


“Avoiding Retail Racial Profiling”



Presented by the
City of Madison
Equal Opportunities Division



“Retail Racial Profiling” defined:

The practice by businesses, including their sales and security staffs, of treating consumers differently because of their race.

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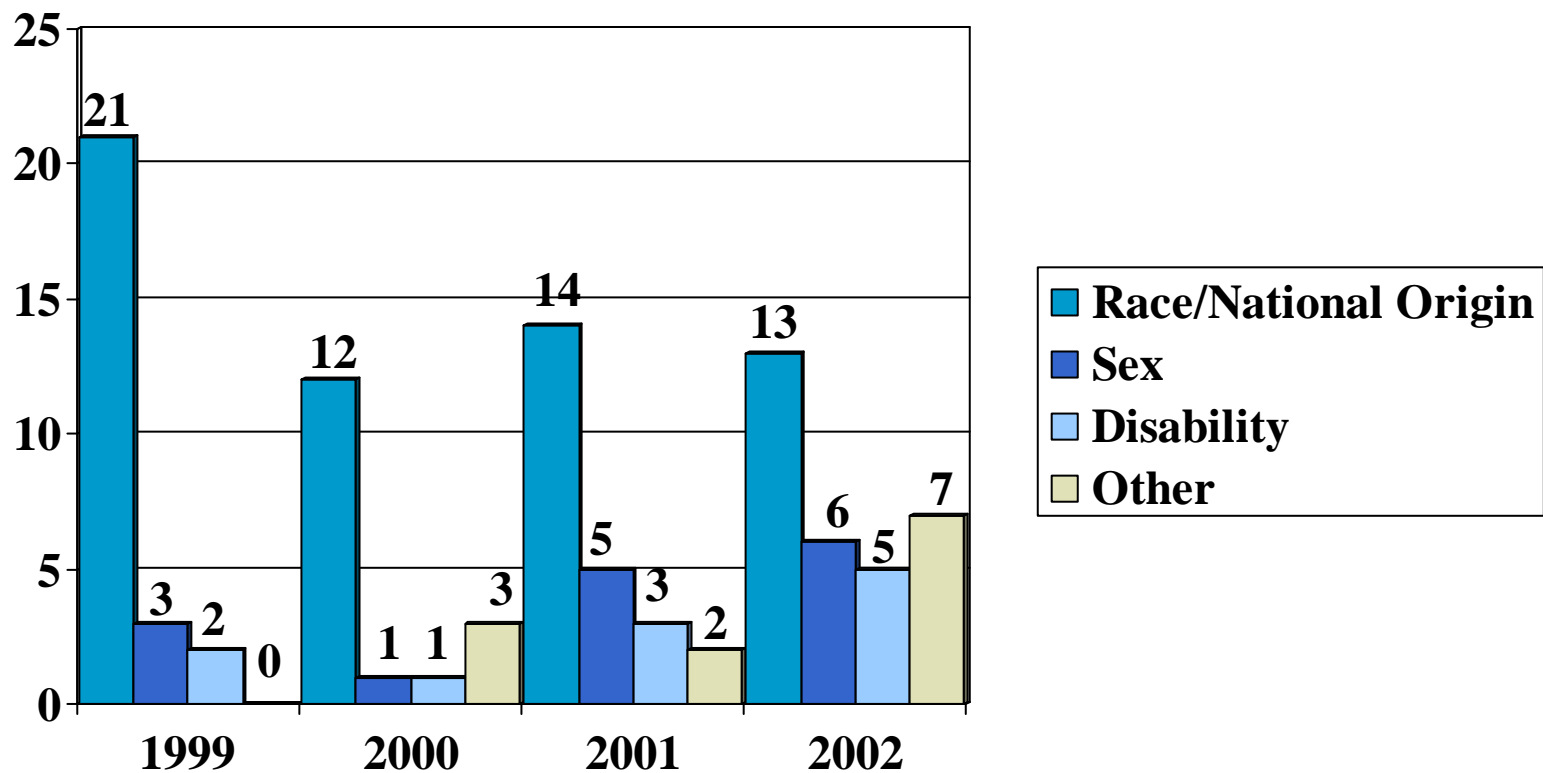
Topics

- The Nature of the Problem
- Why Businesses Should Be Concerned
- Possible Solutions



The Nature of the Problem

Retail complaints received by the Equal Opportunities Division





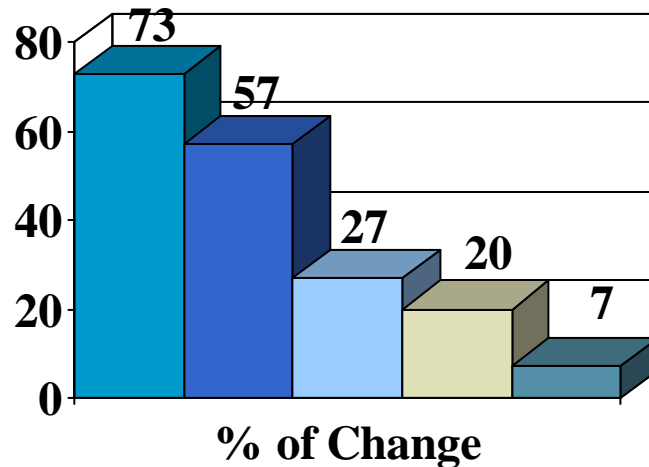
Common Complaints to the EOD about “Retail Racial Profiling”

- Less than courteous service or being ignored by sales associates
- Different check cashing policies
- Different return policies
- Limited delivery areas and times
- Refusal of service
- False accusations of shoplifting



Why Businesses Should Be Concerned

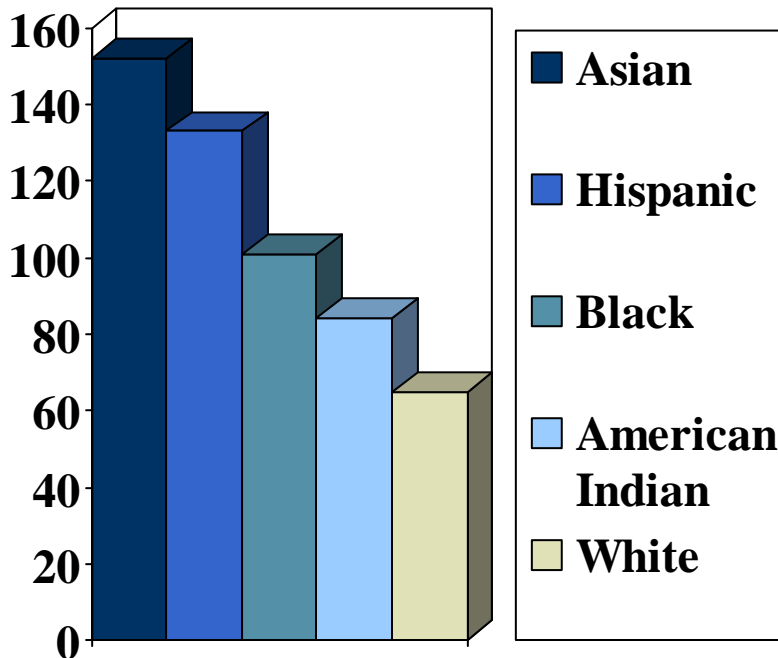
In Wisconsin, as well as nationally, racial/ethnic populations are increasing



- The Asian population has increased 73% from 1990 to 2001.
- The Hispanic population has increased 57%.
- The Black population in Wisconsin has increased 27%.
- The American Indian population has increased 20%.
- The percentage of Whites has increased only 7%.

Racial/Ethnic Buying Power is Increasing

Percentage Increases in Racial/Ethnic Buying Power in Wisconsin, 1990-2001



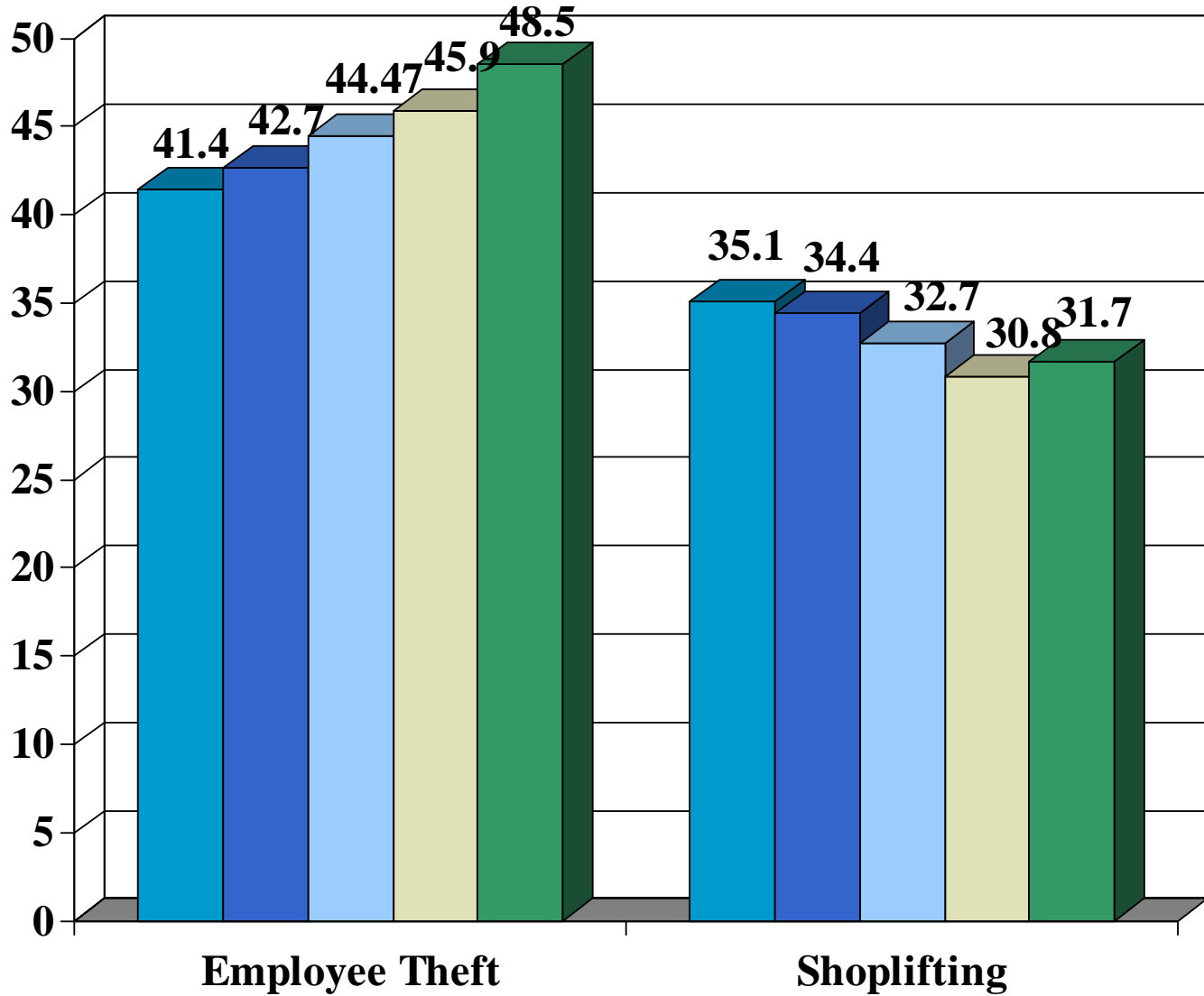
- Asian buying power has increased 152%.
- Hispanic buying power increased 133%.
- Black buying power increased 101%.
- American Indian buying power increased 84%.
- White buying power increased only 65%.



According to the National Retail Security Survey:

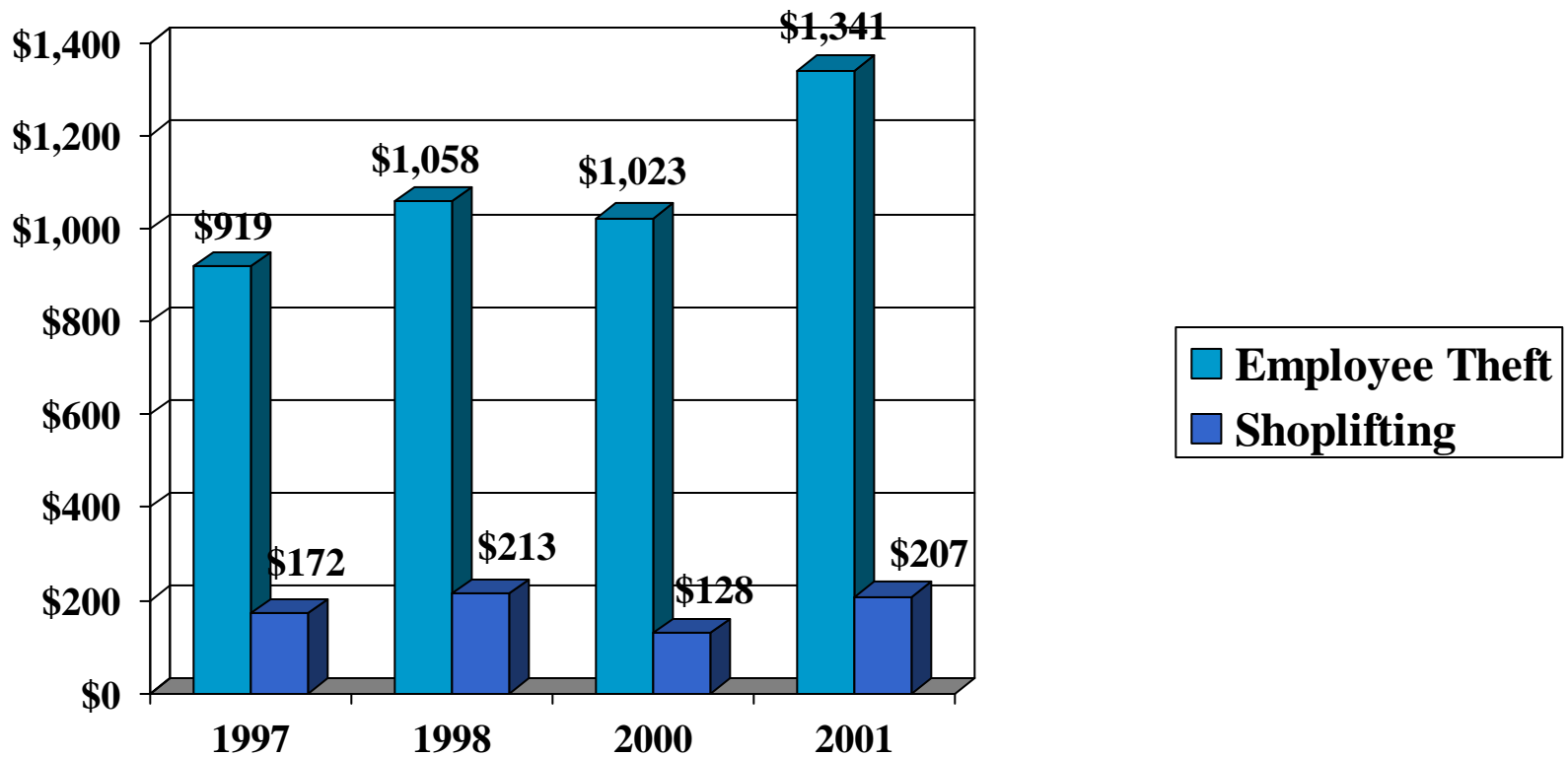
- A greater percentage of loss is attributed to employee theft than to shoplifting; and
- The gap between these losses is increasing.

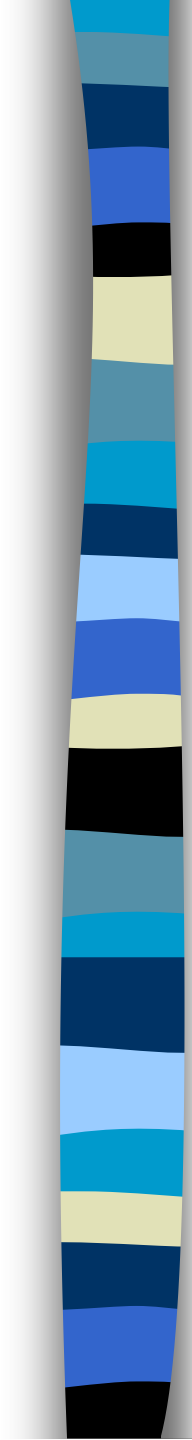
Percentage



- 1997
- 1998
- 2000
- 2001
- 2002

Average Costs of Employee Theft and Shoplifting

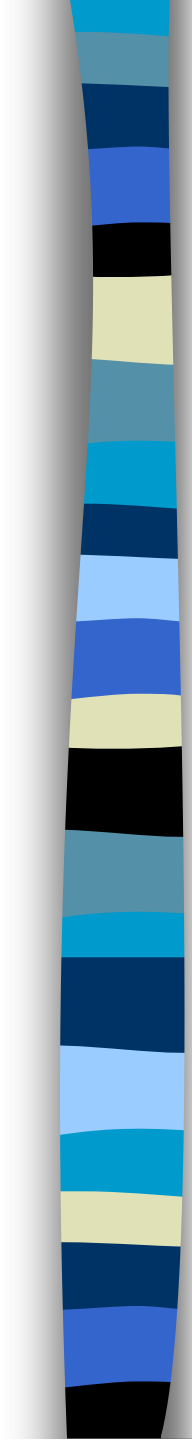


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- A 1997 study by Loss Prevention Solutions, a private research and consulting company in Florida, found that 46.3% of shoplifters were White and 32.7% were African American.
 - A 1999 FBI crime report stated that 66.1% of those arrested for larceny theft, which includes shoplifting, were white. 30.8% were African American.
 - For juveniles, the gap was even wider: 69.8% White, 26.4% African American.



Recent Cases of “Retail Racial Profiling”

- The Adam’s Mark Hotel in Daytona Beach, Florida
- Eddie Bauer store, Washington, DC
- Children’s Place, Boston
- Denny’s
- A Foot Locker in Columbia Mall in Washington, DC
- Home Depot in Oxon Hill in Southeast Washington, DC
- KB Toys
- Kroger store in Detroit, Michigan
- Lord & Taylor department store in Dearborn, Michigan
- A well-known Durham, North Carolina drug store



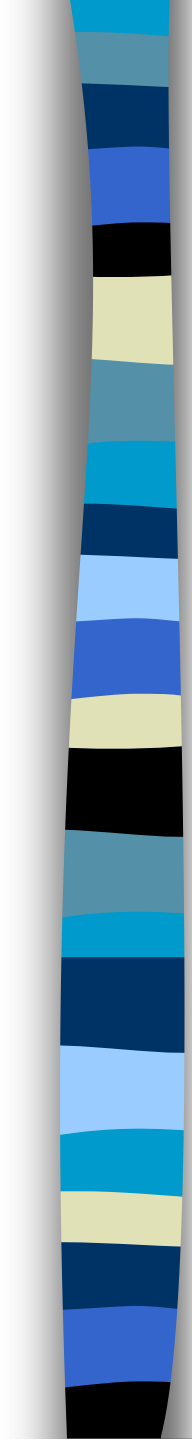
Paula Hampton filed a complaint against Dillard's Department Store in Kansas City, Missouri, after she and her niece were falsely accused of shoplifting in 1996.

In 1997, a jury awarded her \$1,156,000 in damages. The U.S. Court of Appeals upheld that decision in the spring of 2001.



Specific examples of complaints reported to the EOD:

- An African American female was followed in a local drug store when she carried a bottle of nail polish to another department in the store. She was stopped by a store employee and accused of shoplifting. A White friend who actually carried a bottle out of the store was not followed or questioned.
- A Latino female was told she could not return an item she had purchased without a receipt, while a White friend who had made the same request for an item purchased on the same day was refunded her purchase price.

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- An African American female was told she needed to provide identification in order to write a check for her purchases at a local discount store. A White customer immediately behind her in line was not asked to provide identification when she wrote a check. Upon questioning by the African American female, the store clerk stated that she didn't need to ask for identification because the White customer probably comes into the store all the time. The African American customer wondered why the clerk assumed that she did not come into the store regularly.



Possible Solutions



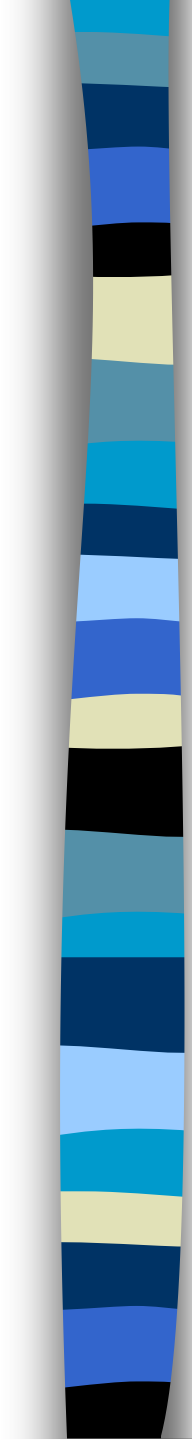
Concentrate on customer behavior, not appearance.

1. Do customers not make eye contact?
2. Do they not want you to see their face?
3. Do they tend to be looking around, checking out the security tags. Checking out where the security personnel are?
4. Do they seem to be browsing with no clear direction?



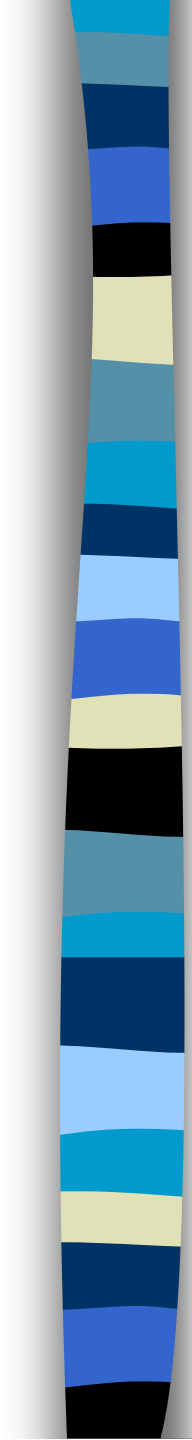
Clearly post:

- Your check cashing policies.
- Your return policies.



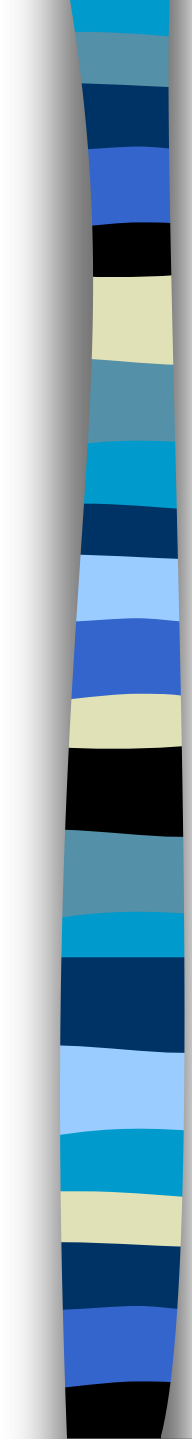
Establish and follow clear,
concise and consistent policies
and procedures for employees
and customer relations.

Make certain that all employees
know and understand these
policies and procedures.



Make sure that there are consequences for employees who do not adhere to these policies.

Prevention of retail racial profiling must be ongoing, not a one-time fix.



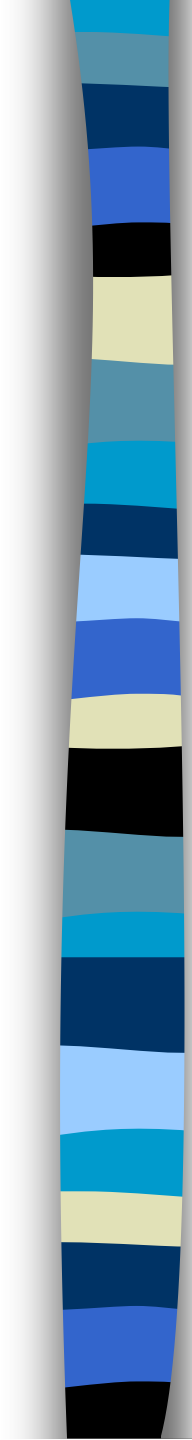
Provide continuous training of managers and employees, particularly security personnel.

Review company policies and practices regularly to root out any hidden patterns of discrimination.

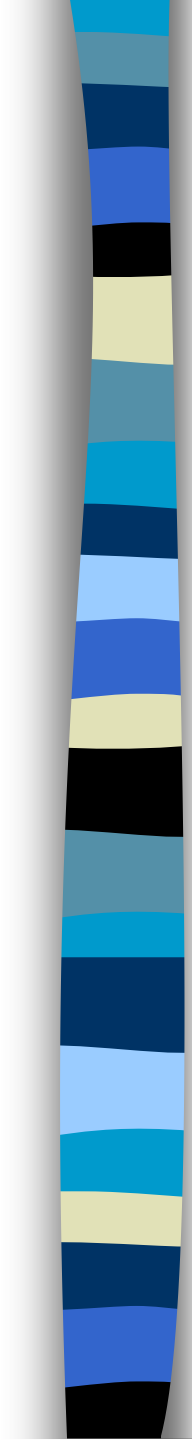


Address issues when they arise.

Provide several individuals who customers and employees may contact when a problem arises.



Keep data on customer contact by security personnel. This will help you determine if an individual may be targeting customers based on race or to defend yourself against a complaint of racial profiling.



The more diverse your workforce, the less likely it is that there will be a problem with racial profiling.

Diversity at all levels is crucial, from top management to clerks and security personnel.