Retailers Take Proactive Approach to Prevent Looting During Shutdown

In cities like Chicago, Austin, Tex., and New York, local police departments have increased patrols to help protect retailers during the COVID-19 shutdown.

No one needs reminding that times are tough and inevitably are about to become more demanding, but pedestrians — that is, what’s left of them — can see sure signs of retailer struggles all across America.

Beyond stores and malls being shuttered nationwide — and the massive staff furloughs that have resulted at leading retailers — at street level, merchandise-free boutiques, vacant window displays, opened and emptied cash registers, round-the-clock lighting and boarded-up storefronts are some of the safeguards that chains and independents have taken to try to prevent retail theft and looting during the coronavirus shutdown.

From Boston to San Francisco, scores of retailers have taken it upon themselves to batten down their stores by removing merchandise, boarding up storefronts or arming their alarm systems. While looting and theft have not yet been a factor, according to interviews with law enforcement officials in Portland, Ore., Seattle, Chicago and San Francisco, many companies have taken pre-emptive measures.

Designer houses and high-end brands have stashed their inventories from the public’s view even in enclosed shopping centers that have security guards, such as Boston’s Copley Place, where tenants Jimmy Choo, Versace, Tiffany & Co. and Tod’s have emptied out their stores, as well as at the nearby Prudential Center, where Gucci and Dior have done the same.

Along Madison Avenue on Manhattan’s Upper East Side, many streetfront stores have removed merchandise. Seventy percent of the nearly 400 ground-floor businesses are fashion and accessories ones, according to Madison Avenue BID president Matt Bauer. His organization highlighted safety precautions provided by the New York Police Department’s commanding officer Kathleen Walsh, such as leaving lights on inside and out, checking on the location as often as possible and leaving the cash register empty and left in the open position. In addition, “There really is a significant amount of police presence” in the neighborhood, which was increased in mid-March, Bauer said.

Interestingly, Manhattan Chamber of Commerce president and chief executive officer Jessica Walker said looting was not a subject that was broached during a virtual town hall meeting with small businesses on March 26. While there has obviously been a rush on supplies at grocery stores, looting does not seem to be a paramount concern, she said. “My hope is it won’t be. New Yorkers have already pulled together. I’m hoping that will continue.”
Downtown, the Meatpacking District BID has its public safety officers now patrolling the area seven nights a week instead of just on weekends, as has been the norm. Along with Diane von Furstenberg, Apple, Misha Nonoo and other stores that are shuttered for the time being, the street traffic has been diminished by the closing of the nearby Gansevoort Hotel and The Standard.

The Meatpacking District’s BID president Jeffrey LeFrancois is all for businesses taking preventive measures as they see fit and even hiring their own security guard if they choose to. About 22 percent of the ground floor businesses are fashion ones. But he would never recommend boarding up windows. “Crime is at a historic low in New York City. We want to lean into that in this regard,” LeFrancois said.

So much so that when Sephora boarded up its store in the neighborhood, the local BID enlisted the help of an artist to paint a Henri Matisse-inspired mural on it after getting permission from the building’s landlord. After getting the request at 11 p.m., Theresa Rivera said she provided a few concepts that night and executed the mural the next day. She said Monday that her company is now working with other BIDs in New York City, including the Fifth Avenue one, to paint on the boarded-up stores.

A spokeswoman for Sephora declined to comment about the specifics of the company’s decision to board up temporarily closed stores across the country. She cited a company statement that referred to, among other things, “In accordance with our protocols for temporary store closures, we have standard precautions to protect our properties across America. Our goal is to ensure a great experience for our clients when we have the opportunity to reopen our stores.”

As one Chicago Police Department official said, “A lot of this comes down to common sense. A lot of the major retailers and corporations don’t need our advice” regarding protecting their properties. Upscale stores in the Gold Coast neighborhood and The Loop have taken precautions, but there have not been any reports of retail theft and looting, a CPD spokeswoman said. The city has in the past experienced what she described as “pop-up crimes,” such as a rash of break-ins in expensive stores along The Magnificent Mile and, further back, a flurry of Canada Goose wearers having their jackets stolen off their backs. But as of late, such spates have been at 7-Eleven. And gun violence continues to be an issue.

“We haven’t had notifications of [apparel-related] retail theft. We did have that conversation a few weeks ago, thinking about that. But nobody seems to have gotten that far yet,” the spokeswoman said. “Certainly, what we’re concerned about — and this is a nationwide and global concern — is the social distancing and trying to enforce that,” she said, adding that violators in Chicago can be fined up to $500 or arrested if they refuse to comply.

Kimberly Bares, president and ceo of The Magnificent Mile Association, said her organization is in regular communication with the CPD and other city officials. Golden Goose, Isaia, Richard Mille and Cuyana are among the 75 retailers in the group. She said there has been concern due to an uptick in robberies in the past few months, but there have not been any break-ins or looting due to the shutdown to date, Bares said.
"This is a global pandemic and we are seeing the same as other cities: retailers’ responses vary from boarded windows to empty storefronts and showrooms. Some have painted or branded their boards, which we appreciate. And we will be looking for ways to encourage other property owners and store managers to do the same,” Bares said.

While the coronavirus immobilized Seattle’s daily way of life before any other major American city, there have not been any incidents of retail theft or looting, according to Detective Patrick Michaud of the Seattle Police Department. In fact, crime reports dropped 30 percent recently due to a decrease in property crime — shoplifting, general theft and car prowls, he said. “This is not surprising given there are fewer people out and about. Also, there has been no significant change year-to-date in violent crime either,” Michaud said.

Businesses in Seattle, the home city to Nordstrom, that have closed due to the stay-at-home order put in place by Gov. Jay Inslee can always reach out to their local precincts to ask for officers to keep an eye on their businesses. “As time allows, officers can swing by and make sure that everything is still safe,” according to Michaud, who noted that offer is not new due to COVID-19 concerns.

The nearly 2,000-person San Francisco Police Department has increased patrols of commercial corridors like Market Street — the city’s widest and longest — to watch out for criminal activity and vacant businesses, but one area does not take priority over any other, said SFPD public information officer Robert Rueca. “Every neighborhood in the city has some sort of commercial corridor. We’re not highlighting one neighborhood over the other,” he said.
The San Francisco Merchants Association, which represent about 33 local associations, has advised members to reach out to their local police captains. With 1,500 paying members, its president Mario Morgannam estimated that thousands of businesses — of which about 20 percent are fashion-related — benefit from shared information. In the Haight Street area and Divisadero neighborhood, some stores are boarded up but others are not. Morgannam said.

In addition to ensuring remote cameras are working properly, retailers have been advised to be sure to pay phone and Internet bills on time to maintain that connectivity and to check with their insurance agencies to see if they have broken window coverage. Another matter worth looking into is business interruption insurance, which many companies don’t have, said Morgannam, noting that verbiage “that is not quite up to par” has complicated the speed at which business interruption in California has resulted in contested claims.

Another factor that some are considering is how the opportunities for shoplifting has dissipated due to social distancing, businesses temporarily closing and the limitations on the number of people who are now allowed in a store at one time. Some are concerned shoplifters could turn to breaking and entering, armed robbery or home invasions “because most of these people are desperate,” he said.

Store owners should be doing whatever they can to get their merchandise out of sight, Morgannam said. All in all, any looting is going to be “nothing compared to the economic impact from the shutdown,” he said. “A business losing a few thousand dollars to a break-in is a sustainable event, and that is probably insured. The economic impact is going to be the real devastation for small businesses.”

An artist was asked to paint a mural on Sephora’s boarded-up Meatpacking District store. Courtesy Photo

Another Northwestern city that has been ground to a halt commercially is Portland. As is the case with other cities, the police department has been working with other municipal partners to help businesses and citizens deal with the coronavirus on multiple levels, a Portland Police Department official said. “The Portland Business Alliance works with the community very strongly. This is a time when a lot is happening and a lot of information is coming at everyone. The community has fair concern about many different things. We’re just trying to be part of the solution. At this point, we don’t have any red flags going off. We’re just trying to work with our business partners as best we can to try to keep the community safe,” he said.
In one of the city’s leading shopping districts, which is known as simply as “The Pearl,” there is an assortment of big brands like Fjallraven and Lululemon, and locally owned boutiques and smaller stores like Nau, Lizard Lounge and U.S. Outdoor. The independent stores had taken safety precautions such as boarding up their windows in recent days.

Although looting was a problem after Hurricane Katrina struck New Orleans, retailers there — where COVID-19 cases have been rapidly increasing — are said to be not overly worried about that. Quentin Messer Jr., president and ceo of the New Orleans Business Alliance, said locals are taking the stay-at-home order seriously. “We have a lot of concerns, but that one hasn’t emerged at least in New Orleans,” he said, referring to looting.

Making the point that people are fundamentally good and honest, Messer said, “They don’t want to hurt their neighbors any more than their neighbors are being hurt. In those places where there are stay-at-home orders, they just aren’t leaving home for anything. We all realize that we have to get through this together. I couldn’t be more gratified to be a New Orleanian or an American. We’re going to get through this.”

Austin, Tex., is already reeling after SXSW was canceled last month. Last year’s festival reportedly had a $356 million impact, or about a quarter of 1 percent of the region’s estimated $510 billion annual economy. Veronica Samo of Austin’s Economic Development Corporation said the Austin Police Department has increased patrols for possible property crimes since so many businesses are closed at this time. “Looting is not a concern,” she said.

In another secondary city, St. Louis retailers have been proactive about safeguarding against theft. The Vault, a resale store, has stored its high-end merchandise in an off-site warehouse. Lusso has round-the-clock security, as they are located in a residential building, whereas Vie, a 20-year-old retailer in Ladue, is relying on patrols by local police. Fashion’s economic impact on St. Louis is $3.3 billion, with fashion-related businesses accounting for 1.4 percent of retailers and slightly more than 1 percent of jobs, according to the Alliance for St. Louis.

The St. Louis Fashion Fund has also removed all merchandise from its 7,500-square-foot retail showroom, and all of the merchandise will be removed from its windows and will be replaced with nice signage, according to the St. Louis Fashion Fund’s board chair Susan Sherman. “We have spent the past seven years trying to build back the city’s fashion ecosystem,” she said.