

What's on your list today? You'll find it at

Fred Meyer

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March 4, 2013

Representative Wes Keller
Chair, House Judiciary Committee
State Capitol, Room 118
Juneau, AK 99801

Dear Representative Keller and members of the Committee:

My name is Shawn Crousore, and I am the Loss Prevention Coordinator for all 11 Fred Meyer stores in Alaska.

Thank you for the opportunity to provide testimony on this important issue.

I would like to ask you to consider not passing House Bill 105.

As you may know, Fred Meyer is a full-line grocery store as well as a general merchandise retailer. We sell many items in our stores that would become prime theft targets should this legislation pass. And I can tell you from experience that the news that a theft of up to \$1500 is just a misdemeanor would spread like wildfire among our theft and shoplifting community.

It seems to me that, from some of the statements I've seen regarding this legislation, those of us in the retail industry have not done a good enough job of explaining what is going on in our world when it comes to theft.

Theft in our stores is no longer a person grabbing a carton of milk or eggs or a bottle of wine and stuffing it in their jacket. It's not a young kid stealing one bike. The days when these kinds of thefts were our primary problem are long gone.

Theft is now a profession. Our problem in today's world is professional, savvy, organized crime rings.

At Fred Meyer we sell Dyson Vacuum Cleaners, KitchenAid Mixers, iPads and iPods, LED and Plasma flat screen TVs, Xbox and Wii consoles. These are the items where we face the most theft, and there has not been inflation in these products. In fact, there has been significant deflation. Flat screen TVs used to be \$6000. You can now get 30- and 40-inch flat screen TVs for \$500.

These professional thieves come into our stores and roll out with two Dyson Vacuum Cleaners, or four flat screen TVs. They take off with 30 or 40 DVDs. They break into our iPod cases and take off with a dozen Ipods. They then make a living by selling the items they steal.

Don't get me wrong: we have strong and successful theft prevention programs in our stores. We invest heavily in staying one step ahead of these professional criminals, and we do a very good job of it. But if any of you have been to a Fred Meyer store on a Thursday or Friday afternoon, you can see how the sheer volume of people in the store makes it possible for a skilled thief to gather multiple items and leave the store before anyone can catch them.

As a retailer, we're trying to get affordable merchandise to the customer, and in today's economy that means doing all we can to keep prices low. The items these professional thieves are stealing are very low margin – there's no margin in TVs or iPods. We sell them because we hope you'll also buy the accessories or grab your groceries while you're there. So when they steal these items from us, that cost simply comes out of the store profit with which we pay wages and benefits to our nearly 3000 employees in Alaska.

I ask you to please reconsider this legislation. At \$500, a young kid who makes a stupid mistake and steals a bike or a sweatshirt or a pair of cool headphones is still only committing a misdemeanor and will get his or her second chance. But \$1500 is just too high. It allows these professional criminals to walk out of our store with three flat screen TVs and get a slap on the hand. And I can tell you from experience that the theft community WILL know about this change and WILL adjust accordingly. Passage of House Bill 105 will lead to more theft and a big hit to the profits of your legitimate retailers.

Thank you for your time, and I'd be glad to take any questions.