sight and alert you immediately. The police or the store detective should be notified if you use one. In fact, salespersons should alert you about any suspicious loiterers.

If your refund desk clerk receives a returned item and recognizes it as a stolen or suspicious item, she should delay the person and call you. Ask the person for identification and have him sign his name and address. If the item is stolen, he will usually give a wrong name and have no identification.

Some organizations in large cities have control files on shoplifters who have been caught. Your retail merchant's association can inform you about the services available in your area. You can check these files to see whether the person you catch has a record. Usually a shoplifter claims to be a first offender. He is apt to remain a "first offender" if the merchant allows him to leave without positive identification and without filing his name with the police and local retail merchant association.

You should also check to see what the law is in your State. Many States have passed "shoplifting laws" which, among other things, deal with apprehending shoplifters. Check with your lawyer or the police in your area.

GENERAL RECOMMENDATIONS. It is best to apprehend shoplifters outside of the store. For one thing, apprehension of this kind strengthens the store's case against a shoplifter. Then, too, scenes or any type of commotion which a shoplifter precipitates interferes with store operation.

You should recognize that apprehension in many States does not necessarily have to be initiated outside of the store. Sometimes, it suffices if a shoplifter is observed concealing merchandise on his or her person. A shoplifter is generally apprehended in the store if the merchandise involved is of substantial value, and if you feel that he may get away with the stolen goods if you allow him to get beyond the store premises.

If the shoplifter is an elderly person, treat him or her with extra gentleness lest he be "shocked." If you don't, he may have

a heart attack. A good approach to stopping a suspect is to speak to him and identify yourself. Then say: "I believe you have some merchandise on your person or in your bag which you have forgotten to pay for. Would you mind coming back to the store to straighten out this matter?" Never touch the suspect because the contact could be construed as roughness.

FOR FURTHER INFORMATION

Readers interested in exploring further the subject of shoplifting may wish to consult the references given below. This list is brief and selective. However, no slight is intended toward authors whose works are not mentioned.

SHOP LIFTING AND SHRINKAGE PROTECTION FOR STORES by Loren E. Edwards. 1958. \$7.50. Charles C. Thomas, 301 E. Lawrence St., Springfield, Ill. 62703

HOW TO STOP PILFERAGE IN BUSINESS AND INDUSTRY by Charles P. Rudnitsky and Leslie M. Wolff. 1961. \$2. Pilot Books, 347 Fifth Ave., New York, N.Y. 10016.

PROTECTING YOUR BUSINESS AGAINST EMPLOYEE THEFT, PILFERAGE, AND OTHER HAZARDS by L. R. Nader. 1971. \$2. Pilot Books, 347 Fifth Ave., New York, N.Y. 10016.

In addition, the following publications on the subject of crime in business may be of some interest. These *Aids* are available free by writing to the Small Business Administration, Washington, D.C. 20416 (or contacting your nearest SBA office).

"Preventing Employee Pilferage," *Management Aids* No. 209.

"Preventing Retail Theft," *Small Marketers Aids* No. 119.

"Preventing Burglary and Robbery Loss," *Small Marketers Aids* No. 134.

"Outwitting Bad Check Passers," *Small Marketers Aids* No. 137.

"Preventing Embezzlement," *Small Marketers Aids* No. 151.

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