



Testimony of Scott Glenn  
Vice President, Asset Protection  
The Home Depot

Before a U.S. House Committee on Homeland Security  
Subcommittee on Counterterrorism, Law Enforcement,  
and Intelligence hearing titled:  
**From Festive Cheer to Retail Fear: Addressing Organized  
Retail Crime**

December 12, 2023

Chairman Pfluger, Ranking Member Magaziner, and Members of the Subcommittee, on behalf of The Home Depot and our 470,000 associates,

I thank you for the opportunity to speak to you today about organized retail crime, which I'll refer to as ORC, and its growing impact on the retail community.

My name is Scott Glenn, and I am the Vice President of Asset Protection for The Home Depot. We operate over 2,000 stores in the U.S. and my job is to ensure the protection and security of our associates, our customers, and our assets.

I'm here today to talk about why ORC is an increasing threat to customers and associates that walk into retail stores every day, and how we can work together to stop it.

A critical step that Congress can take to help us stop this brazen theft is to pass the Combatting Organized Retail Crime Act.

Many have asked if Retailers and the media are overhyping the problem.

The fact is that retailers were faced with many challenges over the past few years, but ORC is one that has clearly grown over time, and its impact has caused The Home Depot and many of my peers to take measures that we would not have considered years ago.

We've been locking up product, employing off-duty police officers and security guards, and putting police cars at the front of our stores along with many other tactics. Despite these efforts, the problem continues, and we have tragically even lost associates to these encounters.

So in short, the answer is no, retailers are not exaggerating the problem of theft. We know firsthand that the impact has grown significantly. And while at some level, theft is a cost of doing business, the recent rise in ORC and its consequences are what bring me here today.

We have seen an alarming rise in the frequency and aggressiveness of organized and professional criminal groups stealing from our stores.

There is a myth that these ORC rings happen only in big cities. Unfortunately, criminals and bad actors don't discriminate when it comes to targeting stores, and organized retail crime is happening everywhere – in urban and suburban areas and everywhere in between.

Generally, the intent of ORC actors is to resell and monetize the product as quickly as possible. Our law enforcement partners often find these crimes linked to other more sinister activities such as drug, gun and even human trafficking.

I want to be very clear that we are not talking about petty shoplifting – not theft for need but theft for greed. And in many cases, theft to fund ongoing criminal enterprises.

This is large scale, multi-jurisdictional activity that is carefully choreographed. Sophisticated criminal rings are recruiting individuals from vulnerable populations to steal.

They regularly sell the product through online third-party platforms quickly and anonymously. At The Home Depot, a significant number of all ORC cases involve an online marketplace.

As I stated, my top priority is customer and associate safety. Since 2020, we have seen a significant uptick in our store and asset protection associates coming into violent contact with criminal actors.

These individuals are becoming increasingly aggressive. They are dangerous and often care little about any consequence other than getting out of the store with as much product as possible. Our associates have been threatened with knives, guns, and other physical attacks.

We believe there are three primary reasons for this increase.

First, the availability of drugs, opioids and fentanyl specifically and increased availability has driven a need for easy and fast cash.

Many of those we call “boosters” in these operations are simply pawns for higher level fences and criminal organizations to commit their crimes.

Organized retail crime is often connected to other illicit activities. According to [Homeland Security Investigations](#), organized theft groups also engage in cybercrime, money laundering, drug trafficking, terrorism financing, weapons trafficking, and transnational organized crime.

Secondly, the rise of third-party marketplaces allows criminals to anonymously resell stolen or counterfeit goods. We see this happening even on reputable online platforms, which have made it easy to monetize goods and sell them at scale.

To fight this, The Home Depot strongly supported the INFORM Consumers Act, a bipartisan bill led by Representatives Schakowsky, Castor and Bilirakis that went into effect in June of this year.

The last contributor is an increasing lack of resources and support needed by local, state, and federal law enforcement to assist retailers, our associates, customers, and broader communities to disrupt criminal networks.

Many police departments across the country are perpetually and significantly understaffed and this results in less support for retailers and the broader community.

We see policies such as increased felony thresholds and lack of aggregation as creating an environment where little can be done by retailers alone to address the issue.

But let me talk about solutions.

The Home Depot is working hard to address all three underlying causes. First, we have grown our investigative team over 180% since 2016 and have increased our overall budgets by tens of millions of dollars.

In our stores, we are using technology and physical deterrents. These include everything from increased security personnel to secure lockup enclosures, to smart shopping carts, to machine learning and data analysis tools.

We've also launched a program called "Game Plan," where we invite local law enforcement and politicians to visit stores and see our technology and tactics in action, in order to educate and build relationships proactively.

To address online concerns, we have added resources and implemented tools to identify bad actors using the anonymity of online marketplaces.

While these marketplaces are a convenient outlet for the second-hand consumer market, legitimate resellers would not be selling branded, new-in-box products at prices better than national retailers.

The platforms simply need to do more in terms of accountability to mitigate illegitimate sales and outright fraud.

We work in close partnership with local, state, and federal law enforcement to build case files and help dismantle these networks through public-private coordination and task forces.

We have worked closely with more than a dozen state attorneys general who have established task forces over the past two years to better protect their communities and businesses.

Let me give you an example of this type of partnership. During a recent investigation in Little Rock, Arkansas, a booster, the individual who steals the product for a ringleader, admitted to stealing over \$1 million dollars of product from Home Depot and selling it on Facebook Marketplace.

He used this cash to buy and distribute large amounts of fentanyl. Our investigators worked with Homeland Security and the Little Rock Police Department, and our evidence was used to conduct controlled sales to the fence. The suspects were ultimately arrested and charged under a federal indictment.

A federal task force would allow us to expand upon the progress made at local and state levels, like this case in Arkansas, and give all of us a greatly needed nationwide partner.

The Home Depot supports the bipartisan Combatting Organized Retail Crime Act (S. 140/H.R. 895), introduced in the House by Representatives Buck, Titus, Joyce, and Lee, and in the Senate by Senators Cortez-Masto and Grassley.

I'm pleased to see that the House bill has over 90 bipartisan cosponsors. The bill would create the Organized Retail Crime

Coordination Center bringing together federal, state and local law enforcement and private sector experts to share information and collaborate on strategies to keep our stores safe and secure.

The bill would allow us to expand upon the progress made at the local and state levels and address cases that reach certain thresholds or cross state lines.

As a professional in the field of protecting customers and associates, I ask that all members of congress work together to ensure that the Combatting Organized Retail Crime Act urgently becomes the law of the land to help stop these senseless crimes in our communities.

Thank you for the opportunity to tell our story, and I look forward to answering your questions.