



## Syracuse InfraGard Organized Retail Crime Security Briefing

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### **Collaboration of Law Enforcement and Retail Professionals**

**Date:** Wednesday, May 18, 2011 – 7:30 am – 10:00 am

**Location:** Carousel Center – Conference Level – Syracuse, New York (enter the elevator in front of Victoria Secret on the 1<sup>st</sup> Level to the 6<sup>th</sup> floor)

**Space is Limited: Advanced Registration is Required:** email [syracuseinfragard@gmail.com](mailto:syracuseinfragard@gmail.com) to request a registration form for this conference.

*Conference Host: Tim Erwin, Security Director – Carousel Center*

### **Agenda:**

#### **Welcome**

**Special Agent Tim Dwyer, FBI & Laurie Venditti, Syracuse InfraGard Leadership Chairman**

#### **ORC - Booster Groups and Fencing Operations-**

**Gary Weisbecker, Investigations Supervisor – Walgreens-Organized Retail Crimes Division**

This presentation will explain in detail what ORC is and the inner workings of booster groups and fencing operations. Gary will review the product and merchandise that boosters target, why they choose what they do and the path the stolen product takes. He will provide an education for both retail and law enforcement attendees on ORC. Additionally, Gary will discuss the importance of how partnerships are formed between retail and law enforcement, including prosecutors.

#### **Detection of counterfeit US currency: an in-depth look at the security features of genuine US currency while discussing the current trends in counterfeiting.**

**Special Agent Thomas West United States Secret Service**

This presentation will cover Next Generation currency designs.

#### **Building a Retail Community & Law Enforcement Communication Network**

**Captain Rich Trudell - Syracuse Police Department**

This presentation will address ways to help build a communications network with local law enforcement and identify ways to help reduce theft. Attendees will gain an understanding of how local secondhand/pawn dealers are being used to move stolen property.

## Speaker Biographies:

### **Gary Weisbecker – Investigations Supervisor- Organized Retail Crime Division - Walgreens**

Gary Weisbecker was a member of the New York City Police Department for 23 years. He has served in the ranks of Police Officer, Detective, Sergeant, and Detective Squad Sergeant Supervisor. In his law enforcement career Gary has investigated all types of organized crime cases. While a Detective he was assigned with the Federal Bureau of Investigation's Organized Crime Task Force in New York City. After September 11<sup>th</sup> he was temporarily assigned to the Missing Persons Task Force. Gary Weisbecker retired in January 2002 and began his career with Walgreens where he is currently an Investigations Supervisor with their Organized Retail Crime Division. Gary works with local, state, and federal law enforcement investigating Organized Retail Crime across the nation. Gary Weisbecker has spoken on Organized Retail Crime at numerous law enforcement and retail conferences around the country.

### **Special Agent Thomas West, United States Secret Service**

Agent West was commissioned as an Agent with the United States Secret Service in 1999, and received his law enforcement training at both the Federal Law Enforcement Training Center in Glynco, Georgia and the James J Rowley Secret Service Training Center in Beltsville, Maryland. Agent West holds a bachelor's degree from Le Moyne College and is months away from completing a Masters in Criminal Justice degree from the University of Cincinnati.

Over the last 12 years of working for the United States Secret Service Agent West has had extensive training in the detection of counterfeit US currency and has been continually updated on the security features present in genuine US currency as new style notes are issued. Agent West has been the lead investigator and has participated in numerous counterfeit investigations and arrests in Washington, DC, Maryland, Virginia and New York.

### **Captain Rich Trudell - Syracuse Police Department**

Captain Rich Trudell is a 17 year veteran of the Syracuse Police Department. Captain Trudell has an associates degree in Criminal justice from SUNY Canton and a BA in Public Justice from Oswego State. He is currently assigned as the Commanding Officer of the Technology Division and Criminal Intelligence Section. The Criminal Intelligence Section is assigned to the Regional Onondaga Crime Analysis Center. Captain Trudell is an active member in focusing the IMPACT strategy for Onondaga County where he reports directly to the IMPACT Executive board with intelligence and crime analysis information.

**Organized retail crime (ORC)** refers to groups, gangs and sometimes individuals who are engaged in illegally obtaining retail merchandise through both theft and fraud in substantial quantities as part of a criminal enterprise. These crime rings generally consist of "boosters" - who methodically steal merchandise from retail stores - and fence operators who convert the product to cash or drugs as part of the criminal enterprise. Sophisticated criminals have even found ways to switch UPC bar codes on merchandise so they ring up differently at checkout, commonly called "ticket switching." Others use stolen or cloned credit cards to obtain merchandise or produce fictitious receipts to return products back to retail stores.

According to Congressional testimony and industry experts, ORC losses total an estimated \$15-30 billion annually. The National Retail Federation "NRF" and its various committees have been on the forefront of educating retailers, law enforcement, legislators, the business community and consumers on the vast impact of organized retail crime. Only four of the top 10 metropolitan areas affected by ORC are located in states with active ORC/ORC-related legislation.

### **Who should attend?**

Law Enforcement Professionals  
Loss Prevention Professionals



In many instances, organized retail crime groups target several retailers in one day moving from state to state stealing and reselling merchandise. These groups often steal thousands of dollars worth of merchandise at a time with the intent to resell it for profit, buy drugs or fund terrorist/illicit activities. As displayed above in Figure 1, the locations where criminals resell their stolen merchandise are referred to as fence locations, which can include unsuspecting small business owners, pawn shops, swap meets, flea markets and street vendors. In recent years, crime rings have swarmed the internet with intentions to unload their stolen goods on third party auction sites and marketplaces. This practice is referred to as e-Fencing.

This type of criminal activity can put consumers' health and safety at risk. For example, consumers are potentially at risk when professional shoplifting rings steal consumable products, such as over-the-counter medications and infant formula. Pilfered products may not be kept under ideal or required storage conditions which can threaten the product's integrity. And often times these organized criminals will repackage and re-label stolen products to falsely extend the product's expiration date or to disguise the fact that the merchandise has been stolen.

**eBay Partnership Announcement** - In 2010, NRF announced its partnership with the world's largest online marketplace, **eBay**, to tackle organized retail crime. This unique partnership has support from the **Federal Bureau of Investigation** and retailers from around the country, and is aimed at identifying and stopping criminals who resell stolen goods online.

The partnership brings together a core group of NRF retail members and representatives of eBay on a regular basis to discuss organized retail crime, brainstorm practices to prevent it, and take steps to eradicate the activity. Another important component of the partnership includes working together on legislation to enhance federal law enforcement resources to combat organized retail crime and punish major offenders through enhanced criminal penalties. The working group will also identify ways to leverage new technology, including NRF's LERPnet and eBay's PROACT programs, which partners with retailers offensively against crime and theft.

The U.S. Immigration and Customs Enforcement (ICE) Office of Investigations Organized Retail Crime Pilot Program included an expansion to the ICE National Cyber Crimes Center (C3). The ICE Organized Retail Crime Pilot Program has resulted in the initiation of six investigations, six criminal arrests, four criminal indictments, 30 seizures, two search warrants, and one administrative arrest. Additionally, the detection of one illicit group resulted in the interception of stolen computers and high-tech equipment totaling close to \$250,000 in value. Retailers expect to see continued success with this partnership.

Other significant assets for NRF's retail community are two committees dedicated to educating, training and working on ORC. The NRF Investigator's Network, which represents more than 1300 members in seven regions throughout the country, allows loss prevention and law enforcement personnel to meet regionally, track local offenders and work collaboratively on major retail crimes like ORC, burglary and robbery. Additionally, NRF's Joint Organized Retail Crime Task Force, comprised of the nation's top ORC investigators, works to educate the industry and law enforcement on patterns and trends.

## **Legislative Measures to Tackle Organized Retail Crime**

In recent years, organized retail crime has drawn the attention of Congress. Congress first passed ORC-related legislation through the Department of Justice's Reauthorization Act, which allowed for enhanced training of federal law enforcement on ORC and allowed law enforcement to work with LERPnet.

Four bills designed to address ORC have been introduced in the 111th Congress. The members of Congress involved in the effort believe ORC and e-Fencing are serious issues deserving of a federal law enforcement solution due to their multi-jurisdictional nature and overall impact in interstate commerce. Overall, the bills:

- define organized retail crime
- make it a federal crime, an unprecedented measure step for retailers affected by serious property crimes
- enhances sentences for prosecuted offenders
- require online auction operators to collect information of high-volume sellers and provide information to appropriate retail/law enforcement contacts upon request.

## Federal Legislation Overview

### **H.R. 1173, the Organized Retail Crime Act of 2009**

- defines ORC
- for the first time ever, makes ORC a federal crime
- establishes that the operation of auction sites could be considered "facilitation" of ORC unless the operator shows specific steps had been taken to ensure goods being sold were not fraudulently obtained or stolen
- require operators to adopt new tracking and reporting
- allows retailers to sue over the sale of stolen merchandise

### **H.R. 1166, the e-Fencing Enforcement Act of 2009**

- requires online auction operators to retain information about high-volume sellers
- requires operators to provide the above information once a valid police report is filed

### **S.470, the Combating Organized Retail Crime Act of 2009**

- enhances sentencing guidelines for those engaged in ORC activities
- requires online marketplaces to retain certain information about high-volume sellers
- requires physical and online marketplace operators to review the accounts of sellers engaged in possible criminal activity and file suspicious activity reports with the Attorney General
- requires physical and online marketplace operators to suspend the activities of sellers when there is clear and convincing evidence that they are selling illegally-obtained goods

### **H.R. 4011, the "Organized Retail Crime Prevention and Enforcement Act of 2009**

- amends existing federal offenses of transportation and sale of stolen goods to encompass offenses linked to organized retail crime, subject to a lower offense threshold than in current law
- establishes task forces in six federal districts to combat organized retail crime, and authorize appropriations for them
- the legislation would not impose any new duties on online marketplaces or auction sites

While federal legislation is being pursued, over 20 states have passed and/or enacted ORC or ORC-related legislation. Most recently this May, Pennsylvania and Connecticut passed ORC bills into law. In addition to the legislative initiatives, there is also a grassroots campaign underway, similar to the NRF Investigator's Network, to engage retail loss prevention investigators and law enforcement throughout the state of Connecticut. *(Both CT and PA laws are awaiting the Governor's signature)*. Two other New England states, Massachusetts and New Hampshire, also have bills pending in their respective state legislatures.

States with ORC laws already in place or ORC-related legislation are highlighted in Figure 10 and include: Alabama, Arizona, Colorado, Connecticut, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Nevada, New Jersey, North Carolina, Ohio, Oregon, Texas, Utah, Virginia and Washington.

Content Source: [www.nrf.com](http://www.nrf.com)

## About InfraGard:

InfraGard is an information sharing and analysis effort serving the interests and combining the knowledge base of a wide range of members. At its most basic level, InfraGard is a partnership between the FBI and the private sector. InfraGard is an association of businesses, academic institutions, state and local law enforcement agencies, and other participants dedicated to sharing information and intelligence to prevent hostile acts against the United States. InfraGard Chapters are geographically linked with FBI Field Office territories.

InfraGard is a tremendous organization with over 44,000 members in 87 chapters, representing all 18 sectors of our Nation's critical infrastructures CIKR/NIPP. These are selfless men and women who choose to volunteer their time, their knowledge, and their experience to make a difference through collaboration, the sharing of best practices and building relationship based on trust to protect critical infrastructure from physical and cyber threats. From drinking water supplies to communications systems, chemical production processes to agricultural resources, Americans depend on a select group of critical infrastructures to sustain our way of life. Any attempts to harm or destroy these resources would directly impact the security of the United States and its citizens. Most of these systems and services are owned and operated by private industry. Therefore, the protection of our nation's infrastructure cannot be accomplished by the federal government alone. It requires coordinated action from numerous stakeholders – including government, the private sector, law enforcement, academia and concerned citizens.

Not a member? We invite you to join InfraGard today! There is no cost for membership. Visit [www.infragard.net](http://www.infragard.net) to complete the online application with the FBI, when prompted; select Albany, NY for the FBI Field Office. The Syracuse Alliance reports into the Albany Membership Alliance for InfraGard. If you have any questions, please don't hesitate to contact Laurie Venditti, Leadership Committee Chair for Syracuse!

### Contact Information:

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