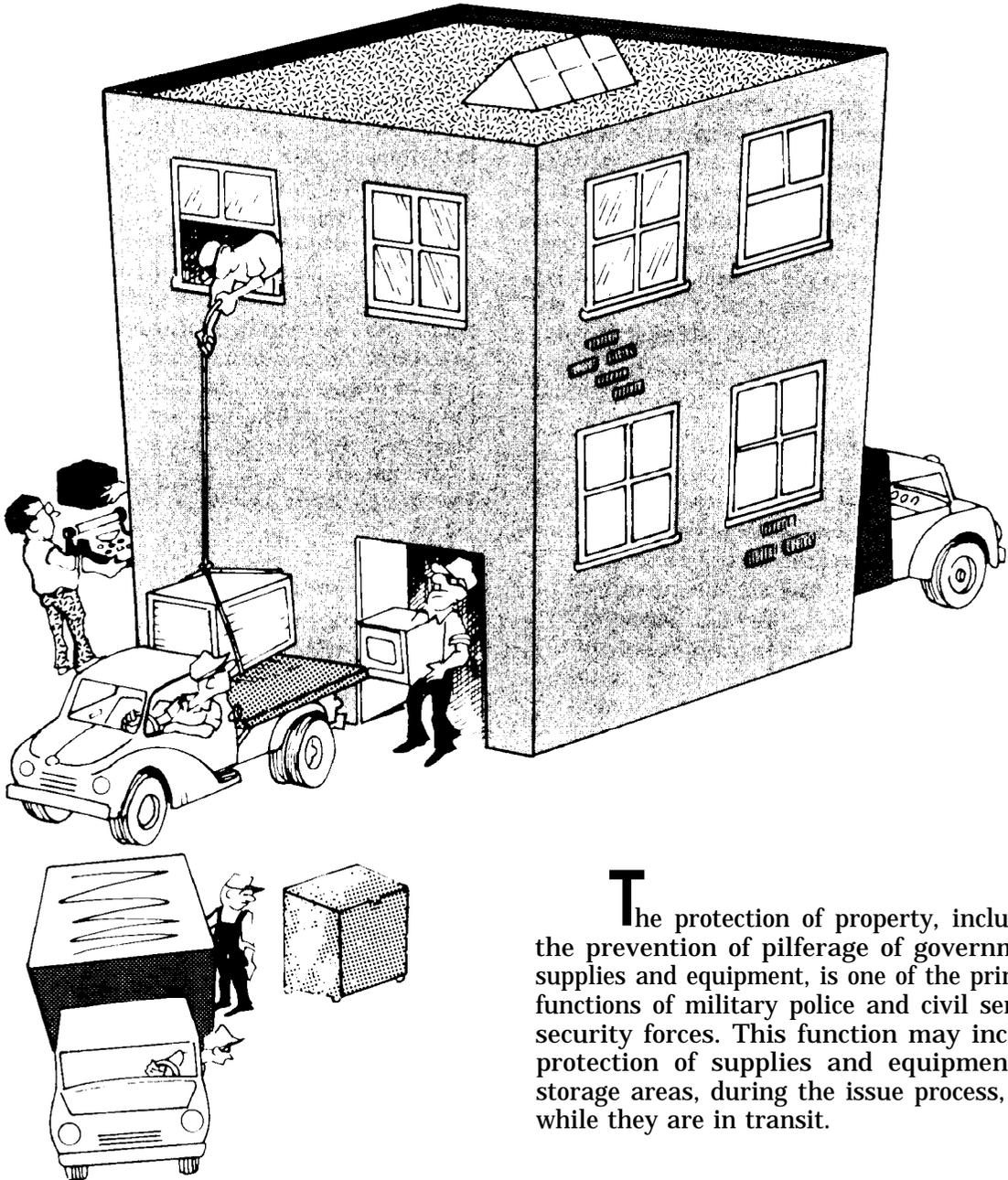


# Pilferage



**T**he protection of property, including the prevention of pilferage of government supplies and equipment, is one of the primary functions of military police and civil service security forces. This function may include protection of supplies and equipment in storage areas, during the issue process, and while they are in transit.

## A-1 Pilferage

**a.** Pilferage is probably the most common and annoying hazard with which security personnel are concerned. It can become such a financial menace and detriment to operations that a large portion of the security guard force efforts may have to be devoted to its control. Pilferage, particularly petty pilferage, is frequently difficult to detect, hard to prove, and dangerous to ignore.

**Note:** The words, “pilfer,” “pilferer,” and “pilferage” are used throughout this manual in the senses in which they have come to be accepted by physical security personnel rather than in the dictionary sense. Thus, they include the meanings of “steal,” “thief,” “theft,” “larceny,” and similar terms. They embrace not only petty theft, but theft of any quantity or monetary value. (For a discussion of pilferage in consumer outlets and associated storage facilities, see section III of this appendix.)

**b.** It is imperative that all military personnel, to include the management, understand the potential losses to the military on a daily basis.

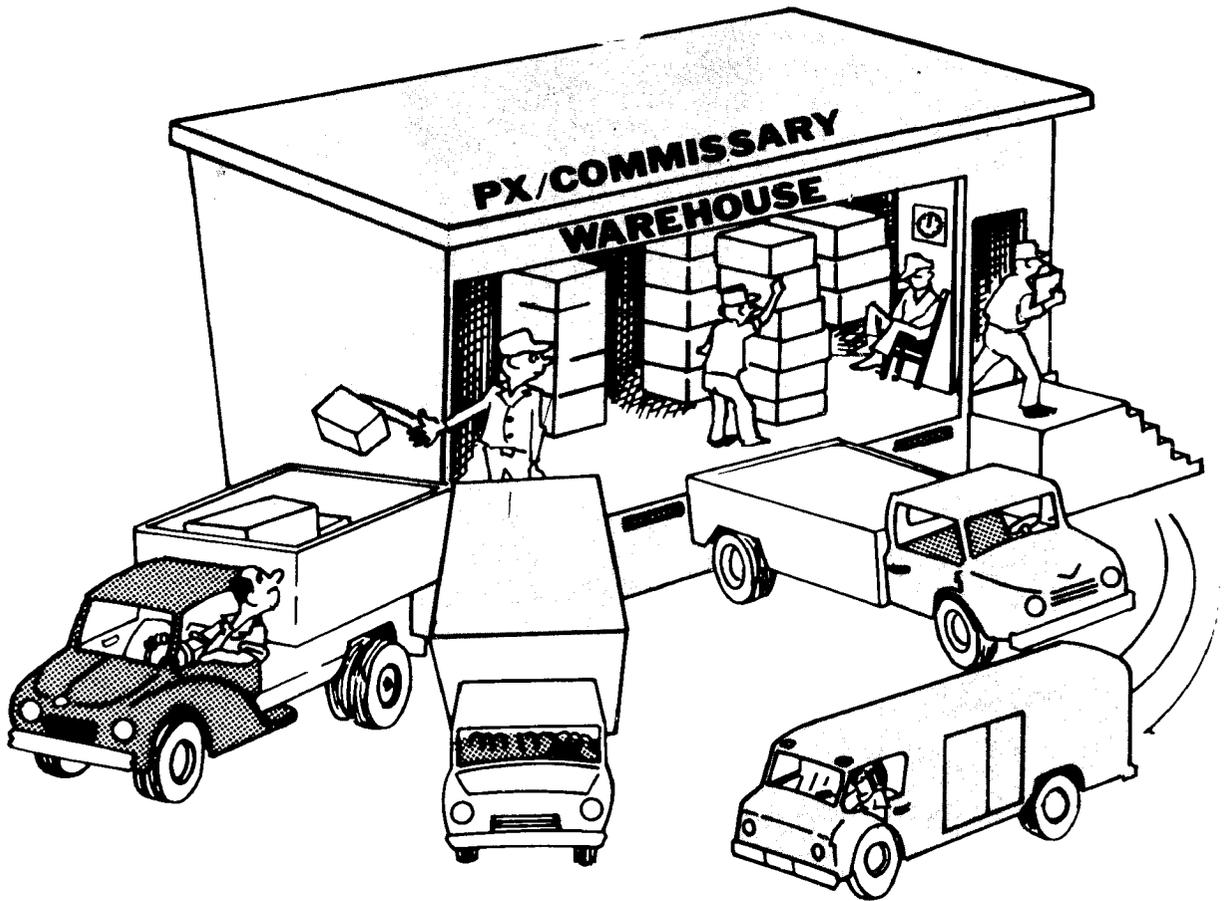
**c.** Yearly, military installation property loss throughout the world would increase millions of dollars each year if subjected to uncontrolled pilferage. However, the risks incurred cannot be measured in terms of dollars alone. Loss of critical supplies for

tactical units could result in unnecessary loss of life and danger to national defense. In some areas, losses could assume such proportions as to jeopardize the mission of the installation. All installations and facilities can anticipate loss from pilferage. Actual losses will depend on such variable factors as type and amount of materials, equipment, and supplies produced, processed, and stored at the facility; numbers of persons employed; social and economic conditions in surrounding communities; command attitudes (this is a most important consideration); and physical security measures employed. Because these factors differ greatly in various types of installations and in different geographical locations, each must be considered separately.

**d.** To determine the severity of this hazard at any given installation or facility, there is a need to determine the amount of loss which may be occurring. Unfortunately, this is not always an easy task. Accounting methods may not be designed to pinpoint thefts; consequently, such losses remain undisclosed or they are lumped together with other shrinkages, thus effectively camouflaging them.

**e.** One of the most common inventory methods is to conduct periodic inventories of property and assume that unaccounted-for inventory loss is due to theft. This is, a convenient but deceptive and dangerous device because theft is only one of many causes of inventory shrinkage.

**f.** Failure to detect shortages in incoming



**Figure A-1—When shipping and receiving is mismanaged, entire loads of supplies, material, and foodstuffs may be taken.**

shipments, improper stock usage, poor stock accounting, poor warehousing, improper handling and recording of defective and damaged stock, and inaccurate inventories cause inventory losses that may be inaccurately labeled as pilferage.

**g.** In some cases inventory losses may be impossible to detect because of the nature and quantities of materials involved. Stock inventory records may not be locally maintained, or there may be no method for spot checks or running inventories to discover shortages.

**(1)** This is an undesirable situation and should be corrected where possible. Recommendations should be made that running inventories be maintained.

**(2)** An established estimate of the degree of severity of this hazard may have to be revised because of anticipated changes in the economic or social conditions in nearby communities, increases in numbers of employees, introduction of new materials into the installation, or any of the other



Figure A-2—The systematic pilferer steals according to plan.

variable factors on which estimates of expected losses are based.

(3) The degree of risk involved can be determined only by analysis of the relative vulnerability of each area or activity of the installation to the hazard of pilferage. To do this, it is necessary to consider the problem of who is likely to steal, and what items they are most likely to take (see Risk Analysis, paragraph 1-6).

## A-2 Profile of Pilferers

There are two types of pilferers who physical security personnel must be prepared to counteract—or at least recognize so proper physical security measures may be taken to afford the best protection against them.

These are **casual pilferers** and **systematic pilferers**.

a. A **casual pilferer** is one who steals primarily because he is unable to resist the temptation of an unexpected opportunity and has little fear of detection. There is usually little or no planning or premeditation involved in casual pilferage and the pilferer **normally acts alone**. He may take items for which he has no immediate need or foreseeable use, or he may take small quantities of supplies for use of family or friends, or for use around his home. The **degree of risk involved in casual pilferage is normally slight** unless very large numbers of persons are involved.

(1) Casual pilferage occurs whenever the individual feels the need or desire for a

certain article and the **opportunity to take it is provided by poor security measures**. Though it involves unsystematic theft of small articles, casual pilferage is nevertheless very serious, and it may have a great cumulative effect if permitted to become widespread—especially if the stolen items have a high cash or potential value.

(2) There is always the possibility that casual pilferers, encouraged by successful theft, **may turn to systematic pilferage**. **Casual pilferers are normally employees** of the installation and usually are the most difficult to detect and apprehend.

**b. A systematic pilferer** is one who steals according to **preconceived plans**, and steals any and all types of supplies to **sell for cash or to barter** for other valuable or desirable commodities.

(1) **He may work with another person or with a well-organized group** of people, some of whom maybe members of a cleaning team or even be in an advantageous position to locate or administratively control desired items, or remove them from storage areas or transit facilities.

(2) The act of pilferage maybe a one-time occurrence, or such acts may extend over a period of months or even years. Large quantities of supplies, with great value, may be lost to groups of persons engaged in elaborately planned and carefully executed systematic pilferage activities.

(3) Systematic pilferers may or may not be employees of the installation; if they are not, they frequently operate in conspiracy with such employees.

### A-3 Motivations of Pilferers

The degree of dishonesty may vary with the motivation of pilferers. The uses pilferers make of pilfered items and/or the money from them does not establish any

patterns. In fact, their modus operandi is difficult to detect due to their changing motivational desires.

**a. The military or civilian thief may:**

- Not be profit oriented
- Be any person
- Operate with others

**b. Usually, the common danger signs that a pilferer is at work are:**

- Dedication and devotion to work
- Increase in personal financial spending
- Refusal to accept office, activity or installation movement control procedures

**c. A pilferer's rationalization to dishonesty is:**

- (1) Why not, others are doing it
- (2) It's morally right to me
- (3) "It's not stealing, only borrowing."

**d. Elements that induce dishonesty:**

- (1) Target of opportunity
- (2) High personal need or desire
- (3) Rationalization of personal actions.

### A-4 Opportunities For Pilferage

Pilferage may occur anywhere. Even supplies that are stationary in permanent or semipermanent storage areas or warehouses are vulnerable to theft if adequate precautionary measures are not taken; and vulnerability increases as supplies become more mobile.

**a. New and greater opportunities for pilferage are present when supplies are being transported in trucks, trains, planes, or ships.**

**b. The greatest vulnerability and the widest variety of opportunities occur at the various points where supplies are transferred from one means of transportation to another,**

or from storage to transportation and vice versa.

c. Remember that anyone maybe a pilferer. Where need or desire exists, and opportunity is presented, theft is almost sure to result.

## A-5 Targets for Pilferage

Both the casual and systematic pilferer have certain problems to overcome in order to accomplish pilferage objectives. Some of these are:

a. A pilferer's **first requirement is to locate the item or items to be stolen.** For the casual pilferer this may be accomplished through individual search or even accidental discovery. In systematic pilferage, more extensive means are generally employed. These may consist of surveillance by members of the group, or checking of shopping and storage areas or documents by those who have access to them.

b. The **second requirement is to determine the manner in which he can gain access to and possession of the desired items.** This may involve something as simple as breaking open a box. Or it may be as complex as surveying security factors such as physical safeguards or security procedures for weaknesses, attempting to bribe security forces, altering or forging shipping documents or passes, or creating disturbances to divert attention of security personnel while the actual theft is taking place.

c. The **third requirement is to remove the stolen items** to a place where the thief may benefit from his act. Articles of clothing may be worn to accomplish this. Small items may be concealed in any of many possible places on the body of the thief or in vehicles. Through falsification of documents, whole truckloads of supplies may be removed from their proper place without immediate discovery.

d. **Finally**, to derive any benefit from his act, the pilferer **must use the item himself or dispose of it** in some way. The casual pilferage of supplies is intended primarily to satisfy the need or desires of the thief. The systematic pilferer usually attempts to sell the material through "fences," pawnbrokers, or black market operations.

(1) **Detection of use or disposal** can help prevent similar pilferage through investigation and discovery of the means used to accomplish the original theft. Similarly, **each of the problems faced by would-be pilferers offers opportunities for constructive preventive measures.** Careful study of the possible opportunities for the pilferer to solve his problems is essential in security work (see Risk Analysis, paragraph 1-6).

(2) The **primary concern of a systematic pilferer in selecting a target is its monetary value.** Since he steals for personal profit, the systematic pilferer looks for items from which he can realize the greatest financial gain. This means he must also have or be able to find a ready market for items he maybe able to steal. He pilfers small items of relatively high value, such as drugs, valuable metals or electronic items, including radio and television tubes. However, we cannot discount the possibility that a systematic pilferer may, if the profit is substantial, select a target of great size and weight. As a rule, bulk storage areas contain most of the material that may be selected by systematic pilferers.

(3) The **casual pilferer is likely to take any item easily accessible to him.** Since he normally will remove the item from the installation by concealing it on his person or in his privately owned automobile, size is also an important consideration. Monetary value and available markets are not of any great concern to the casual pilferer, because he usually does not have any idea of selling the property he steals.

(a) He normally uses the item himself. Any property not secured or not under surveillance, and small enough to be hidden on the person or otherwise removed from the installation by commonly available means, is subject to casual pilferage.

(b) Storage areas containing loose items are more likely to tempt casual pilferers than bulk storage areas.

## A-6 Methods of Pilferage

There are many ways by which pilfered items may be removed from military installations. Because the motives and targets likely to be selected by systematic and casual pilferers are very different, the methods of operation for each are very different.

a. As stated above, the casual pilferer steals whatever is available to him and generally removes it from the installation by concealing it on his person or in his automobile.

b. The methods of the systematic pilferer are much more varied and complex. The means he may employ are limited only by his ingenuity. The following are cited as examples:

(1) **Shipping and receiving operations** are extremely vulnerable to systematic pilferage. It is here that installation personnel and truck drivers have direct contact with each other and readily available means of conveyance. This offers a tempting opportunity for collusion. Although most truck drivers and employees are honest, a few of them may succumb to temptations such as a receiving clerk who certifies the receipt of property that the truck driver actually disposed of prior to his arrival at the installation. An installation employee can provide property to a truck driver and assist in concealing it aboard the truck for unauthorized removal from the installation. Employees can assist truck drivers in removing property

by executing fictitious invoices that appear to be legitimate when inspected by security personnel.

(2) **One individual must not have control of all shipping and receiving transactions.** Obviously this procedure invites manipulation of Government bills of lading and inaccurate storage and movement procedures through failure of one activity to compare bills and invoices with another activity. The opportunities for monetary kickbacks increase without a sound system of checks and balances.

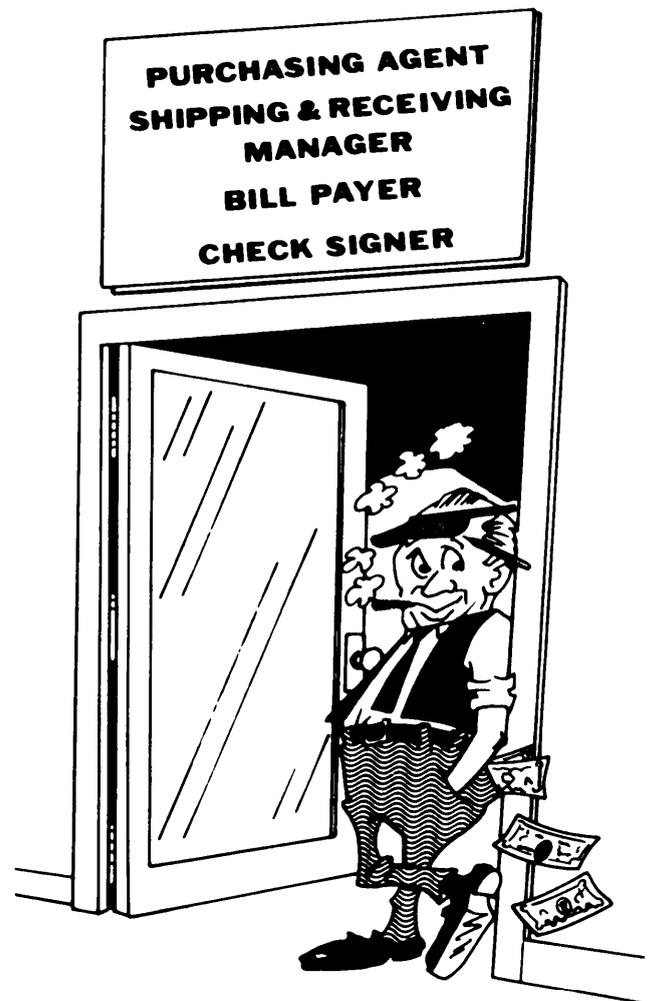


Figure A-3—One-person control invites losses.

**(3) Railway employees** assigned to switching duties on the installation can operate in a similar manner but with more difficulty because a railway car normally cannot be directed to a location where stolen property can be easily and safely removed. Additional confederates are usually required to transfer stolen goods from a railway car, at some point or siding outside the installation, into some other means of transportation for removal. This increase in the number of persons involved reduces profits and increases the chances for discovery and apprehension.

**(4) Tanker trucks** employed for shipment of petroleum products maybe altered to permit pilferage of the product.

**(5) Trash disposal and salvage disposal activities** offer excellent opportunities to the systematic pilferer to gain access to valuable material. Property may be hidden in waste material (Fig A-2) to be recovered by a confederate who removes trash from the installation. Serviceable or even new items of equipment or material may be classified as salvage by dishonest employees operating in collusion with other persons working in or having access to salvage disposal.

c. Other methods which maybe employed by systematic pilferers to remove property from military installations include throwing items over fences to be retrieved at a later time by themselves or by confederates; packaging property and sending it to outside addresses through mail channels; collusion with security personnel; loose fitting clothing that can be worn to conceal small items; and removal of items on vehicles belonging to outside contractors and vendors.

## **A-7 Control Measures For Casual Pilferage**

Specific measures for preventing pilferage must be based on careful analysis of the conditions at each installation. The most

practical and effective method for controlling casual pilferage is to establish psychological deterrents. This may be accomplished in a number of ways. Some are discussed in the following paragraphs.

a. One of the most common means of discouraging casual pilferage is to **search individuals and vehicles** leaving the installation at unannounced times and places.

**(1)** Spot searches may occasionally detect attempts of theft but greater value is realized by bringing to the attention of all employees they may be apprehended if they do attempt to illegally remove property.

**(2)** Care must be taken to insure that personnel are not demoralized nor their legal rights violated by oppressive physical controls or unethical security practices.

b. An **aggressive security education** program (chapter 3) is an effective means of convincing employees that they have much more to lose than to gain by engaging in acts of theft. Case histories may be cited where employees were discharged or prosecuted for pilferage. Care must be taken in discussing these cases to preclude identification of individuals, because of possible civil suits for defamation of character. Also, it is generally poor policy to publicize derogatory information pertaining to specific individuals. It is important for all employees to realize that pilferage is morally wrong no matter how insignificant the value of the item taken.

c. It is particularly important for supervisory personnel to set a proper example and maintain a desirable moral climate for all employees.

d. All employees must be impressed with the fact that they have a responsibility to report any loss to proper authorities.

e. Adequate inventory and control measures should be instituted to account for



Figure A-4—Good physical controls discourage casual pilferage.

all materiel, supplies, and equipment. Poor accountability, if it is commonly known, provides one of the greatest sources of temptations to the casual pilferer.

**f. Identification of all tools and equipment** by some mark or code (where feasible) is necessary so that government property can be identifiable. Installation tools and equipment have counterparts on the civilian economy and cannot otherwise be identified as government property. Another control method is to require signing for all tools and equipment to be used by individuals. The use of the signature control method reduces the temptation to pocket the item.

**g.** In establishing any deterrent to casual pilferage, physical security officers must not lose sight of the fact that **most employees are honest** and disapprove of thievery. Mutual respect between security personnel

and other employees of the installation must be maintained if the facility is to be protected from other more dangerous forms of human hazards. Any security measure that infringes on the human rights or dignity of others will jeopardize, rather than enhance the overall protection of the installation.

## A-8 Control Measures For Systematic Pilferage

Unlike the casual pilferer, the systematic thief is not discouraged by psychological controls. Nothing short of active physical security measures are effective in eliminating losses from this source. Some of these measures include:

- a. Establish security surveillance of all exits from the installation.
- b. Establish an effective package and material control system.
- c. Locate parking areas for private vehicles outside the perimeter fencing of the activity.
- d. Eliminate potential thieves during the hiring procedure by careful screening and observation.
- e. Investigate all losses quickly and efficiently.
- f. Establish an effective key control system.
- g. Establish adequate security patrols to check buildings, grounds, perimeter, and likely locations for clandestine storage of property removed from its proper location.
- h. Install mechanical and electrical intrusion detection devices where applicable and practical.

i. Coordinate with supply personnel to establish customer identification, to authenticate supply release documents at warehouses and exit gates.

j. Establish appropriate perimeter fencing, lighting, and parking facilities and effective pedestrian, railway, and vehicle gate security controls.

### A-9 Audit Procedures

A detailed item/merchandise audit procedure conducted once yearly will greatly

assist in detecting pilferers. The audit should provide a thorough review of all handling and accountability procedures and control systems. An audit should be conducted even though an installation or activity has outstanding control measures.

a. An audit will discourage dishonesty and:

- (1) Uncover manipulations
- (2) Detect control irregularities.

b. For an example of an audit concerning stock withdrawals and warehouse storage, see figure A-5.

## Withdrawal and Inventory Procedures

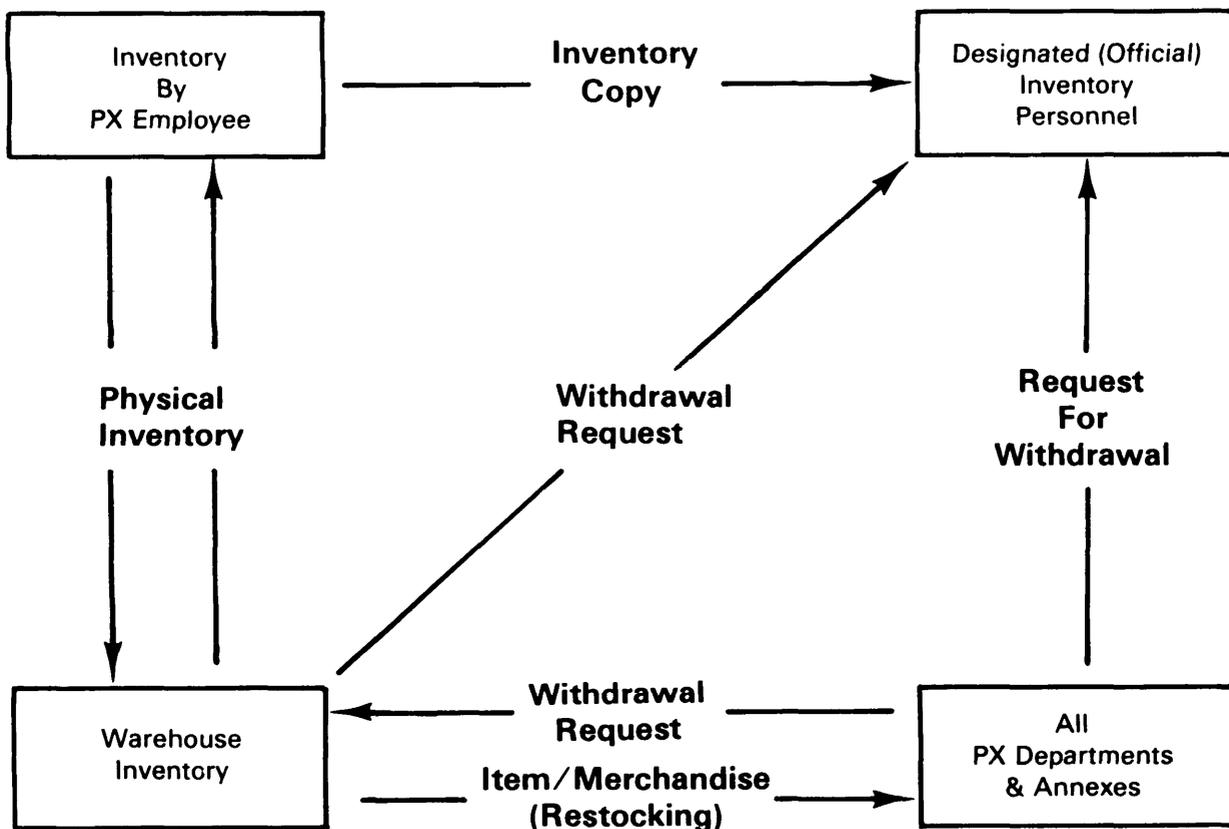


Figure A-5—Sample of audit steps

## A-10 How To Stop Employee Theft

No matter what it's called—internal theft, peculation, embezzlement, pilferage, inventory shrinkage, stealing, or defalcation—thefts committed by employees are behind at least 60 percent of crime-related losses. So many employees are stealing so much that employee theft is the most critical crime problem facing business today.

Although employee theft results in part from factors beyond control, the extent of employee theft in any business is a reflection of its management—the more mismanagement, the more theft.

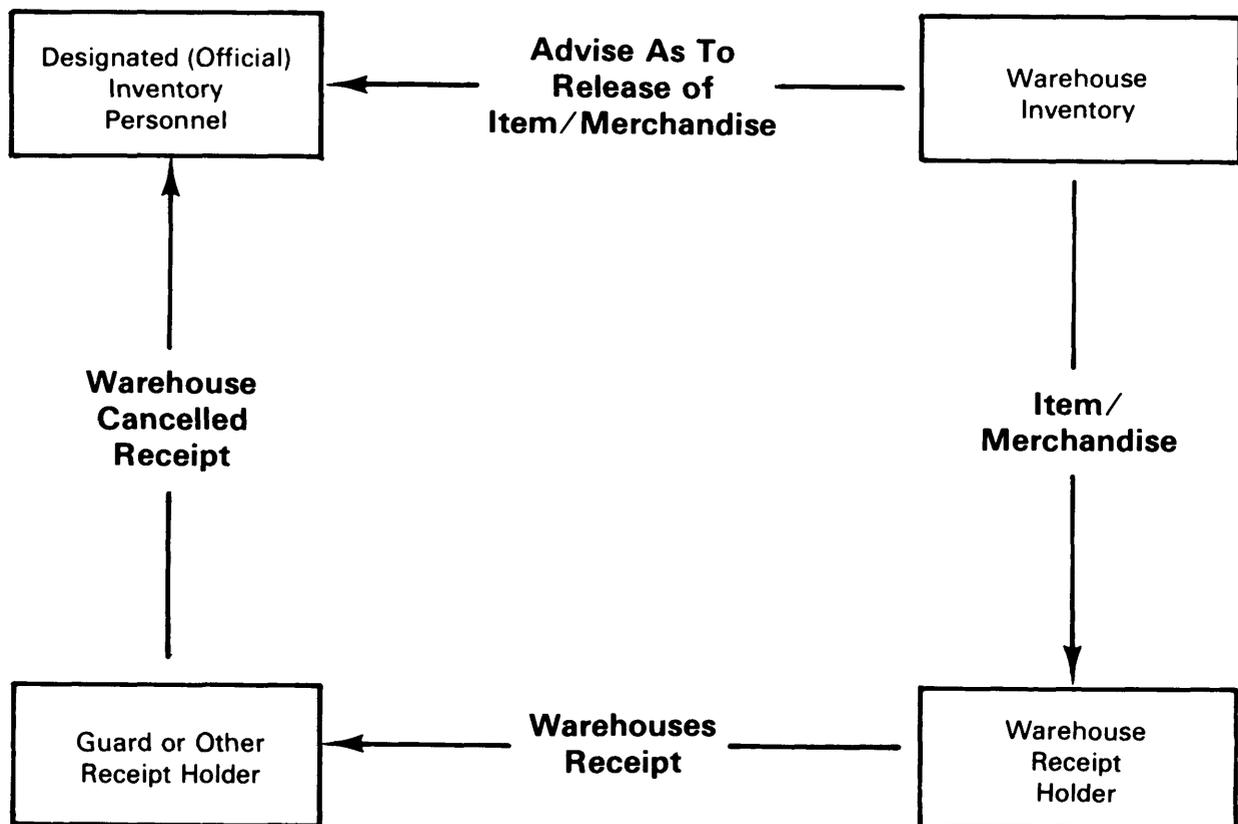
a. An effective stop-employee-thefts policy must include at least the following:

- Preemployment screening.
- Analysis of opportunities for theft.
- Analysis of how employees steal.
- Management-employee communication.
- Prosecution of employees caught stealing.

b. Each employer must reduce losses as much as possible. A police state need not be created. Large monetary expenditures need not be made.

c. **Preemployment Screening.** The best way to stop employee theft is simply not hire those employees inclined to steal. The best

## Warehouse Redemption Procedures



*for accountability of merchandise.*

way is also impossible. What the employer must do is set up a screening process that will weed out obvious security risks. Many experts believe that personnel screening is the most vital safeguard against internal theft.

Here are some basic guidelines for the employer (because of the legal implications of the process, a separate discussion follows on employee rights and privacy):

- Always have applicant fill out a written application. Be sure that the written application does not discriminate and conforms to any applicable laws.
- Exercise caution when considering ex-convicts for employment. (This is not meant to be a steadfast rule—individual judgments must be made as to degree of rehabilitation.) It is illegal to solicit information about arrest records not leading to convictions.
- Solicit references but keep in mind that those contacted will give favorable opinions. Ask primary references for secondary references. In contacting the latter, make it clear that the applicant did not refer you.
- Always interview. In interviewing, assess the applicant's maturity and values. Observe gestures.
- Use psychological deterrents—inform applicant that your business routinely runs a security check on background, or that fingerprints will be taken. The hope is that the dishonest applicant won't be back.
- Obtain credit bureau reports but only after following guidelines set forth in the Fair Credit Reporting Act.

**d. Opportunities, Methods, and Controls.** Cases of employee theft have been documented in almost every conceivable phase of business operations—from theft of petty cash to theft of railroad cars. An infinite variety of methods have been used.

**(1) Areas most vulnerable:**

- Shipping and receiving.
- Inventory.
- Accounting and recordkeeping.

- Cash, check and credit transactions.
- Accounts payable.
- Payroll.
- Facility storage units.

**(2) Methods used:**

- Pilferage (one item at a time).
- Cash register theft or alteration of cash register records.
- Issuance of false refunds.
- Use of back door and trash containers.
- Taking advantage of undersupervision.
- Avoidance of package control.
- Embezzlement.
- Check forgery.
- Stealing credit cards.
- Manipulating computers and stealing computer time.
- Night cleaning crews.
- Duplicating keys, or use of master key that is not properly controlled.
- Collusion with outsiders (inflated claim in insurance, for example).

Too many opportunities exist for employees to exploit. Reduce these opportunities and losses will be reduced. Reduce opportunities by control.

**(3) Useful controls:**

- Randomly spot check all phases of business, in addition to regular, comprehensive audit.
- Check payroll—make sure you're not paying a fictitious or dead employee.
- Take physical inventory seriously.
- Know what you own—be able to identify it.
- Do not allow one employee to perform all functions. Separate receiving, purchasing, and accounts payable. Separate accountants from cash.
- Control payment authorizations.
- Keep blank checks locked, don't presign or use uncoded, unnumbered checks.
- Reconcile cancelled checks with original invoice or voucher.

- Secure exits—restrict employees to one exit. Prevent exit from rear of buildings. Establish strict package control.
- Inspect cash register receipts daily, inspect tape, insure that employee is identified on slips, deposit monies daily.
- Issue identification badges to decrease employee presence in unauthorized areas.
- Simplify red tape—make it harder for the employee to disguise theft.
- Have employee parking away from business establishment.
- Establish usage schedule of supplies to isolate irregularities.

**e. Management—Employee Communication.** Leadership must be firm yet reasonable. Most employees pattern their values after yours, so a good example must be set. If you expect employees to remain honest, don't cart home office supplies or goods.

- (1) Train new employees, advising them of the company's values and the standards by which they will be expected to perform.

Explain all security procedures, stressing their importance. Emphasize that any deviations will be thoroughly investigated.

(2) Establish grievance procedures; give your employees an outlet for disagreement; and be receptive to all grievances submitted. Insure that employees are aware of its existence and that no reprisals are taken.

(3) Regularly evaluate employee performance and encourage employees to evaluate management. Unrealistic performance standards can lead either to desperation and anger, resulting in dishonesty; or to get even attitudes. Regularly review salaries, wages and benefits—don't force employees to steal from you.

(4) Delegate responsibility. Unless decision-making exists among lower and mid-levels, there is a tendency for development of an it's-us-against-them attitude. Delegate accountability as well; no decision is valid if it is lost in a buckpassing routine.

## Army Property At Local Level

## Section II

### A-11 Accountability

Proper accountability by commanders and subordinate personnel cannot be overemphasized. To insure accountability of property, commanders must establish, implement, and supervise an installation, activity, or organization security program.

### A-12 Vulnerability

**a.** Weaknesses in security procedures at the installation, activity and organi-

zational level involving military property create vulnerability supported by criminal activity. Criminal activity includes:

- Theft
- Fraud
- Property diversion
- Property manipulation.

**b.** Commanders and subordinate personnel must conduct a risk analysis and identify military property that must, in the interest of monetary value and mission accomplish-

## Recommended Security Measures

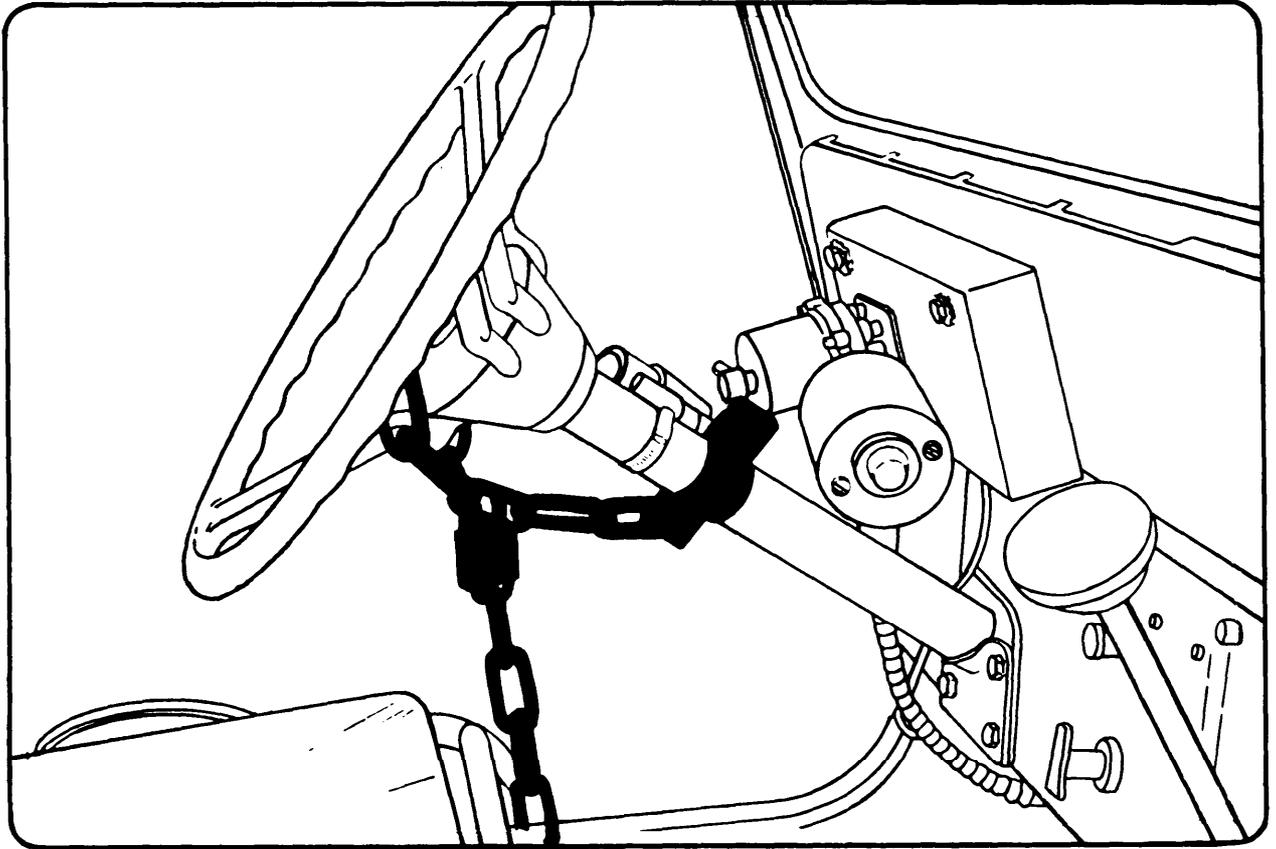
Property	Inventory				Inspected by								
	Security Plan	Hand Rcpt/Property Book Secured by IDS	PS Plan	By Reg	Unit Ltrs	PS Off	SDO	Maint Off	Supply Off	Dining Facility Off	CQ	SDMCO	
Arms/Ammunition	X	X	X	X	X	X	X	X	X	X			X
Small Arms	X	X	X	X	X	X	X	X	X	X			X
Explosives	X	X	X	X	X	X	X	X	X	X			X
Communication/Electronics Equip	X	X	X	X	X	X	X	X	X	X			X
Handtools, Tool Sets/Kits and Shop Equipment	X	X	X	X	X	X			X	X			X
Subsistence Items	X	X		X	X	X				X	X		X
Controlled Substances, Precious Metals, Tax-Free Items	X	X	X	X	X	X	X	X		X			X
Accounts	X	X	X	X	X	X							
POL Products	X	X		X	X	X	X	X	X	X		X	
Repair Parts	X	X	X	X	X	X	X		X				
Aircraft	X	X	*	X	X	X	X	X	X				
Vehicles	X	X	***	X	X	X	X	X	X	X		X	X
Towed Weapon Systems/Components	X	X	Component	X	X	X	X	X	X				
Carriage Mounted Weapon Systems	X	X	X	X	X	X	X	X	X				X
Construction Material	X		*	X		X	X			X			X
Special Issue Clothing-CTA	X	X	X	X	X	X	X	X			X		
Individual Clothing and Equipment	X	X	X	X	X	X		X		X			
Organizational Equip/Components	X	X	*	X	X	X	X	X	X	X		X	X
Compasses, Binoculars, Flashlights	X	X		X	X	X	X			X			X
Medical Unique Items	X	X	X	X	X	X	X	X		X			X
Housekeeping Supplies and Equipment	X	X	X	X	X	X				X		X	
Housing Furniture	X	X		X	X	X				X		X	
Mess Equipment	X	X	X	X	X	X	X			X	X		X
Office Machines	X	X	X	X	X	X	X			X			X
Expendable/Consumable Supplies	X		X	X	**	X		X		X	X		X

\* Depending on facility availability and cost effectiveness

\*\*Depending on local policy

\*\*\*See par. A-13

**Figure A-6—Recommended security measures for Army property.**



*Figure A-7—Typical clamp and chain installation.*

ment, design mandatory security measures for specific property.

**c.** Security doctrine as outlined in this manual should be used to the maximum extent in securing Army property vulnerable to theft, destruction, and/or manipulation.

**d.** Certain categories of property shown in figure A-6 must be assessed for security vulnerability and protective treatment. Security protective measures addressing this military property should be documented in the unit/installation physical security plan. If the security measures recommended in figure A-6 are implemented using established doctrine, they should eliminate or reduce property vulnerability. This will reduce the incidents of theft, pilferage, and manipulation at the unit/installation.

### **A-13 Motor Vehicles**

**a.** Security of **tactical vehicles** should be based on a uniform and cost effective approach. For example, to insure proper security of a tactical ¼-ton, 4x4, install a clamp, chain, and lock device as illustrated in figure A-7. To properly install the security device while maintaining safety, use Technical Bulletin (TB) 9-2300-422-20, dated 17 October 1977.

**b.** Army motor vehicle security should also incorporate at least the use of the following:

- Key/lock security and accountability.
- Protective lighting.
- Fencing.
- Walking patrols, as appropriate.
- Frequent observation and visits by mobile patrols or unit personnel, such as CQ, SDO, SDNC, etc.

No matter what it's called—internal theft, embezzlement, inventory shrinkage, stealing, or pilferage—thefts committed by employees in consumer outlets contribute to approximately 60 percent of crime-related losses at these businesses.

## A-14 Employee Pilferage

### a. Creating the Environment.

The lack of initiative at the management/supervisory level **within** operational consumer outlets does little to prevent or reduce pilferage. Such shortcomings are identified as:

**(1) Failure to present professional image:**

- Lack of continuing interest, motivation, and direction.
- No alertness to internal control of pilferage.

**(2) Failure to institute and implement methods of operational effectiveness and efficiency, such as:**

- Clearly defined delegation of responsibility.
- Insistence on stringent accountability.
- Orientation and training programs for subordinate supervisors, current and new employees.

**(3) Failure to emphasize and enforce established criteria for continual employment.**

- Rules of conduct.
- Standards of job performance. **(Officially request appropriate action for**

**employees guilty of criminal acts or infractions conducive to criminal acts.)**

**(4) Inattentive job attitudes of subordinate supervisors.**

**(5) Inadequate personal checks of established accounting and inventory procedures.**

**Note:** Checks on both a regular and unannounced basis tend to control access to official stock records and to insure careful and organized storage or stocking of merchandise.

**(6) Infrequent observation of employees' job performance.**

**(7) Failure to report misconduct, criminal or otherwise, to superiors and/or responsible law enforcement personnel in the activity.**

**(8) Failure to implement recommendations made during physical security inspections or crime prevention surveys.**

### b. Accomplishing the Act of Pilferage.

The act may be accomplished by individual employees, more than one employee working as a team, or by employees and patrons in collusion. These actions can be greatly reduced by tightening supervision and security in the following areas:

**(1) Merchandise display or dispensing areas.**

- Detect unauthorized price reductions.
- prevent or make it difficult to alter price tags.
- Check procedures for declaring merchandise old, shopworn, damaged, or salvage.
- Provide more unpackaged items for personal consumption.
- Discourage careless waste of foods and other perishable items.

**(2) Cash registers.**

**(a) Theft of cash** is common:

- Direct from an unattended register.
- By rerunning register tapes at lower figures. (Preventable if reset key is maintained by the supervisor.)
- By clearing the register at a lower total figure than actual receipts for the operational period.
- By falsely reporting over-rings and refunds.

**(b) Theft of merchandise** is common to the following:

- Under-rings
- **Reuse of cash register tapes** occurs when employees fail to provide patrons with tapes or patrons allow employees to retain tapes (for theft or fail to recognize the crime prevention measure in asking for tapes). The tapes allow employees to package merchandise and remove it from premises.

**(3) Removal of items from bags or containers** by carry-out employees.

### **A-15 Patron Pilferage (Shoplifting)**

This type pilferage is usually confined to sales areas and is committed by casual and systematic pilferers. **Items most frequently pilfered:**

- Relatively small in size.

- High degree of consumer desirability.
- Easily carried in pocketbooks or secreted on the person.

**a. Profiles of Shoplifters.**

**(1) Amateur adult shoplifters** share these characteristics:

- Sudden temptation—impulse theft. Success in initial thefts, more temptation, stronger impulses, more thefts.
- Rarely a genuine need for the item. Generally has enough money to pay for item(s).
- Displays symptoms of nervousness and uneasiness.

**(2) Juvenile shoplifters** have the following traits:

- Act on a dare or “to belong.”
- May be coached and/directed by an adult.

**(3) Professional shoplifters** share these characteristics:

- May be talkative, usually polite and deliberate.
- Continually looks for opportunities.
- Does not take many chances.
- Very capable of spotting security personnel.
- Steals for resale.
- Usually has “fences.”
- Often steals “to order.” May have a list describing the items to be pilfered.
- Employs innovative techniques.

**(4) Kleptomaniacs:**

- Take items without regard to value or use.
- Steal compulsively, often openly.
- Nervous and shy.

**Note:** Genuine cases of kleptomania are rare.

(5) Narcotic addicts as shoplifters are described as follows:

- Desperate need for money and fear of imprisonment.
- Take long chances.
- Quickly take merchandise and exit premises.
- Steal usually at lowest physical and/or psychological ebb.
- Dangerous if apprehension is attempted.**
- Habitually resists apprehension, **often violently.**
- Only military police/security personnel should attempt apprehension,** not employees.

(6) Alcoholics and vagrants as shoplifters share these traits:

- Usually steal because of need.
- Often under the influence of liquor at the time of theft.
- Usually, quickly take merchandise and exit.
- Less likely to repeat regularly at a single location.

#### **b. Environment for Shoplifting.**

(1) Greatest pilferage occurs when employee coverage is low and/or when employees are untrained, inexperienced, or indifferent to the issue.

(2) Ineffective use of floor space aids shoplifters by creating congestion in the patron traffic flow.

(3) Allowing an emphasis on small rooms and/or partitioned areas causes congestion, which clusters, isolates, and/or partially hides displays.

**c. Accomplishing the Act.** This involves use of one or more of the following means to obtain items:

(1) Palming or placing an open hand on a small article, squeezing the muscles of the hand over the article to grasp it, and lifting the still open and apparently empty hand.

(2) Use of fitting rooms to put on tight or close fitting garments under clothing worn into the store.

(3) Trying on unpurchased hats, gloves, sweaters, jackets, and like item, then exiting the store—is a very common practice.

(4) Stepping around counters and removing items from unlocked showcases.

(5) Handling several items at once and replacing all except the item(s) pilfered.

(6) Use of accomplices to create a diversion of employee attention when secreting items on the person. Such items include:

- Clothing.
- Pocketbook and handbags.
- Umbrellas.
- Various items placed in packages or paper sacks containing merchandise paid for at other departments.