



CRUM & FORSTER®

A FAIRFAX COMPANY

RISK ENGINEERING



SHOPLIFTING: PREVENTION AND DETENTION

It's estimated that just 1% of all customers shoplift, but shoplifting can still be very costly to your business. According to the Jack L. Hayes International 27th Annual Retail Theft Survey, more than 1.2 million shoplifters and dishonest employees were apprehended in 2014 by the surveyed retailers. The apprehensions increased 7.4% over the prior year, while dishonest employee apprehensions increased about 1.7% over the same period. More than \$225 million was recovered from the thieves, an increase of more than 10%.

Shoplifting: Prevention and Detention

Risk Management

There are risks in effecting a stop of a suspected shoplifter: your business could be held liable for a bad stop or for an injury to a customer or employee.

Prevention

The best way to prevent shoplifting is through what has been called “assertive hospitality.” Your employees shouldn’t just be trained to spot actions associated with shoplifting, they should also approach customers, greet them and ask “Can I help you find something?” This technique will make a patron who intends to shoplift uncomfortable and they could leave your store.

Aisles that have items most often shoplifted, such as razor blades and cigarettes, should be given more attention. Have your employees walk aisles, and concentrate on the “high shoplift” aisles. Have a manager walk around the perimeter of the store every hour. Ideally, the most frequently shoplifted items will be behind the counter and inaccessible to patrons without employee assistance.

Some other preventative measures to consider include installation of mirrors and security cameras. An employee can be posted near the door to make certain all items leaving the store are bagged and accompanied by a receipt.

Detention

So how can you stop a person suspected of shoplifting without exposing your operation to a lawsuit? Do you know if your state has a shopkeeper’s privilege? The shopkeepers’ privilege provides retail merchants with a defense to a number of actions, like false arrest, unlawful detention, false imprisonment, defamation, assault, trespass or even invasion of civil rights, when brought by an individual who is subjected to investigation, questioning or detention on suspicion of shoplifting. Courts have said that the purpose of the shopkeepers’ privilege is “to protect merchants from arrest [related] suits even where the criminal actions are eventually dismissed” and to help “overcome the extreme reluctance with which merchants now attempt to interfere with or apprehend shop-lifters.”

If your state has a shopkeeper’s privilege, here’s what you need to know.

The Grounds for Suspicion Must Be Reasonable

Not every justification for suspicion is a reasonable one. For example, “He looked suspicious” isn’t a reasonable basis for concluding that a patron has engaged in shoplifting. What particular things did you observe? Did you see the patron conceal merchandise? Did you see the patron use something like a scissors or snip to defeat a security tag? Did you see the patron nearly walk out of the store with an item he did not pay for? If specific actions have been spotted that indicate shoplifting, a manager should approach the patron.

The Manner of Detention Must Be Reasonable

Detention must last only as long and be only as invasive as is necessary to summon police or release the detained person. A suspected shoplifter’s time spent in detention that cannot be explained by the merchant actively trying to determine if an act of shoplifting took place can expose the merchant to suit for false imprisonment (among other things).

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