

BUSINESS WATCH

“Working Together To Prevent Crime”

This program is based on a community partnership. The measurement of success starts with your commitment. We would like to take this opportunity to acknowledge the dedication of many people in the LaRonge area who strive to make our community a safe and enjoyable environment for our friends and families as well as those who pass through.

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2005.04.28

The primary goal of Canada's national police service is to contribute to keeping Canadians safe and secure. Crime Prevention is the responsibility of the whole community. In order to lower the barometer of crime, we need to form partnerships and be committed to work together. This Business Watch Program is a step in the right direction.

RCMP Community Policing is the partnership between the police and the community sharing in the delivery of police services. Members of the La Ronge Royal Canadian Mounted Police are committed to strengthening their relationship with the business community to work together to reduce business crime and resolve problems that affect the community's safety and quality of life.

Crime is multi-faceted and the common denominator of most crimes is a **"level of opportunity"** which allows the criminal a definite advantage over a potential victim. Opportunity reduction or **"Risk Management"** must therefore be a priority for both the La Ronge RCMP and the Business Community within the detachment area. Crime Prevention embodies the principle of **"Risk Management"**; together we can reduce the **"level of opportunity"**.

There are five typical criminal offences business merchants should be cognizant of: Fraudulent Cheques and/or Credit Cards, Shoplifting, Fraud, Robbery and Internal Theft. Attached, you will find further detail on each offence, preventative measures and a suspect identity chart.

Becoming involved in the **"Business Watch Program"** is simple. First, as a business owner, be committed to participating in a community partnership that will help prevent crime not only for your business, but for all business' within your community. Second, make all your employees aware of this program; the more employees aware, the stronger the risk management. Third, display the Business Watch decal on the front window or door of your business. And finally, report all suspicious persons, vehicles, transactions or criminal offences that have occurred at your business to the RCMP. The RCMP will then follow-up and/or conduct an investigation into the complaint. In addition, the RCMP will forward the information to your respective Town or Village Office who will photo copy the **BUSINESS WATCH ALERT** form. The copies will then be taken to the local Post Office who will have a list off all the business' within your community who are active in this program. The **BUSINESS WATCH ALERT** form will then be placed inside your mail box so your business can be aware of what is taking place

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within the community. The RCMP will also use this program to make business'

aware of counterfeit money and credit cards (i.e. denominations and/or serial number) that may be circulating in the area, traveling criminals, shoplifting, solicitors, other scams and missing persons. The sharing of names and certain information may need to be privileged; however, enough information will be shared to make you and your employees aware of the situation.

The following is a sample form that you will find in your mail box:

BUSINESS WATCH ALERT

Date:

La Ronge Town office	425-3883
Village of Air Ronge	425-3108
Lac La Ronge Indian Band	- LaRonge office 425-2590
	Sucker River office 425-4747
	Hall Lake Office 425-4909
La Ronge RCMP Main Office	425-6742
La Ronge RCMP CTA Office	425-6451
Missinipe (Thompson Camps)	425-2134

The following information is important, please be aware:

La Ronge RCMP ph. 425-6730

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How To Avoid Fraudulent Cheques

1. Beware of Cheques presented on a holiday eve or weekend. The banks are closed, it takes extra days before you are notified of a bad cheque and it gives the crook more time to get out of reach.
2. Beware of strangers who are name-droppers.
3. Beware of clients who are indignant at requests for adequate identification.
4. Beware of cashing youngster's cheques. Juveniles are not legally responsible.
5. Beware of anyone who presents a cheque larger than required for the transaction and wants the change in cash.
6. Be extra wary of the client who tries to cash a second cheque within a day or two of the first.
7. Remember that there is a double risk in accepting second party cheques, i.e. when the person presenting the cheque is the payee and must endorse it to you. It means you are trusting two people instead of one.
8. Beware of cheques that have the company name stamped on rather than printed - means a very small company or a bad cheque passer.
9. Don't accept post-dated cheques or cheques over a month old.
10. Don't accept a cheque that shows sign of changes. Have the maker rewrite the cheque.
11. Ask for at least two types of identification. Driver's License alone is not conclusive. Remember to copy numbers, names and addresses shown on I.D. material. Complete stolen identification is easily obtained by the cheque passer.
12. Compare the client's signature (written while you watch) with his signature on I.D. material.
13. If the client did not write the cheque in your presence, have him endorse or re-endorse the cheque while you watch.
14. If in doubt, note the description of the maker on the back of the cheque. Don't rely on memory - by the time you discover the cheque is bad, you will have forgotten important details of the passer's appearance.
15. Call the bank on which the cheque is drawn if you are worried. But remember that all the bank can do is confirm the state of the account at the time you call; not whether funds will be sufficient when the cheque arrives; not whether the person who presented the cheque is actually the holder of the account.

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16. Accepting out of town cheques increases the risk and reduces the chance to recover funds lost to mistakes or fraud.
17. Don't let the client hurry you into accepting his cheque. Take all the time you need to examine his identification and get satisfactory answers to your

- questions.
18. Don't fail to watch for other warning signs because the client has identification. Many crooks provide themselves with ample I.D. material.
 19. Limit authority to accept cheques to designated employees and have them initial every cheque accepted.
 20. Deposit all cheques promptly.
 21. If in doubt don't accept cheque.
 22. Check identification - does the phone number provided appear to match the address. Does age on identification appear to fit passer.

When cashing cheques, remember **The "Dabs-Pie System"**

D - DATE:

Is the DATE current?

A - AMOUNTS:

Are written and numerical AMOUNTS the same?

Are there any alterations?

B - BANK:

Is the BANK or BRANCH clearly identified?

Do you know where it is?

S - SIGNATURE:

Does the SIGNATURE compare properly with signatures on other Identification?

P - PAYEE:

Be certain that the endorsement on the back of the cheque corresponds with the PAYEE named on the face of the cheque.

I - IDENTIFICATION:

Are you requiring two or more good items of IDENTIFICATION? Note Description of passer.

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E - ENDORSEMENT:

Make certain the cheque is ENDORSED exactly as drawn. Do you know the endorsed? Is the cheque endorsed in ink?

Credit Card Fraud

Credit Cards

The universal acceptance of credit cards as a means of payment has created a new type of criminal who fraudulently obtains goods and services by using other people's credit cards. Credit card fraud is a growing problem in all communities and, while there is no precise estimate of the value of goods and services stolen each year, the loss is substantial - involving millions of dollars. These frauds also contribute to the rising costs of services and goods that must be paid for by the consumer. As cards become more popular with shoppers, they appeal to more thieves.

How Do Plastic Criminals Obtain Credit Cards?

Although many cards are obtained through the carelessness of the card holder, most credit card frauds are products of other serious crimes such as break and enter, auto theft, armed robbery, mail theft, counterfeiting and forgery.

How Business Persons Can Spot Trouble

Police, prosecutors, courts, credit card companies, credit card holders and merchants all have a role to play in preventing credit card frauds. Retail merchants and their employees have the greatest opportunity to catch the plastic criminal, because it is at this stage of the crime that the criminal must show himself. The following is a list of things that merchants and employees can do:

1. Be wary of nervous, in a hurry shoppers. Stealing can be hard on the nerves and can make a person fidget, perspire and try to get the job done quickly.
2. Take a hard look at the customer who buys lots of clothing. Most of us want our new clothes to fit properly, but a person who is going to steal and resell clothing doesn't care how it fits. Also, be suspicious of someone who buys several sizes of one item.

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3. Another clue - the plastic criminal (male or female) will often produce the credit card from a pocket, rather than a wallet or purse.
4. Be wary of someone who buys a variety of items - especially if he doesn't seem concerned about prices. He may be stocking up for re-sale.
5. Be suspicious if a customer seems interested in the "floor limit" in the store. It is common knowledge that a salesman can allow a credit card sale up to a

- certain amount without calling for authorization. The floor limits often vary and the criminal may enquire about the amount before making a purchase.
6. Be wary of the customer who asks you to “split bill” for items purchased over floor limit, (i.e. two or more sales drafts to cover one transaction).

How Merchants And Employees Can Make Credit Card Transactions Safer

1. Examine the credit card closely - look for alterations, check the expiry date, compare the signature on invoices with the signature on the credit card.
2. Check the presented card with recent lists of stolen and invalid credit card numbers.
3. If suspicious, ask for identification. Most driver’s licenses include physical descriptions - compare this description with the customer’s appearance.
4. Always fill out invoices or sales drafts completely and have the customer sign them. Keep possession of the credit card until you have completed your enquiries.
5. If the card is invalid or stolen, or if you have any doubts, call for authorization and remember to take both the card and sales draft with you. If a customer runs away, you will still have the card.
6. If a customer flees, jot down his full description including age, height, weight, Hair color, type of clothing, etc. Try to determine if he was alone or had an accomplice. Look to see what direction he took when leaving. Get a description of any vehicle he may have used and record the license number. Call the police immediately.
7. Employers - train your staff to spot credit card frauds. Teach them the correct procedures, and ensure they are following instructions. If employers require assistance in employee training, they are urged to call credit card investigators.

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Shoplifting

Costs you money which Reduces profits.

Theft - Section 322 of the Criminal Code of Canada.

Shoplifters can be arrested by a citizen when found committing (See your Police Department for procedure).

Help fight shoplifting. A study of 10,000 shoplifters showed that:

- 80% of shoplifters only steal once.
- 20% of shoplifters are professional thieves, who may be working with an accomplice.
- The 20%, the professional thieves, account for more than 80% of the merchandise stolen.

Things to watch for:

- Persons who watch you more than they watch the merchandise.
- Persons who may be concealing goods.
- Diversionary actions by a shoplifter's accomplice.

Make your store and customer easier to watch

- Provide good customer service.
- "May I help you?" are words a potential thief does not like to hear.
- Eliminate blind spots in your store.
- Make sure the check out counter has a good view of the shop.
- Know your merchandise.
- Verbally acknowledge that a customer is leaving the store.

Before Making A Citizen's Arrest Or Contacting The RCMP:

- Be absolutely certain an item was taken. Legally, if you did not see the theft, it did not occur. For a "citizens arrest", the citizen must "find the culprit committing."
- Know the nature of the item.
- Be certain the item has not been paid for.
- Never lose visual contact with the culprit.

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When Making A Citizen's Arrest

- The person who sees the theft must make the apprehension or arrest and may be assisted by anyone in doing so.
- "I want you to come back to the store, you have something you have not paid for!"
- You must be able to identify the item, the person and the price and you must be able to show how the entire theft took place.

Fraud

Introduction

Criminal fraud is not easy to detect; it is often difficult to gather enough evidence for all the points needed for a conviction. Fraud costs business more than any other crime. Most people do not realize they are being defrauded until much later, some people never find out. The type of criminal involved will wear expensive suits, drive a costly car and will be very smooth. Chances are, he will offer you the deal of your life. The following will show you what you are up against.

The Offence

The criminal offence of fraud is committed by “everyone who, by deceit, falsehood, or other fraudulent means... defrauds the public or any person... of any property, money or valuable security or any service.” Section 380(1) of the Criminal Code.

Some definitions:

- A. Deceit, falsehood or other fraudulent means. This refers to misrepresentation of fact. It must be proven that this misrepresentation caused the victim to give up money, property or valuable security. For example if a person selling a car claims its original mileage as 20,000 miles when in fact it is 120,000 miles commits a falsehood. If a buyer can prove that he bought the car solely because of its low mileage deceit would be established. On the other hand, if the seller could prove that the buyer would have bought the car regardless of mileage, condition or price the

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misrepresentation would not have been the inducement to buy and no offence could be alleged. We must be able to prove a representation to be false to substantiate a charge of fraud.

- B. Criminal intent, to prove criminal intent one must be able to prove that the person misrepresenting knew he was misrepresenting. This is often difficult. In the case of our car sale one would have to present a witness who could testify that he had told the vendor of the car's true mileage. This could also be supported by ownership documents showing the correct mileage.

- C. Property, money or valuable security, the subject of any fraudulent transaction must be property, money or a valuable security. It is not a criminal offence to fraudulently obtain a service or labour, with the exception of several specified services such as food, lodging, credit or transportation. Returning to our car sale, the amount of money defrauded would be the purchase price minus the true value of the car. If the true value was \$200 and the price paid was \$800.00, the offence would amount to just \$600, since the purchaser still has the car. The car purchase example is a very simple one. It is used only to illustrate the ingredients constituting fraud. A charge of criminal fraud can only be substantiated if these elements exist and can be proven. Fraud, like all criminal offences must be reported to the police as soon as possible.

Other fraud related offences

To obtain credit by a false pretense or fraud - Section 362(1)(b) c.c.

The information supplied by a person seeking to obtain credit such as, employment, salary, assets and liabilities must be accurate. If the applicant supplies false information and obtains credit as a result of this false information he has committed an offence.

To fraudulently obtain food and lodging - Section 364(1) c.c.

Lodging in this section refers only to lodging at a hotel, motel, or inn. It **DOES NOT** apply to the rental of a house or an apartment. The fraud in this section can be shown if the person(s) have supplied false information to avoid detection, (i.e. name and address), surreptitiously remove or attempt

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to remove baggage, absconded or surreptitiously left the premises or offered a worthless cheque in payment for food or lodging.

Using mails to defraud Section 381 c.c.

Delivery of letters or circulars in an attempt to defraud the public.

The fraudulent manipulation of stock exchange transactions Section 382 c.c.

This fraud is usually accomplished by false news releases or the creation of large trading volumes through “wash trading”, that is trading in shares without changing beneficial ownership. This is done to arouse the public’s

interest in the securities.

Disposal of property to defraud creditors Section 392 c.c.

This usually occurs just before, during or shortly after a business becomes insolvent enters into receivership or bankruptcy and is usually perpetrated by the owner, director, officer or shareholder of the business or company. This offence includes the disposal, removal or concealing of assets to the detriment of the creditors.

Obtain transportation by fraud Section 393 c.c.

Includes transportation by land, water or air, (i.e. taxi, bus, train, air fare, or boat transportation).

Safeguards - Reduce fraud by keeping these safeguards in mind:

- A. Know the person you are dealing with.** Make sure the person is using his name, demand to see identification with a picture, such as a driver's licence.
- B. Know the product sold to you.** Check references: call the Better Business Bureau, the Credit Bureau or Provincial or Federal Consumer and Corporate Affairs Departments. Many fraudulent schemes have been tried before, perhaps in other areas by the same people.
- C. Call the police.** If you are suspicious about persons or schemes, contact the police.

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ROBBERY

Robbery is a very serious crime. Robbery poses direct confrontation; the victim's life is threatened. Criminals are becoming bolder and violence is increasing.

The following is divided into two sections:

- 1. Preventative measures you should implement.**
- 2. What to do in case of robbery.**

Section 1 - Preventative Measures

1. Have marked money in your till.
2. DON'T keep large sums of money in the till; remove excess money and

place in safe.

3. If possible, have a radio or t.v. on in back room to give the appearance you are not alone.
4. DON'T clutter windows with displays or signs blocking the view.
5. Keep premises well lit at night (both inside and outside).
6. Be careful of the answers you give to questions asked by strangers when they show an interest in your hours of work, number of employees, alarm systems, or in your cash flow.
7. Notice suspicious persons loitering around your business, particularly at opening and closing time.
8. Be alert of anyone seeking entry when you are closed.
9. When making a bank deposit, DO NOT carry your money in a canvas money bag with the bank's name on it. Place the canvas bag inside an ordinary brown bag.
10. Vary your hours when making bank deposits. DON'T get into an obvious routine.

Section 2 - In event of a robbery there are four things the victim should know.

1. Remain Calm:

- WHY? Robbers usually are very tense and may be easily provoked.
- They are sometimes under the influence of drugs and/or alcohol and very unpredictable.
- Drug addicts are desperate and will do anything to get their next fix.

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- Criminals may have tried other forms of crimes and failed and robbery is a quick way of obtaining instant cash.

- Use The Common Sense Approach. If You Are Facing A Weapon The Odds Are Against You. Don't Be A Hero.

2. Identification:

- Take a good look at the suspect(s).
- Notice any details which will aid you to describe them and their mannerisms.
- When trying to determine age, height, weight and appearance make a comparison between them and yourself or someone you know well.
- Memorize peculiarities - tattoo's, scars, rings, watches, hair lip, earring, shoes, left handed or right handed and prominent physical features -

THINGS THAT WILL NOT CHANGE!

- Type and color of clothing worn, keep in mind they can easily be discarded.
- Weapon: Describe type, color and size.
- Remaining calm will help you obtain a better description.
- Direct your employees not to discuss the crime amongst themselves or with witnesses until the police have arrived, as some may change their descriptions because they are out numbered.
- If there is a delay, suggest that the witness make notes while the information is still fresh in their minds.
- Watch which way the suspect(s) leave.
- If possible, obtain a full description of vehicle, if any, and the licence number.

After the Robber Leaves:

- Notify the police immediately.
- Tell them you have been held up.
- Give your address, telephone number and name.
- Remember at the time of your call the details you give are all the police have to solve the crime initially, therefore be as accurate as possible.
- **DON'T HANG UP UNTIL ALL THE INFORMATION HAS BEEN GIVEN.**
- Give descriptions of all suspects, vehicles and direction of travel.

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- Don't touch anything yourself and if possible stop all business and lock your doors. Preserve any items the suspect may have touched.
- Prevent anyone from going into the area where the suspects were.
- If a note is used, try to keep it, but if suspect wants it back give it to him. If note kept, handle as little as possible. DON'T let anyone else touch the note.
- Sit down and make notes.

4. When the Police Arrive:

- Answer their questions as accurately as possible. Tell them only what you saw or know.
- If you are not sure, say you are not.
- DON'T exaggerate when describing the suspect or what has been taken.
- Cooperate with the police personnel assigned to the case by:

- a. Making yourself available for interview.
- b. Not being reluctant to identify the right suspects.
- c. Giving evidence in court when required to do so.

Internal Theft

Introduction

Every year the losses to internal theft are staggering. It is estimated that only one third of all internal thefts are reported to police. Too many times employers are embarrassed, they are concerned about adverse publicity, possible civil litigation and about having to appear in court as a witness.

The same employer who would rightly report a shoplifter for stealing a five to ten dollar item, would conceal internal thefts involving several thousand dollars. Is that right?

Why do employees steal?

Opportunity makes thieves. A basically honest person would dip his/her fingers into the till if it was made too easy. A person might steal to fill an immediate need

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and would then continue because it was all too easy. Employees will rationalize theft with “the boss does not appreciate my work, I work harder and the other guy is getting more money, the company owes it to me or everybody is doing it.”

Internal theft can occur in all aspects of business, cash, purchasing, receiving, inventory and shipping. Only a strict system of control and supervision can stop internal theft.

Cash.

Most reported thefts concern cash. The records of every company must be designed to control all incoming cash, either by cash register tapes, or by receipts. All recorded cash must be deposited in the bank as soon as possible.

Following safeguards will control cash flow:

- 1. Assign different duties.** Recording of sales, bookkeeping and bank deposits should be done by different people. Any cash theft would then require collusion between several employees.
- 2. Make frequent bank deposits.** Keep only a minimum of cash in the till. This reduces the opportunity to manipulate cash receipts.
- 3. Reconcile the bank statements monthly.** This task should not be performed by the person making deposits.
- 4. Audit the records periodically.** Check records against cash on hand. Plant a mistake occasionally and see if your employees find it. If not, check again. The mere fact of control will often prevent stealing.

Purchasing.

For most businesses, inventory represents a sizeable and quite vulnerable investment. Are you sure your stock is not being diminished right now?

Here are some safeguards:

- 1. Centralized Purchasing.** Centralized purchasing allows easier supervision.
- 2. Use Pre Numbered Purchase Orders.** Make a written record of each purchase, with copies to accounts payable and to receiving. These orders (15) must show number of units ordered and unit price.
- 3. Separate Duties.** Responsibility for purchasing, receiving and the authority to pay bills should be held by different people.
- 4. Proper documentation.** Every purchase or expense must be accompanied by an invoice or other documentation before it is paid.

Receiving.

- 1. Count each shipment.** Each shipment should be checked and counted before taken into stock. Check if this done by deliberately removing several items. If no loss is reported, you know that the shipments aren't being counted.
- 2. Accountability.** Appoint a person to check merchandise and make him(or her) sign for it.
- 3. Central receiving area.** All shipments should be received in one area for better control and supervision.

Warehouses or stockroom.

- 1. Audits of merchandise.** Perform periodic inventories. Use uniform pallets, store goods by category and mark partially filled boxes for easier counting. Frequent inventories let you spot shortages sooner.
- 2. Secure inventory records.** Allow access to records only when necessary and secure records during closing hours.
- 3. Restrict access to stock.** Allow access to warehouse only when necessary.
- 4. Establish a high value room or cage.** Easily stolen items should be secured in a special lockable area.

Shipping and Deliveries.

- 1. Authorize shipments.** Make sure only shipments with invoice or loading ticket are loaded onto outgoing vehicles.
- 2. Selecting and checking.** Have one employee select the items to be shipped, have another pack and check the order. Check by deliberately injecting errors.

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- 3. The delivery man.** Plant additional merchandise in the delivery truck to see if these are reported and returned. Occasionally check delivery vehicles.

Every business has its own inherent weaknesses, possibilities for theft which are particular to one trade or business and can therefore not be listed in a manual. Screen employees for financial stability. Discourage all forms of gambling and do not allow employees or management to accept gifts or gratuities. Consult with the police if you suspect an employee stealing; they will discreetly investigate the situation.

If you have any questions or need further clarification, please contact the La Ronge RCMP at 306-425-6730 (ph) or 306-425-6742 (fax).

