



# Project E-LEGO

**Combatting Retail Theft**

**One Brick at a Time**



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## **“E” Lego - Combatting Retail Theft One Brick at a Time**

### **Summary**

#### **Scanning**

In the spring of 2015, a marked increase in retail theft was occurring in Langley and the Greater Vancouver Area. The increase was identified as being part of a larger organized theft and criminal marketplace operation. The focus of the thefts contributing to the increase was primarily attributed to the theft of Lego products.

#### **Analysis**

Crime Analysts compile and present raw data at the monthly COMPSTAT meetings. Through this analysis priority tasks for the detachment are identified and assigned to various units. In Spring of 2015, COMPSTAT identified a significant increase in retail theft, specifically Lego products, in Langley and surrounding jurisdictions. Through this analysis a theft series was identified, whereby a large number of thefts were being committed by a single suspect. Through partnerships with local area loss prevention officers, Jesse White was identified as the suspect. A project was initiated where it became evident that White was part of a larger criminal marketplace operation. Crime analysts identified Henry Bennett Smith as the primary prolific offender target and a subsequent project was initiated by the Prolific Offender Suppression Team (POST).

## **Response**

In concert with the Community Liaison Unit, POST worked on the “E” Lego project using a multi-faceted enforcement and crime prevention approach to combat the criminal market place problem. An operational plan was developed and over the course of a three month investigation several judicial authorizations were obtained. This resulted in the arrest, charges and convictions of multiple targets that comprised the organized theft ring. Approximately \$125 000 dollars of product was seized comprising mostly of Lego.

## **Assessment**

Throughout the project it became evident that crime prevention education was necessary to assist the stores in preventing retail theft and to assist police in evidence gathering/identification. A robust crime prevention initiative was launched to assist stores nationally in marking and identifying Lego product. In addition, target hardening was recommended. The way Lego was displayed in the stores was changed in such a way to reduce overall theft. The results of which was an overall reduction in theft and a change to standard operating procedure for Lower Mainland stores. This included a large Canadian national bookstore. Additionally, intelligence was derived from the operation to enable better awareness of organized crime and the active criminal marketplace throughout the region.

## Project Description

### Scanning

The Langley Detachment of the Royal Canadian Mounted Police (RCMP) consists of 185 uniformed police officers and municipal support staff. Situated in the Greater Vancouver Regional District of British Columbia, Langley RCMP is responsible for policing two cities; The City of Langley and Langley Township. Collectively, the population is approximately 140,000. The Greater Vancouver Regional District, also known as the Lower Mainland is comprised of 17 municipalities that are policed by 13 police agencies, comprised of RCMP and municipal police forces. This area is unique in that the proximity of each of the municipalities is such that movement from one police jurisdiction to the next is simply a matter of crossing the street.

In the spring of 2015, Langley RCMP crime analysts noted an increase in retail theft specifically in Lego products occurring from local merchants. Thefts from retailers, encompassing shoplifting and other thefts occurring at retail locations, increased 49% relative to the average of the same time period over the preceding two years, as noted in Appendix 1. This reflected a significant increase in these occurrences, a trend that was being observed in Langley and in neighbouring jurisdictions. The trend was also being noticed by store staff and loss prevention officers, who reporting increased incidents of shoplifting and other theft. These merchants were made up of the larger retail chains, including Toys R Us, Walmart, Costco and Chapters. Subsequent analysis identified a specific *modus operandi* which was observed at numerous retail theft occurrences, whereby a similar suspect was reported, wearing an orange traffic

vest while committing the thefts, and departing in a dark coloured or black van or sport utility vehicle.

## **Analysis**

### **Lego**

Retail theft is an issue in all municipalities. In the spring of 2015, the increase in theft of Lego products put an increased pressure on retail outlets in the Lower Mainland to develop effective deterrence measures. Lego is a product that is high in consumer demand and generally comes with a high retail price. Smaller sets may range from \$30 - \$100 each with larger sets going for as high as \$500 or more. The black market for Lego products and sales of these products on online market sites like Craigslist, makes it easy for criminals to sell and consumers to buy at a much lower price than in retail stores.

The high value of Lego products coupled with high consumer demand for them has made them an increasing target for criminals. Lego, like many retail products once stolen, are not easily traceable. If they are recovered it is near impossible to determine what retail outlet they originated from and if they were purchased or taken without payment.

Open source research of market sites such as Craigslist showed several sellers selling Lego products. These products were being sold as new and unopened but at a lower cost than in retail stores. With no evidence to prove that these items may be stolen, sellers are easily able to go unchecked selling the items.

## **COMPSTAT and the Langley Prolific Offender Suppression Team**

COMPSTAT in its traditional sense, as used in large US police forces, does not work the same in a smaller detachment such as Langley. It is used less as an accountability tool and more as a crime reduction tool. At the monthly COMPSTAT meetings the crime analysts present the latest statistics and trends in Langley to all of the unit commanders in the detachment. Using raw statistics, COMPSTAT priorities are identified. Collectively the COMPSTAT group commits resources to combatting the priorities and a list of tasks are assigned to various units by the COMPSTAT leader; when the next COMPSTAT meeting takes place a month later, the unit commanders report on their assigned tasks. This is where units are held accountable for their inaction on their assigned tasks. An assessment is done in the effectiveness of the assigned tasks and they are adjusted accordingly.

A key function of COMPSTAT is the identification of priority targets. The analysts identify key individuals or locations that are likely causing the most calls for service. This identification of key offenders was the genesis of the Priority Prolific Offender (PPO) program in Langley. In simple terms, the analysts identify the offenders causing the most calls for service and create a PPO list of between ten and 15 offenders. Originally, PPOs were targeted in an *ad hoc* manner by small Core Enforcement Team and Crime Reduction Unit. This was proven to be ineffective and a Prolific Offender Suppression Team (POST) was created by amalgamating the two teams. POST is tasked with targeting the PPOs and eliminating these calls for service. PPO targeting is not necessarily solely an enforcement function. Langley uses a case management model whereby PPOs are assigned to individual members of POST. The member then creates

a PPO profile that can be used by any member of Langley RCMP when forwarding charges on a PPO. The profile also includes a plan to deal with the PPO. This plan can include enforcement, helping the PPO with mental health or drug addiction, helping with family or community support, or any other unique solution aimed at getting the PPO out of a life of crime

### **The Emergence of the Problem**

Members of the Langley Prolific Offender Suppression Team (POST) meet regularly with local retail Loss Prevention Officers to discuss ongoing concerns and trends. In working in partnership with these Loss Prevention Officers it was determined that these regional thefts were being committed by the same suspect. Through this partnership and working with neighbouring police jurisdictions, the suspect was identified as a male named Jesse White.

White used the modus operandi of wearing the orange traffic vest in an attempt to fit in and look official and blend in as possible store employee. White also used a black Dodge Journey while committing the thefts, regularly stealing licence plates to replace for the originals. The same vehicle was observed, with a variety of license plates during several thefts.

An enforcement operation aimed at catching Jesse White was conceptualized and run by POST Investigators with the assistance of other units in the Langley Detachment. Through targeted surveillance, White was caught and charged with seventeen counts of shoplifting and theft under \$5000 from December of 2014 to June of 2015.



Usually convictions of theft under \$5000 carry very minimal sentencing, if any at all, but by POST members working in partnership with local prosecutors were able to have all the nearly thirty charges, covering several jurisdictions forwarded at the same time through one prosecutor. This enabled the courts to see the impact and proliferation of criminal offences that White was responsible for throughout the Lower Mainland region.

This resulted in White being convicted on twenty-six charges and was sentenced to several months of prison time – credited for time served – and extensive probationary conditions, including a no-go order for the entire Lower Mainland as well as several national retail chains.

The arrest and sentencing of Jesse White removed a highly prolific property offender from Lower Mainland communities, but did not eliminate many of the observed criminal trends. The serial targeting of retailers selling toys, memorabilia and collectibles, and other property continued; meanwhile Lego more clearly emerged as specifically targeted type of property, suggesting an active illicit market for stolen Lego. The trend was recognized as a substantial component of elevated property crime in Langley and several other Lower Mainland jurisdictions. It became apparent to POST Investigators through this investigation that White was just a small part of a much larger criminal network.

The Detachment's COMPSTAT process highlighted the ongoing retail theft series, and the specific targeting of Lego, and allowed for the effective fusion of multiple sources of police intelligence. A person of interest named Henry Bennett Smith was identified through this process. Smith had been a target of the Langley RCMP Drug Section,

which executed a search warrant at his residence in August 2015. They had found a suspiciously large amount of Lego product but were unable to act on it at the time. Smith was known to have an established network of associates who performed many higher-profile criminal acts, such as drug dealing, on his behalf. Meanwhile, investigators were able to link the Dodge Journey that Jesse White has use for many of his retail thefts to Smith, as the owner of the vehicle. It was eventually learned that White was committing the thefts, and then forwarding the stolen items for money or drugs in return; Smith was identified as being the suspected leader of this organized retail theft ring and subsequently prioritized via COMPSTAT.

Henry Bennett Smith was designated a Priority Prolific Offender (PPO) as determined by COMPSTAT and was assigned to POST to conceptualize a project aimed at taking down his retail theft organization. Smith's designation as a PPO represented an adaptation of the Langley Prolific Offender system to reflect the unique and significant nature of Smith's activities. Beyond Lego theft, Smith and associates were implicated in a variety of other retail thefts, as well as drug trafficking and weapons offences.

Normally, Langley PPOs are established based on direct, identifiable implication as a suspect or subject of complaint in a police call for service based on a chargeable offence. Smith, however, worked indirectly through associates, and was not personally present for many of the thefts; nevertheless, he was an important driver of property crime activity in Langley and beyond and was involved in drugs and potentially violent crime. His myriad criminal activities and prolific impact at street level, necessitated his designation as a Priority Prolific Offender and led to him being deemed a high priority target through COMPSTAT.

## **Response**

Project E Lego, as it was so aptly named, commenced at the beginning of November 2015. Langley Crime Analysts had identified Henry Bennett Smith as a designated Priority Prolific Offender and COMPSTAT had established him as a high priority for enforcement. Smith was involved in various criminal activities, notably the theft of Lego products throughout the Lower Mainland area and was an active participant in a burgeoning criminal market for stolen property. Smith was furthermore identified as priority since he resided in the Langley area and conducted his day to day operations in our community.

The POST Team was assigned to investigate and monitor Smith as a Prolific Offender. A Prolific Offender/Intelligence police file was immediately created on Smith which only two days later contributed to the arrest of Smith and one of his other associates Tyler Goddard by the Coquitlam RCMP Prolific Target Team (PTT) at the end of November 2015. They had committed a theft of retail items from two stores in Coquitlam, British Columbia

PTT surveillance team members observed a suspicious black Dodge Journey leaving the area of a reported theft from a big box store and after a police data base check of the licence plate, noted the Langley RCMP PPO file showing that the registered owner was a prolific offender in Langley. Their surveillance of the vehicle immediately took them to another big box store in Coquitlam where they observed the two occupants

(Smith and Goddard) commit a theft of Lego products in the store. They were able to apprehend them upon their exit.

Coquitlam PTT and Langley POST members worked together with PTT forwarding charges in relation to the thefts and POST liaising with Coquitlam Crown Counsel requesting specific bail conditions on Smith and Goddard, one of which was “Not to possess Lego”. POST members were pretty confident that this may have been the first time in Canadian history; the courts had placed such a condition on a person.

Prior to Smith’s and Goddard’s bail release at the beginning of December 2015, POST members created an operational plan which was approved with the keys objectives to build a substantial theft case against SMITH and his organization along with locate and seize any and all stolen property

POST applied for and received a GPS tracking warrant which allowed them to continually track the location of Smith’s vehicle 24/7. This tracking warrant allowed POST members to continue their investigation into Smith and Goddard and to know exactly where his vehicle which was being used to commit the thefts was at.

On the very first day the vehicle was released back to Smith, surveillance teams followed Goddard and Smith’s girlfriend out to Mission, Abbotsford (both neighboring jurisdictions to Langley) and Langley where Goddard was observed committing thefts of Lego from different retail outlets.

It appeared to POST that Goddard was the replacement for White in Smith’s organization but it immediately became apparent that Goddard was not as sophisticated while committing his thefts and was a more dependant drug user.

It was also learned during these initial stages of surveillance that Smith had a loose association to organized crime groups. During December 2015, prosecutors had now approved charges against Smith on numerous drug and firearms offences as a result of a Langley Drug Section Investigation being conducted at the end of the summer 2015. During that investigation, several firearms, including assault rifles were seized along with ammunition during the execution of the warrant.

Over the next two months, POST members continued surveillance and built up their case on Smith, Goddard and other associates. The investigation became multijurisdictional as Smith and his associates committed thefts in Lower Mainland communities of West Vancouver, Squamish, Burnaby, Surrey, Richmond, Abbotsford, Coquitlam, Mission, Maple Ridge and Langley.

During this investigation, Smith's activities continued to escalate. His property crime became increasingly brazen, including repeated break and enters at one memorabilia and collectibles store that caused such extensive damage that the store may never be able to reopen. Then in January 2016, while attempting to commit a theft at a Walmart in City of New Westminster with an associate named Nathan McVannell, Smith was identified by Loss Prevention Officers inside the store who immediately called police. Upon exiting the store, Smith was arrested for breaching his conditions, while his associate McVannell was subsequently in a police involved shooting when he drew a firearm on the members responding. Smith's vehicle was also utilized in a home invasion in Surrey in February 2016, and was observed driven by gang members involved in serious drug trafficking activity.

POST's attempts to locate a storage location for the stolen property found that Smith was changing his storage locations regularly, utilizing mini storage units in and around the Langley area. Smith also began changing vehicles utilizing other vehicles registered to him and rental vehicles as well.

At the end of February 2016, the POST investigation located and confirmed a storage facility in the City of Langley that was being utilized to house Smith's stolen goods. POST members applied for and received a general warrant to conduct a "sneak and peak" into the storage facility. The evidence obtained during that general warrant allowed POST to apply for and receive search warrants on Smith's storage unit, residence and vehicle.

During the execution of the search warrant at Smith's residence another male identified as Philip Aslin was arrested and charged after being observed throwing a large bag containing large quantities of narcotics as well as a loaded firearm off Smith's balcony.

As a result of the search warrant on Smith's residence, storage unit and vehicle approximately \$125,000 worth of stolen property was recovered and seized. The majority of this property was Lego. Other stolen property included bicycles, perfumes, colognes, and many other stolen goods. Included in the located and seized property was ET (the Extraterrestrial) and a six foot stuffed Giraffe stolen during a break and enter at Mastermind Toys in Langley.

Smith, Goddard and Aslin were all charged with a multitude of offences including, Theft Under \$5000, Breach of Recognizance, Break and Enter, Firearms offences and Possession for the Purpose of Trafficking.

## Assessment

At the end of the investigation into Smith and his organization, POST members were left with the task of attempting to identify and locate where the stolen property had originated from.

POST members worked again with regional loss prevention but were only able to identify where a small amount of the stolen product originated from. This was mainly due to the fact that a box of Lego could not be positively identified as coming from one retail outlet from another.

A crime prevention initiative was launched. POST members in partnership with the Community Liaison Unit worked with store management with their local Chapters (Chapters is a large Canadian national book store chain) store who took advice on better security and marking of their Lego products. One of the measures undertaken was to remove the actual contents of the Lego boxes on any items over \$100 value, just leaving the empty boxes on the shelves for marketing purposes. When a consumer wished to purchase the product, Chapters employees would simply refill the contents of the box.

Chapters management also began to utilize a security tracking system on their products including Lego, which would mark each box, identifying it from being from their store and if the box was purchased lawfully would be deactivated showing that it was not stolen property. These new procedures, stemming from the crime prevention initiative, were adopted the by the local stores of this national chain as new standard operating procedure/policy.

Other smaller toy companies like Mastermind Toys, which has outlets throughout the Lower Mainland, began removing all boxes of Lego at night from their shelves and securing it in rear storage rooms to prevent it from being taken during break and enters during closed hours. Mastermind Toys, were also marking all of their products with identifying labels that would show the product came from one of their stores.

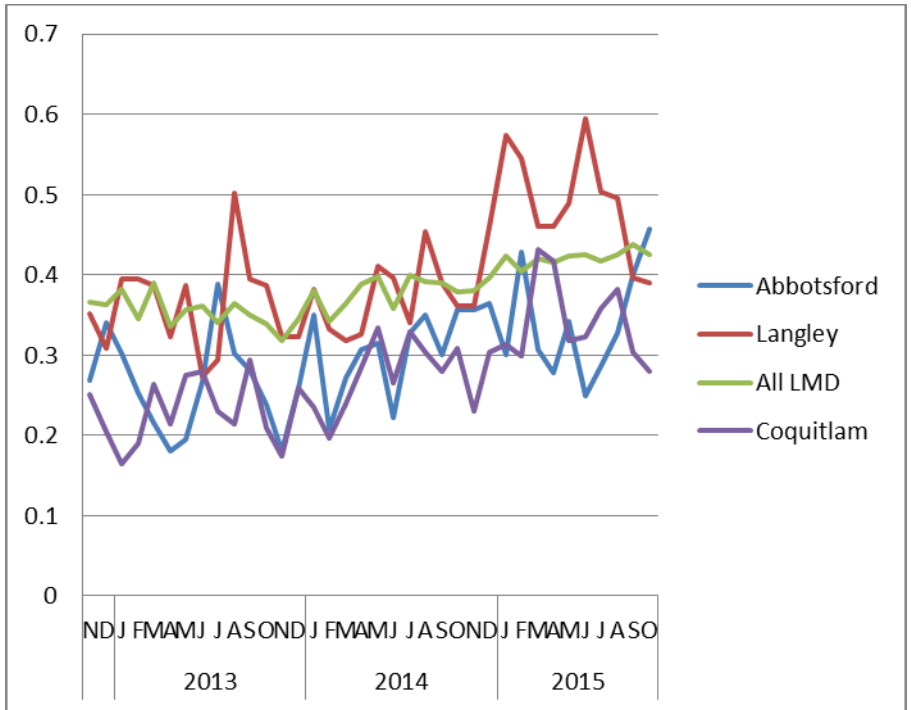
These measures, while not ever going to be able to eliminate the problem of retail theft of products like Lego, will greatly assist in the future to be able to better identify where products are stolen from so that items seized during investigations such as this can hopefully be returned to the retailers they came from. It will also assist law enforcement in gathering evidence to support possession of stolen property charges in the future.

In addition to the community impacts, Smith's arrest provided useful intelligence regarding organized crime and the resultant potential for violence in Langley and the Lower Mainland. Theft of Lego in Langley was significantly reduced. Smith was well established within the criminal milieu and was put under direct, concerted pressure by gang members to continue and to escalate his criminal activity. Smith had been the target of violent crime himself, and pace, reach, diversity, and extent of his criminality created an elevated risk of violence to the community. His arrest allowed for further understanding of the criminal environment and the forces driving the criminal market in the Lower Mainland.



## Appendix 1 - Charts

Retail Theft	Spr 2015	Spr 2014	Spr 2013
February	56	25	41
March	43	27	33
April	54	31	32
May	43	40	35
June	53	45	24
July	49	42	25
<b>Total</b>	<b>298</b>	<b>210</b>	<b>190</b>
Langley Retail Theft, BC PRIME			

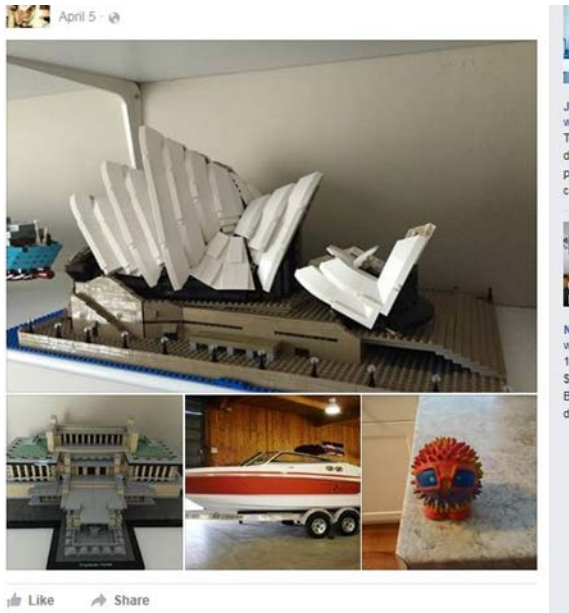


Shoplifting – LMD Jurisdictions, 2013-2015, E Division RCMP Crime Analysis Section

Axes – x Retail Thefts per 1000 population // y Date

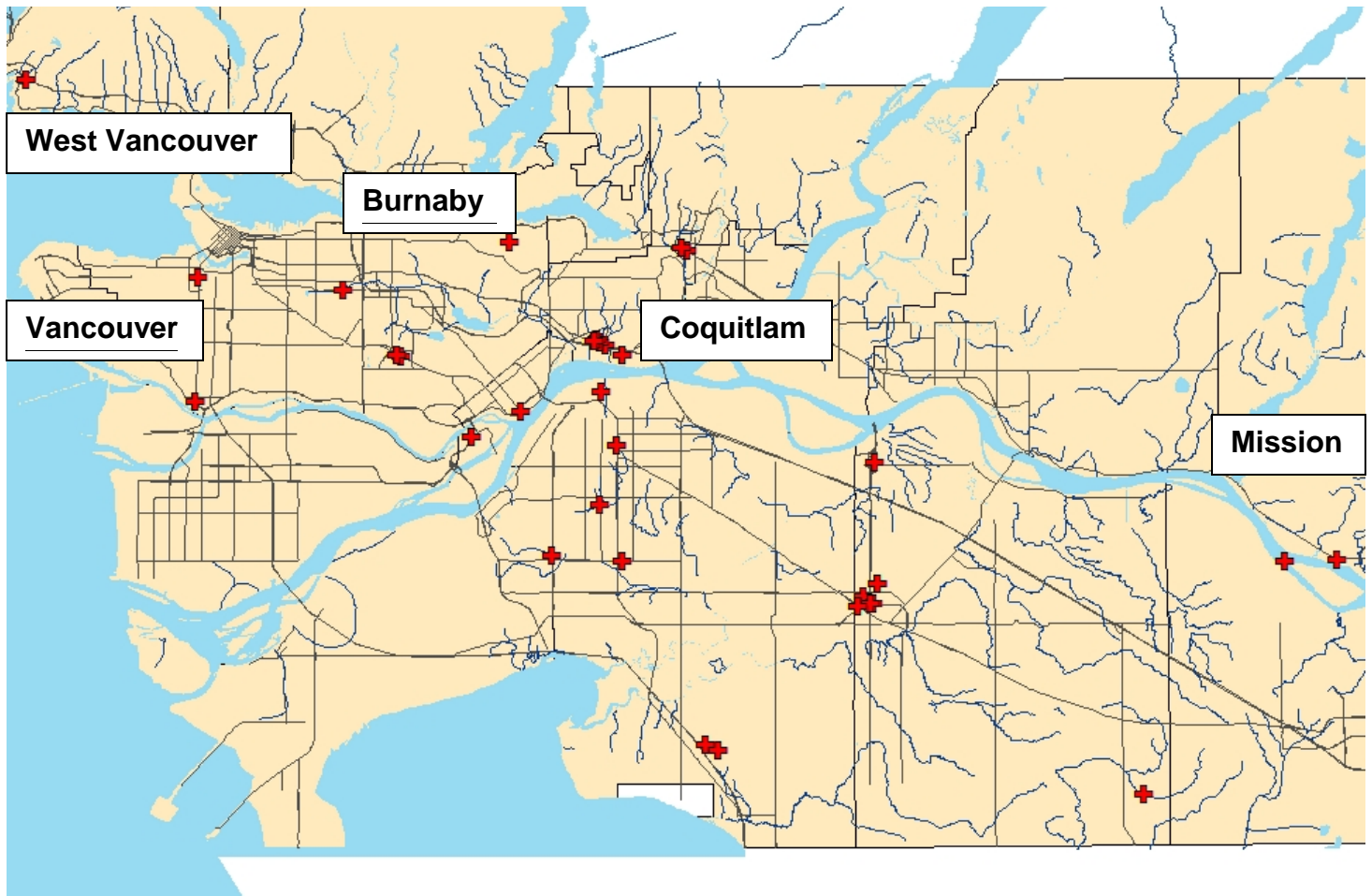
## Appendix 2 – Photos, Facebook Screen Captures – Lego for Resale

Photos represent actual Lego sets presented online by targets from Project E-Lego.



(FB Screen captures, April, 2016)

**Appendix 3 – Map – Lower Mainland Lego Thefts 2015**



Each red icon represents individual Retail Break and Enter, Theft, or Shoplifting Event targeting Lego in 2015.

## Appendix 4 – Chart – E-Lego Target Network

