

# Reported Gas Thefts at Service Stations

## Kansas City, Missouri, Police Department

### Scanning

During a routine review, Officer Kent Morton, a crime analyst in the Police Department's North Patrol Division, noticed a disproportionate number of Part I Stealing offenses reported in July 1999. Then, he found the cause—reported gasoline thefts at convenience stores. Officer Morton could not immediately put a dollar figure on the thefts, but he suspected that the documentation and investigation of gas drive-offs were costing police precious hours and resources that should be devoted to more serious crimes.

### Analysis

After reviewing hundreds of reports in search of a pattern, Officer Morton discovered that a disproportionate number of reported drive-offs occurred at three convenience stores, all owned and operated by the same company, Gas Star.\* In July 1999, 150 reports in the "Stealing (Other)" category were filed in the North Patrol Division. Of the 150 reports, 72 (48 percent) were gasoline drive-offs. Of the 72 reported drive-offs, 62 (86.1 percent) came from the three Gas Star stores. Only 12 (19.4 percent) of those 62 reported drive-offs contained information on either the vehicle or the suspect. Of the 10 reports from stores other than Gas Star, 9 (90 percent) included information on the vehicle or the suspect. Officer Morton found a similar pattern in the August reports.

The 126 gas drive-offs reported in August 1999 in the North Patrol Division accounted for 51 percent of the 245 drive-offs citywide. But the division has only 41 gas stations, only 23 percent of the city's 182 total number of gas stations. Officer Morton discovered that 135 of the 245 citywide reports of gas drive-offs included information on suspect, license, or vehicle. That amounted to 95 percent reporting with information in the other divisions, compared to only 15 percent with similar information in the reports for the North Patrol Division.

Few gas theft cases go to court. Information on a suspect usually is lacking and store managers are reluctant to press for prosecution because of the time and effort required. Therefore, detectives assign gas drive-offs low priority. Still, each report to the department of a gas drive-off requires about 25 minutes to process, depending on the information provided. The Gas Star stores reported 114 drive-offs in August 1999. Based on rough estimates, the job of putting those 114 reports into the system required about 2,850 minutes, or 47.5 man-hours. The expenditure in manpower and resources jumps considerably if a detective is assigned to investigate.

Store employees at the three North Patrol Division Gas Star infrequently witnessed the drive-offs. Employees often called at the beginning of their shifts to report drive-offs that allegedly occurred before the caller arrived for work. The North Patrol Division desk clerks noted that other convenience stores called at the time the drive-offs occurred and usually provided specific information on suspects.

The vice president of sales and the director of security for Gas Star told Officers Timothy Griddine and Mark Reed that the company policy is to report only gas thefts that are witnessed with enough certainty to identify the suspect and the vehicle's license plate. This policy contradicted information reported during interviews with the three managers of Gas Star stores in the North Patrol Division. Officer Morton then contacted the Internal Revenue Service and was told that if a company reported the theft of gasoline under the "casualty," or loss, column of its tax form, documentation, such as an insurance or police report, would be needed. However, if the company reported the thefts in the "reduction of inventory" column, only an inventory showing the difference

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\* Name changed to protect identity.

between what was purchased and what was sold would be necessary. In other words, Gas Star stores, contrary to what store managers believed, did not have to file a police report to document the loss for tax purposes.

The officers now realized that the underlying cause of the problem apparently was a combination of company policy and, perhaps, employee theft. Both store managers and clerks had good reason to report inflated numbers of thefts without confirming an actual drive-off. Company policy of deducting monthly bonus pay for unaccounted losses encouraged managers to log all losses—no matter what the cause—as thefts.

## **Response**

With the problem redefined as stemming from poor company policies and possible employee theft, the officers reviewed the findings of their analysis:

- The majority of reported drive-offs were at four stores, all part of the Gas Star chain.
- Environmental design factors might have encouraged actual thefts by customers or employees because the pumps at these stores were not easily visible from inside the store.
- Based on a misunderstanding of tax liabilities, the company reported all losses as thefts. Police told the company that the IRS indicated there are other means of reporting losses for tax purposes and that reporting them as thefts was unnecessary.
- Although company policy indicated that losses could be reported as thefts only if the clerk or manager had an adequate description of the suspect or vehicle license plate, the policy had not been adequately conveyed to store managers.

The primary response was to ask corporate officials at Gas Star stores to clarify for store managers the company's policy on reporting gasoline thefts. Corporate officials said store managers would be instructed to report a drive-off only if the drive-off was witnessed. The police officers also relayed information they had gathered from an environmental design assessment and suggested changes to enhance visibility of the gas pumps from inside the store.

## **Assessment**

After the September meeting with Gas Star stores' corporate officials, Officer Morton noticed a significant decrease in the reported number of gasoline drive-offs, starting immediately that month. By the end of 1999, the "Stealing (Other)" category of the North Patrol Divisions Part I Stealing reports had steadily dropped from a high of 256 in August to a low of 117 in December. Officers exceeded their goal of reducing drive-off reports. By identifying the root of the problem, the officers reduced the time and resources committed by the department.

The officers recommended that the department accept a drive-off report only when accompanied by clear evidence that a theft has been witnessed. The officers also recommended that the department design a simple form for store managers to report drive-offs. This would save the department from spending considerable time and resources on an offense that rarely goes to court because of lack of witnesses and evidence. Third, officers recommended setting up a separate category for reports of gas drive-offs. The separate category would provide more accurate monitoring. The recommendations are under consideration.