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Retail trade, FBI fight organized theft

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Two leading retail industry associations have teamed up with the Federal Bureau of Investigations to create a national online database that will allow merchants to share information to fight organized retail theft.

The database, scheduled to debut Monday with 40 retailers, consolidates efforts made by the National Retail Federation and the Retail Industry Leaders Association. Both organizations had launched their own password-protected online national crime data bases last year.

Previously, merchants had never shared information, so organized rings could hit various stores in one area without being detected.

Joseph LaRocca, NRF's vice president of loss prevention, said that this data base called Law Enforcement Retail Partnership Network will become the "national platform" for sharing retail crime information.

In a statement, FBI Supervisory Special Agent Brian Nadeau, program manager for the FBI's Organized Retail Theft program, said that this tool "will create a stronger partnership between retailers and law enforcement to tackle a growing problem and disrupt criminal organizations."

Increasingly, the nation's retailers are focusing less on petty crimes and more on organized retail theft, which costs the industry \$30 billion annually and rising. Customers also pay a hefty price. NRF, the industry's largest trade group, estimates that shoppers pay almost 2 cents on every dollar to cover the cost of retail theft.

According to a recent poll conducted by NRF, 81 percent of retailers surveyed said they have been a victim of organized retail crime. Nearly half of those polled also had seen an increase in organized retail crime activity in their stores.

Unlike average shoplifters who steal for themselves, those involved in organized crime steal the goods and resell to flea markets, pawn shops or on the Internet.

For a long time, LaRocca said that these cases were hard to crack because stores had been secretive about giving out information. And state laws have been weak on shoplifting. Moreover, shoplifting doesn't become a federal crime until at least \$5,000 in stolen merchandise crosses a state line. U.S attorney general's offices don't prosecute unless the merchandise is worth \$50,000.

With this tool, merchants will be able to remain anonymous. Retailers who log onto the secure Web portal choose which information about a crime they want to be made public, and don't have to identify themselves initially. However, stores have to at least provide basic information about the crime, including the date and time it occurred, the dollar amount stolen and the type of retailer involved, LaRocca said.

Federated Department Stores Inc.'s Macy's, Limited Brands Inc., and American Eagle Outfitters Inc. are among participating retailers that were willing to disclose their names, LaRocca said.

LaRocca said that NRF's data base, which was launched last June, has already made some inroads, collecting information on about 14,000 incidents, and identifying certain trends.

Based on information collected, the top states that have experienced the most organized crime-related incidents are California, New York, Florida, New Jersey and Texas. LaRocca said that the suburban New York area — New York, New Jersey and Connecticut_ has had the most of incidents.

One of the early success stories, LaRocca said, was law enforcement's ability to tie two similar organized crime incidents that occurred late last year to two different retailers in Southern California to the same ring as a result of merchants' sharing of information. Law enforcement officials are working to crack the case, said LaRocca, who declined to identify the merchants.

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