

## Organized Retail Crime Advisory Board

Meeting Minutes – March 10, 2016

### Attendees:

Lt. Col. W. Thomas Sands, MSP  
Capt. Chris Stolicker, MSP  
Insp. John Card, MSP  
D/F/Lt. James Grady, MSP  
Lt. Aimee Maike, MSP  
Tami Risner, MSP

Comm. Jere Green, Warren Police Dept.  
William Hallan, Michigan Retailer's Assoc.  
Douglas Lloyd, Eaton Co. Prosecutor's Office  
John Mulvaney, Attorney General's Office  
Tony Rambo, Lowes  
John Schuler, Target  
Ryan Themm, Meijer

### Excused:

Richard LeBlanc, Member of General Public

### Introductions

Lt. Colonel Sands started the meeting with round-table introductions of all present.

### Legislative Update

Lt. Aimee Maike reported that she did a search for legislative bills affecting the Organized Retail Crime (ORC) Act, and that search result was zero. She will talk with Sgt. Tim Fitzgerald with respect to legislation effecting pawn shops and second hand dealers.

- ✓ A member of the Government Relations Unit, Legislative and Legal Resources Section will attend the next meeting to give an update.

Mr. Hallan reported that bills 4266 through 4268 on the house side, were introduced by Representative Colton in February, 2015, and then referred to the Financial Services Committee. There were three bills: one to regulate second-hand dealers, one to regulate pawn shops, and one to regulate precious metals and gems.

It was reported that there is proposed legislation regarding third-tier gift cards being used. There is an ongoing significant drug investigation where 300 to 400 gift cards were used in place of cash.

### ORC Advisory Board Meeting Minutes – December 8, 2015

The meeting minutes of December 8, 2015, were reviewed. A motion was moved and seconded to approve the minutes as written; all were in favor, the motion carried.

### Organized Retail Crime Seminar Date

D/F/Lt. James Grady reported that October 2016 is the target date for the ORC seminar.

- ✓ ORC Advisory Board members will check calendars for specific dates in October that may pose a conflict for targeted groups, e.g., other scheduled seminars or meetings. Everyone is asked to report to the entire group by doing a 'reply all' from today's meeting reminder email from Tami Risner.

There was discussion about securing a date and venue for the seminar, as well as identifying the target audience and agenda items.

Mr. Schuler reported that he holds a fraud seminar every year, which is MCOLES certified, and for which they charge a fee, and it consistently draws 150-200 attendees. The attendance is a mix of law enforcement and general public.

Mr. Themm reported that he does OROC, IROC, and CCROC seminars that are all very well attended. He indicated that if we post this seminar information on the MiROC site, we will have excellent attendance.

- Venues: Canton Police Department Summit has an auditorium that will seat approximately 150 – 200 people. A secondary venue possibility is the MDOT facility. These are options that would be at no cost. Another venue option discussed is Schoolcraft College, however, there would be a cost involved, so a registration fee would be necessary.

- ✓ D/F/Lieutenant Grady will contact Canton PD to determine the capacity at the Summit, and the availability of rooms for possible breakout sessions, and identify open dates.
- Target Audience: Law enforcement (detectives and line officers), loss prevention personnel, and ORC investigators.
- Speakers: Prosecutors, law enforcement officers with success stories, and ORC investigators who have done presentations.
- Registration: It was suggested we send out a “save the date” notice to possible attendees as soon as possible. Offer early registration incentives, and send out the invitations by late June.
  - ✓ Mr. Hallan reported that the Michigan Retailers Association has an in-house print shop; he offered to print registration and conference materials for this seminar.
- Agenda: There was discussion about topics, speakers, training materials, the availability of MCOLES certification, etc.
  - ✓ D/F/Lieutenant Grady, and Mr. Schuler will put together a recommendation with options, and send it out to the group for feedback.
- General Session Topic and Breakout session ideas:
  - What is ORC?
  - ORC Investigator Process for ORC investigators, loss prevention officers, law enforcement, and prosecutors.
  - The Michigan Retailers Association has the very first certified payment professional in the state, and would be an excellent speaker for this seminar. He is an expert on that topic, as well as chip and pin technology and fraud.
- ✓ Mr. Schuler and Mr. Themm will share sample agendas from other seminars for review.

The board was in favor of moving forward in making plans for the seminar.

### **Review training/informational packet for MiROC website training**

Mr. Schuler displayed the MiROC website on the large screen, and there was discussion about training.

Mr. Schuler reported that he participated in a conference call with Lexus Nexus, and they have a new website template. He will upload the template as soon as it is available. The MiROC website has training videos and educational information under the resources tab. The alert form is being changed, categories and sub-categories are being added to the form.

CCROC has been the test pilot for the website and they are happy with the function of the website so far. Their only question was, what to do with the old data. MiROC is okay with the old data being archived.

### **ORC Education**

D/F/Lt. James Grady reported that education is a huge issue, and law enforcement is running into problems with prosecutors. The ORC regional meetings are already taking place with participants from retailers and law enforcement. He reported that fencing operations are a hot topic at ORC meetings, and was at the last ORC meeting he attended.

The group viewed one of the Warren Police Department training videos.

- ✓ D/F/Lieutenant Grady will conduct a review of both videos for possible updates.

### **Investigative Updates**

Mr. Themm reported that Canton PD is involved in fencing operations on the east side, including Meijer, Home Depot, Walmart, pawn shops, and has frozen several eBay accounts. Meijer is still dealing with a lot of credit card fraud, which is being monitored 24/7. Identity theft is on the rise in Ohio, and those

thieves are bringing the stolen identifications to Meijer stores in Michigan and using them to apply for store credit cards. There was an arrest in Warren this past weekend for aggravated identity theft. As more retailers become chip and pin compliant, we will likely see fraud evolve to new areas in identity theft. Mr. Themm distributed a briefing with samples of the fake IDs.

Commissioner Green reported that the case from Home Depot would be a good one to use as an example at the seminar; from the start of the case to the arrest. He briefly discussed the specifics of the case.

Mr. Shuler reported that there are individuals posing as vendors, and as a client of the company, they have access to the backroom. He talked about the specific details of how the Livonia Target stores had 130 iPhones stolen. Target stores are chip and pin compliant, but are still seeing an increase in card cracking, which is a true person fraud. He discussed how card cracking works, and reported that it is a growing trend among college students.

D/F/Lt. James Grady reported that his teams are in the middle of an operation with a pawn shop in Hazel Park, and Target and Home Depot have provided them with merchandise for this field operation. A search warrant was served on the Ifix store where much of the stolen product was retrieved. In December, the Secret Service contacted the MSP Fraud Unit about a large fencing operation involving Legos. The trooper assigned to the case will talk about it at the next ORC meeting.

#### **Next ORF Advisory Board Mtg.**

Capt. Chris Stolicker reported that our division will be moving to Dimondale on April 15. The next ORF Advisory Board meeting is scheduled for June, 9.

- ✓ Tami will schedule conference rooms at the new building for the next three meetings, and will send Outlook calendar appointments to everyone.

#### **Adjourn**

A motion to adjourn the meeting was moved and seconded. With all in favor, the meeting adjourned at 3:50 p.m.