

SECURITY CASE STUDY

RETAIL



ORGANIZATION: COMMACK JEWELRY EXCHANGE, COMMACK, NY



SECURITY CLIMATE

A 2007 STUDY RELEASED BY SECURITY RESEARCH AND CONSULTING FIRM, JACK L. HAYES INTERNATIONAL, INC., FOUND THAT SHOPLIFTING VISITORS AND EMPLOYEES STOLE OVER \$6.7 BILLION IN 2007; THIS FROM JUST 24 MAJOR RETAILERS. SHOPLIFTING APPREHENSIONS AND RECOVERY DOLLARS WERE UP 9.16% AND 7.69%, WHICH MARKED A SECOND YEAR IN A ROW THAT THESE FIGURES HAD INCREASED. ADDITIONALLY, EMPLOYEE THEFT APPREHENSIONS WERE UP A REMARKABLE 17.57%, AND THE DOLLARS RECOVERED DURING THOSE APPREHENSIONS WERE UP 12.39%. FOR THE SECOND YEAR IN A ROW, THE STUDY CONCLUDED THAT THE SHEER VOLUME OF SHOPLIFTING VISITORS AND EMPLOYEES BY U.S. RETAILERS REPRESENTS A LARGER PROBLEM THAN MANY STORE OWNERS REALIZE. RETAIL THEFT HURTS THE PUBLIC BY CAUSING HIGHER PRICES, AND WHEN NOT PROPERLY MONITORED/CONTROLLED, CAN EVEN LEAD TO THE CLOSING OF THE AFFECTED STORE. THE FOLLOWING ARE OTHER INTERESTING FINDINGS OF THE STUDY:

- 708,962 SHOPLIFTING VISITORS AND EMPLOYEES WERE APPREHENDED IN 2007, UP 10.08% FROM 2006.
- OVER \$150 MILLION WAS RECOVERED FROM APPREHENDED SHOPLIFTING VISITORS AND EMPLOYEES IN 2007, AN INCREASE OF 9.73% FROM 2006.
- 626,314 SHOPLIFTING VISITORS WERE APPREHENDED IN 2007, UP 9.16% FROM 2006.
- OVER \$83.2 MILLION WAS RECOVERED FROM CAPTURED SHOPLIFTING VISITORS IN 2007, A 7.69% INCREASE FROM 2006. AN ADDITIONAL \$30.5 MILLION WAS RECOVERED FROM SHOPLIFTING VISITORS WHERE NO APPREHENSION WAS MADE, UP 15.09% FROM 2006.
- 82,648 SHOPLIFTING EMPLOYEES WERE APPREHENDED IN 2007, UP 17.57% FROM 2006.
- OVER \$66.7 MILLION WAS RECOVERED FROM EMPLOYEE APPREHENSIONS IN 2007, UP 12.39% FROM 2006.
- 1 IN EVERY 28.2 EMPLOYEES WAS CAUGHT FOR THEFT BY THEIR EMPLOYERS IN 2007.
- ON A PER CASE AVERAGE, SHOPLIFTING EMPLOYEES STEAL A LITTLE OVER 6 TIMES THE AMOUNT STOLEN BY SHOPLIFTING VISITORS (\$808.09 VERSUS \$132.91).

SECURITY CHALLENGES

REGARDLESS OF WHERE THEY ARE LOCATED, TODAY'S RETAIL STORES FACE THE SAME KINDS OF CHALLENGES THAT ALL STORES HAVE FACED FOR MANY CENTURIES. THEFT, ARMED ROBBERY AND ASSAULT ARE STILL PROMINENT OFFENSES, AND EVEN HAVING THE BEST SECURITY AVAILABLE HASN'T DETERRED WOULD BE ROBBERS FROM TAKING THE HIGHEST OF RISKS. FORMED OVER 15 YEARS AGO, THE COMMACK JEWELRY EXCHANGE OF COMMACK, NEW YORK, HOUSES THE RESPLENDENT PRODUCTS AND OPERATIONS OF SEVERAL JEWELERS, WHICH HAVE BEEN SERVING THE LOCAL COMMUNITY FOR OVER 35 YEARS. OVER THE PAST FEW YEARS, THE COMMACK JEWELRY EXCHANGE HAS FLOURISHED WHILE WEATHERING SEVERAL ECONOMIC CLIMATES, AND A KEY COMPONENT OF THEIR SUCCESSFUL FORMULA HAS BEEN THE SUCCESSFUL RELATIONSHIP WITH THEIR SECURITY COMPANY; ARROW SECURITY.

FRANK VOLPICELLO, JR., OWNER OF THE COMMACK JEWELRY EXCHANGE, IS NO STRANGER TO THE DANGERS OF OWNING A RETAIL STORE. "CLOSING IS MOST LIKELY THE TIME OF THE DAY YOU'LL GET ROBBED," SAYS VOLPICELLO. "PRIOR TO HAVING THE COMMACK JEWELRY EXCHANGE, I HAD OTHER JEWELRY BUSINESSES AND I WAS ROBBED." I THOUGHT I WAS PRETTY SECURE AT THE TIME. I WAS VERY FOOLISH FOR BELIEVING THAT. ANY TIME YOU THINK YOU'RE SECURE AND THAT YOU CAN'T DO ANY BETTER, SHAME ON YOU."

SECURITY SOLUTIONS

ACCORDING TO VOLPICELLO, THE COMMACK JEWELRY EXCHANGE GENERATES AN AVERAGE OF 13 MILLION PER YEAR AND POSSESSES ONE OF THE LARGEST INVENTORIES OF JEWELRY IN THE NORTH EAST. INCLUDED IN THIS INVENTORY, THE COMPANY MAINTAINS ROUGHLY "8-10 MILLION DOLLARS WORTH OF JEWELRY," COMPRISED OF "TENS OF THOUSANDS OF STYLES OF EARRINGS, RINGS, NECKLACES, ACCESSORIES AND GIFT ITEMS." WITH THIS VOLUME OF VALUABLE GOODS ON HAND, ONE OF THE TOP PRIORITIES FOR THE COMMACK JEWELRY EXCHANGE CENTERS AROUND SECURITY. VOLPICELLO HAS PARTNERED WITH ARROW SECURITY TO IMPLEMENT A DYNAMIC SUITE OF SECURITY STRATEGIES. TO DATE, THE COMMACK JEWELRY EXCHANGE HAS NEVER BEEN ROBBED.

“IT’S ALL A TEAM [EFFORT]. EVERYTHING IS AN INGREDIENT TO MAKE THE TEAM BETTER. I COULDN’T OPEN UP HERE IF THE GUARD DIDN’T SHOW UP. AND IF WE GOT ROBBED THAT WOULD CREATE A MULTITUDE OF PROBLEMS FOR ME MOVING FORWARD. ARROW MAINTAINS THAT COMFORT LEVEL FOR ME SO THAT I DON’T HAVE TO GO HOME AND WORRY ABOUT ANY ‘WHAT IF’S.’ I KNOW THEY’RE GOING TO BE THERE TO ACCOMMODATE ME. AND THAT’S IMPORTANT TO ME.”

IN SELECTING A SECURITY COMPANY, VOLPICELLO URGES RETAIL STORE OWNERS TO TAKE A HARD AND OBJECTIVE LOOK AT THEIR OPERATIONS, NEEDS AND THE QUALITY OF THE SECURITY FIRM. “I’VE BEEN AN ARROW CUSTOMER FOR OVER 12 YEARS. THE [SECURITY] GUARD COMPANY I HAD PRIOR TO ARROW WAS A FLYBY NIGHT COMPANY THAT CAME IN WITH A LOW BID. THEY PROMISED ME THE WORLD AND DELIVERED NOTHING. IT DIDN’T WORK AND I WAS REFERRED TO ARROW AND I’VE BEEN WITH THEM EVER SINCE. BELIEVE ME WHEN I TELL YOU, IF IT WAS DIFFICULT FOR ME AND IT WASN’T WORKING OUT, THEY WOULD HAVE BEEN GONE A LONG TIME AGO.”