PRESS RELEASE

Dollar recoveries from Shoplifters and Dishonest Employees increased an amazing 30.7% in 2021, According to Jack L. Hayes International's 34th Annual Retail Theft Survey!

WESLEY CHAPEL, FL - Jack L. Hayes International, Inc. released today the results of their 34th Annual Retail Theft Survey which reports on over 200,000 shoplifters and dishonest employee apprehensions in 2021 by just 25 large retailers, who recovered over $240 million from these apprehended thieves.

"When it comes to shoplifting, the survey showed many retailers moved away from apprehensions in 2021 and focused more on recoveries. Our survey revealed shoplifting apprehensions were down 16.2% in 2021, while overall shoplifting recoveries (from apprehended and non-apprehended thieves) were up a staggering 30.8%,” said Mark R. Doyle, President of Jack L. Hayes International Inc. Mr. Doyle added, “Survey respondents noted the pandemic environment, staff safety, lower police response and higher risks as some of the reasons for less shoplifter apprehensions. Mr. Doyle also stated, “There was an increase in 2021 in both dishonest employee apprehensions and recovery dollars, 6.0% and 29.8% respectively. Survey respondents noted additional focus, enhanced investigation methods/tools and less associate supervision as some of the reasons for the increase in apprehensions and recovery dollars of dishonest employees.

Highlights from this highly anticipated annual theft survey include:

- **Participants:** 25 large retail companies with 22,751 stores and over $650 billion in retail sales in 2021.
- **Apprehensions:** Participants apprehended 204,404 shoplifters and dishonest employees in 2021, down 12.8% from 2020.
- **Recovery Dollars:** Participants recovered over $240 million from apprehended shoplifters and dishonest employees in 2021, up 9.9% from 2020.
- **Shoplifters:** 166,745 shoplifters were apprehended in 2021, down 16.2%; and over $196 million was recovered from these shoplifters, up 6.1%. Note: Dollars recovered from shoplifters where no apprehension was made ($339 million) increased an astounding 51.1% in 2021.
- **Dishonest Employees:** 37,659 employees were apprehended in 2021, up 6.0%; and over $44 million was recovered from these employees in 2021, up 29.9%.
- **Case Averages:**
  - Total Thefts: $1,180.39, up 26.0% in 2021
  - Shoplifters: $1,178.57, up 26.6% in 2021
  - Employees: $1,188.46, up 22.6% in 2021

Jack L. Hayes International, Inc. is a leading loss prevention and inventory shrinkage control consulting firm, and for over 40 years has provided a wide spectrum of Asset Protection, Inventory Shrinkage Control, Loss Prevention, Safety, and Security related services to every facet of industry including retail, manufacturing and industrial organizations.

Contact: Mark R. Doyle (813) 991-5628 President mrd@hayesinternational.com

27520 Water Ash Drive Wesley Chapel, FL 33544 (813) 991-5628
34th ANNUAL RETAIL THEFT SURVEY

Jack L. Hayes International, Inc.
www.hayesinternational.com

Shoplifting: While apprehensions declined in 2021, recovery dollars from both apprehended and non-apprehended shoplifters increased dramatically as some retailers moved away from apprehensions and focused more on recoveries.

Dishonest Employees: Both apprehensions and dollar recoveries increased in 2021.

Highlights from this year’s survey include:

✓ **Participants**: 25 large retail companies with 22,751 stores and over $650 billion in retail sales in 2021.

✓ **Apprehensions**: Participants apprehended 204,404 shoplifters and dishonest employees in 2021, down 12.8% from 2020.

✓ **Recovery Dollars**: Participants recovered over $240 million from apprehended shoplifters and dishonest employees in 2021, up 9.9% from 2020.

✓ **Shoplifters**: 166,745 shoplifters were apprehended in 2021, down 16.2%; and over $196 million was recovered from these shoplifters, up 6.1%.

✓ **Shoplifter Recoveries (no apprehension)**: Dollars recovered from shoplifters where no apprehension was made ($339 million) increased an astounding 51.1% in 2021.

✓ **Dishonest Employees**: 37,659 employees were apprehended in 2021, up 6.0%; and over $44 million was recovered from these employees in 2021, up 29.8%.

✓ **Case Averages**:
  - Total Thefts: $1,180.39, up 26.0% in 2021
  - Shoplifters: $1,178.57, up 26.6% in 2021
  - Employees: $1,188.46, up 22.6% in 2021
SURVEY PARTICIPANTS
➢ 25 Large Retail Companies (Dept, MM/Big-Box, Specialty Apparel, Supermarkets)
➢ 22,751 Stores (representing an excellent cross-section of the United States)
➢ $656,770,024,164 in Annual Retail Sales (2021)

TOTAL RETAIL THEFT APPREHENSIONS

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</thead>
<tbody>
<tr>
<td>Apprehensions</td>
<td>234,441</td>
<td>204,404</td>
<td>-30,037</td>
<td>-12.8%</td>
</tr>
<tr>
<td>Recoveries</td>
<td>$219,618,232</td>
<td>$241,276,985</td>
<td>$21,658,753</td>
<td>9.9%</td>
</tr>
<tr>
<td>Avg. Case Value</td>
<td>$936.77</td>
<td>$1,180.39</td>
<td>$243.62</td>
<td>26.0%</td>
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Retail Theft Apprehensions Breakdown

SHOPLIFTING

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<tbody>
<tr>
<td>Apprehensions</td>
<td>198,897</td>
<td>166,745</td>
<td>-32,152</td>
<td>-16.2%</td>
</tr>
<tr>
<td>Recoveries</td>
<td>$185,148,693</td>
<td>$196,520,951</td>
<td>$11,372,258</td>
<td>6.1%</td>
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<tr>
<td>Avg. Case Value</td>
<td>$930.88</td>
<td>$1,178.57</td>
<td>$247.69</td>
<td>26.6%</td>
</tr>
<tr>
<td>Recoveries (No</td>
<td>$224,361,560</td>
<td>$339,088,295</td>
<td>$114,726,735</td>
<td>51.1%</td>
</tr>
<tr>
<td>Apprehension Made)</td>
<td></td>
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DISHONEST EMPLOYEES

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</thead>
<tbody>
<tr>
<td>Apprehensions</td>
<td>35,544</td>
<td>37,659</td>
<td>2,115</td>
<td>6.0%</td>
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<tr>
<td>Recoveries</td>
<td>$34,469,539</td>
<td>$44,756,034</td>
<td>$10,286,495</td>
<td>29.8%</td>
</tr>
<tr>
<td>Avg. Case Value</td>
<td>$969.77</td>
<td>$1,188.46</td>
<td>$218.69</td>
<td>22.6%</td>
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(Note: 2020 results impacted by store closures during Covid-19 pandemic.)

Source: Jack L. Hayes International, 27520 Water Ash Drive - Suite 100, Wesley Chapel, FL 33544
Telephone: (813) 991-5628 Website: www.hayesinternational.com

Jack L. Hayes International, Inc.
HIGHLIGHTS FROM JACK L. HAYES INTERNATIONAL’S 34th ANNUAL RETAIL THEFT SURVEY

TOTAL RETAIL THEFT

- Survey participants apprehended a total of 204,404 dishonest individuals (shoplifters and employees) in 2021, a decrease of 12.8% from the prior year. Dollars recovered from those apprehended thieves increased a 9.9% to over $240 million in 2021.
- The average theft case value in 2021 was $1,180.39, an increase of 26.0% from 2020.
- For every $1.00 recovered by our surveyed companies, $11.67 was lost to retail theft. Therefore, only 7.9% of total retail theft losses resulted in a recovery.

SHOPLIFTING

- **Apprehensions:** Survey participants apprehended 166,745 shoplifters in 2021, down 16.1% from the prior year.
- **Recoveries:** Dollars recovered from shoplifting apprehensions totaled over $196 million in 2021, up 6.1% from 2020.
- **Recoveries (no apprehension):** Dollars recovered from shoplifters where no apprehension was made ($339 million) increased an astounding 51.1% in 2021.
- **Case Value:** The average shoplifting case value in 2021 was $1,178.57, an increase of 26.6% from 2020.

EMPLOYEE THEFT

- **Apprehensions:** Survey participants apprehended 37,659 dishonest employees in 2021, up 6.0% from 2020.
- **Recoveries:** Dollars recovered from dishonest employee apprehensions totaled over $44 million in 2021, up a significant 29.8% from 2020.
- **Case Value:** The average dishonest employee case value in 2021 was $1,188.46, an increase of 22.6% from 2020.

(Note: 2020 results impacted by store closures during Covid-19 pandemic.)
Shrink Trend:
13 of the 25 retailers (52.0%) had an increase in company shrink.
11 of the 25 retailers (44.0%) had a decrease in company shrink.
01 of the 25 retailers (04.0%) had no change in company shrink.

Shoplifting Apprehensions:
10 of 21 retailers (47.6%) had an increase in shoplifter apprehensions.
11 of 21 retailers (52.4%) had a decrease in shoplifter apprehensions.
00 of 21 retailers (00.0%) had no change in shoplifter apprehensions.

Shoplifting Recoveries:
13 of 21 retailers (61.9%) had an increase in shoplifter recovery dollars.
08 of 21 retailers (38.1%) had a decrease in shoplifter recovery dollars.
00 of 21 retailers (00.0%) had no change in shoplifter recovery dollars.

Shoplifting Recoveries Without an Apprehension:
19 of 20 retailers reporting (95.0%) had an increase in shoplifting recovery dollars without an apprehension.
01 of 20 retailers reporting (05.0%) had a decrease in shoplifting recovery dollars without an apprehension.
00 of 20 retailers reporting (00.0%) had no change in shoplifting recovery dollars without an apprehension.

Dishonest Employee Apprehensions:
17 of 25 retailers (68.0%) had an increase in employee theft apprehensions.
08 of 25 retailers (32.0%) had a decrease in employee theft apprehensions.
00 of 25 retailers (00.0%) had no change in employee theft apprehensions.

Dishonest Employee Recoveries:
14 of 25 retailers (56.0%) had an increase in employee theft recovery dollars.
11 of 25 retailers (44.0%) had a decrease in employee theft recovery dollars.
00 of 25 retailers (00.0%) had no change in employee theft recovery dollars.

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Based upon our survey results, for every $1.00 recovered, $11.67 is lost to retail theft. Therefore, only 7.9 percent of total retail theft losses result in a recovery.

Support/Calculation for the Above Statement:

- Annual retail sales of the participating companies were $656,770,024,164.
- According to the 2021 Retail Security Survey, the average shrinkage is 1.6% of sales (at retail).
- Shrinkage allowance for paper/systems/operational errors was assigned a conservative 30% dollar figure.

Annual Sales (Survey Participants 2021) $656,770,024,164
Shrinkage (retail sales x 1.6%) $10,508,320,387
Allowance for “Paper-Related” Shrinkage (shrinkage x 30%) -$3,152,496,116
Shrinkage/Losses Due to Theft $7,355,824,271
Recovery Dollars (Survey Participants 2021) -$580,365,280 (7.9%)

Unaccounted-For Theft Losses $6,775,458,991 (92.1%)
**SHOPLIFTING:** We asked our survey participants why their Shoplifting apprehensions and recovery dollars increased or decreased in 2021; they contributed the following:

*Increased:*
- Progressive District Attorney policies which favor shoplifters
- Understaffed police departments
- Less staff on sales floor
- ORC (Organized Retail Crime) continues to be a primary factor
- More 'hit n run'/fleeing shoplifters

*Decreased:*
- Focus on staff safety which reduced interactions with potential shoplifters
- Decreased police response
- Shorter store ‘open’ hours
- Fitting rooms closed for extended periods of time
- Focus on deterrence instead of apprehensions

**EMPLOYEE THEFT:** We asked our survey participants why their Dishonest Employee apprehensions and recovery dollars increased or decreased in 2021; they contributed the following:

*Increased:*
- Additional focus/attention towards associate theft
- Enhanced investigation methods/tools
- Less associate supervision created more opportunities for theft
- Increased store count/more stores open
- Increase in loyalty card fraud & discount abuse cases

*Decreased:*
- Updated POS software created less opportunities for theft
- Increased use of CCTV
- Less cash transactions
- Reduced LP staff/resources
- Better prevention with additional technology at POS
JACK L. HAYES INTERNATIONAL, INC. is recognized as the foremost loss prevention/inventory shrinkage control consulting firm in the world. For over 40 years Hayes International has been conducting Shrinkage Control Analyses & Assessments; Developing and implementing LP/Shrinkage Control Programs; Conducting 3rd party compliance audits; and providing hybrid or full outsourced LP services to hundreds of the finest retail, manufacturing, and industrial organizations throughout the world.

Consulting Services
✓ **Shrinkage Control Analyses & Assessments:** This study examines the client’s vulnerability to the primary shrinkage causing factors (internal theft, external theft, and operational issues), and the ways, methods and programs currently used to deal with these problems. Analysis includes a detailed review of stores, facilities, and home office shrink-related functions.
✓ **Distribution Center Loss Prevention/Security Review:** This analysis focuses on the distribution facility, and its daily operational procedures from a security viewpoint.
✓ **Program Design, Implementation & Field Audits:** We design and implement custom Store and DC/Warehouse Loss Prevention/Shrinkage Control and Safety programs and related audits.
✓ **Outsourced Loss Prevention Services:** We provide full outsourced loss prevention solutions, or a hybrid of loss prevention services that complement the client’s current loss prevention program/efforts.
✓ **Third-Party Store & DC/Warehouse Audits:** We regularly perform Store and DC/Warehouse audits for a variety of clients. These visits/audits provide a realistic picture of normal daily operations; measure compliance to the company’s LP/Safety Programs; and greatly assist in keeping their programs on-track.
✓ **Loss Prevention Organizational Review:** During this review, we evaluate and make recommendations regarding the highly technical/complex issues of LP as they relate to structure, staffing, productivity, equipment investments, etc.

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34th Annual Retail Theft Survey

The Hayes Report on Loss Prevention Newsletter
For a free sample of The Hayes Report on Loss Prevention newsletter, which we have been publishing on a quarterly basis for over 37 years, visit our website at [http://hayesinternational.com/products/the-hayes-report-on-loss-prevention-newsletter/](http://hayesinternational.com/products/the-hayes-report-on-loss-prevention-newsletter/) and click-on the newsletter pic. If you wish to sign-up for this FREE quarterly newsletter then simply enter your email address at the top of the same screen in the "Subscribe to our newsletter" box.

For additional information, please contact:
Jack L. Hayes International, 27520 Water Ash Drive-Suite 100, Wesley Chapel, FL 33544
Telephone: (813) 991-5628
Email: operations@hayesinternational.com
Website: [https://hayesinternational.com/](https://hayesinternational.com/)

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