The Usual Suspects

Unpublished Viewpoint by Edward T. Rincón

No one can deny that the nation's retailers are experiencing tough times. A shaky economy and an overwhelming number of tainted products have combined to undermine consumer confidence and spending. In addition, retailers must remain on heightened alert regarding "inventory shrinkage" – that is, the losses caused by employee theft, shoplifting, vendor fraud and administrative error. In 2006, U.S. retailers lost an estimated \$40.5 billion due to inventory shrinkage – primarily from their own employees (47%) and secondarily from shoplifting (32%).

Retailers employ a variety of tools to stem their losses, including pre-employment integrity screening measures, employee awareness programs, asset control policies, and loss prevention systems. Recently, we learned of one innovative strategy that was used by North Park Mall in Dallas to nail suspected shoplifters. I call it the "Robocop" plan because of the intensity with which mall security staff respond to shoplifting alerts. Here is how the new plan was actually carried out on a group of local suspects.

Four Latino teens had just left Solstice, an upscale sunglass shop in North Park Mall, because the only salesperson on the floor had refused to wait on them. Shortly after re-entering the mall, the four teens were confronted by mall security staff, who were alerted by the salesperson that the teens had stolen some merchandise. In swat-team fashion, the security staff detained the teens in full view of the public, handcuffed them, and demanded that they give up the stolen merchandise. The teens – clearly horrified and humiliated — denied stealing any merchandise. One teen tried to call her parents on a cell phone but did not succeed when security staff seized her cell phone. As if to reinforce their awesome authority over these defenseless teens, the security staff detained the handcuffed teens in full display of the passing public for a period of 30 minutes – a public humiliation that these teens would not soon forget.

The dangerous assignment for the pseudo-swat team ended almost as quickly as it had started upon arrival of a Dallas policeman – apparently the only trained professional who understood the law and arrest procedures. He ordered the security staff to remove the handcuffs because the teens had not stolen any store merchandise, and further admonished them for displaying such an unwarranted show of force and callous behavior that the teens did not deserve.

In a subsequent meeting, the parents of these teens were quick to vent their anger to North Park Mall security and public relations staff, who seemed initially remorseful. The parents soon learned, however, that no one had bothered to review the video surveillance tapes for evidence of shoplifting, nor questioned the veracity of the salesperson's allegations. In short, just being Hispanic in the wrong store was sufficient to set off the Robocop plan. And what justified the handcuffing and public humiliation of these teens? According to the official press release issued by North Park staff, the security staff were merely following standard procedures allowed by Texas law. The store clerk, on the other hand, had made a "simple mistake" in reporting the teens as shoplifters.

Was this really just a simple mistake, or perhaps a new mall policy to discourage ethnic shoppers? Just one week earlier, a young black male was also detained and handcuffed by North Park's security staff following allegations of shoplifting from another sunglass shop – allegations that were also found to be untrue. Given the fact that most retail thefts are made by store employees, it makes you wonder why retailers place any confidence in thefts reported by store employees. Indeed, it seems easier to just blame the usual suspects – black and Hispanic shoppers.

North Park retailers could learn some lessons from the experiences of Macy's stores in New York City. In 2005, the New York Attorney General's office levied a fine of \$600,000 against Macy's department stores for discriminatory practices aimed at Hispanic and black shoppers. Over 75 percent of the detainees suspected of shoplifting were blacks or Latinos – significantly higher than the percentage of black and Latino shoppers at the Macy's stores. In addition, Latinos were five times more likely and blacks were three times more likely to be handcuffed than white detainees. A broader investigation of persons detained for shoplifting at North Park Mall over the past few

years could reveal a pattern and practice of racial profiling – a study that may be warranted given its recent history.

Although the Latino families involved may not have the financial resources to sue North Park Mall for this humiliating experience, they certainly deserve more than a simple "we are sorry for this unfortunate mistake."

In the future, we can only hope that North Park Mall staff will re-visit their standard procedures for responding to shoplifting alerts. Following are a few suggestions that come to mind for their policy manual:

- Being black or Hispanic should not be the first basis for suspicion. Other less likely suspects may be more successful shoplifters precisely because they are not the usual suspects.
- Retailers who have a history of reporting on potential shoplifters should be required to utilize anti-theft devices on their merchandise – a more raceneutral approach.
- Employee reports of shoplifting should be viewed with considerable skepticism, especially if little training is provided in this area.
- Suspects should never be handcuffed, especially if they are children and do not pose any threat to the safety of the public.
- All suspects should be allowed a telephone call to their attorney, parents or both.
- All suspects should be allowed the dignity of a private discussion to challenge their accusers instead of being publicly humiliated.
- Security staff who behave like Robocops need to return to boot camp or perhaps be re-assigned to combat zones where they can better utilize their swat-team tactics.

Unless recognizable changes are made in North Park Mall's policies, they run the risk of creating a country club image that alienates the growing base of Hispanic and black shoppers in the Dallas/Ft. Worth metroplex – two segments that retailers cannot afford to lose and expect to remain profitable into the future. This is not good for business and certainly not good for our community.

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