To: Dr. Erika Paterson

From: David Cheung

Date: June 22, 2022

Subject: Proposal for Improving Methods of Theft Prevention at Costco Vancouver

**Statement of Audience**

The audience of the formal report is Angela Ignacio, front end assistant manager at Costco Vancouver. Angela is a non-technical audience who has some knowledge on the function of the Member Services staff. As a permanent part-time Member Services employee for six months, Angela is my superior.

**Introduction**

Costco Vancouver, a warehouse owned and operated by Costco Wholesale, is located next to the Stadium-Chinatown Skytrain Station in downtown Vancouver. Costco Vancouver services diverse neighborhoods ranging from Yaletown to the Vancouver Downtown Eastside. With the exception of accessing the pharmacy or optometrist, a prospective customer needs to purchase a membership for 63 Canadian dollars to enter the store.

Upon obtaining a membership, a member is free to enter the store and shop for goods ranging from flat screen TVs to cat litter. When a member leaves Costco, a member services employee checks the member for purchases, and for mistakes on the member’s receipt. For moving larger goods, such as a refrigerator, a member can use a cart with a low profile called a flatbed. Members who park their vehicles next to the street often leave their flatbeds in place when they leave. Unlike regular shopping carts, the wheels of a flatbed do not lock if pushed beyond a certain point.

**Statement of Problem**

Due to Costco Vancouver’s proximity to a Skytrain station and the Downtown Eastside, thieves target the store. Thieves often enter the store using the loophole of accessing the pharmacy or optometrist.During the past sixth months, thieves are known to have stolen about four thousand dollars’ worth of goods from Costco Vancouver with about three thousand dollars’ worth being recovered.

The figure above does not include the amount incurred from the theft of flatbeds (each flatbed costs about 500 dollars). As laid out in the employee contract, Costco employees are to provide excellent service to our members and to reward Costco shareholders. The theft of flatbeds results in the inability to meet either goal via the cost incurred to Costco shareholders and the inconvenience incurred on Costco members.

**Proposed Solution**

A possible solution for limiting theft within Costco Vancouver include keeping people without good cause or memberships out of the store (Only the main corporate office can close the existing loophole), and sending loss prevention employees to intercept persons of questionable character.

A possible solution for the theft of flatbeds includes having employees from the buggies department (those in charge of bringing up shopping carts from the parking lot) gather flatbeds from the parking lot in one location. The Buggies and Member Services department can also quickly look for flatbeds left along the street in if they have staff available.

**Scope**

To assess the viability of improved and new methods of theft prevention, I plan to pursue four areas of inquiry:

1. What are the existing policies for theft prevention?

2. Are these policies being enforced?

3. Can the existing policies be improved and added to?

4. Do the changes adhere to Costco’s policies?

**Methods**

My primary data sources will be surveys filled out by the management of Costco Vancouver, members of the Costco Member Services and Buggies team, and the security detail of Costco Vancouver.

Secondary sources will include the existing policy for theft prevention and the Costco employee contract.

**My Qualifications**

I have been a Costco member services employee for six months. One of my duties is to the stop thief of Costco goods. I have also been briefed on Costco procedure and codes of conduct. My training and association with various parties at Costco gives me the opportunity to conduct an in-depth study.

**Conclusion**

Clearly, action is required to reduce the costs and the inconvenience incurred to Costco members due to theft at Costco Vancouver. By addressing the four areas of inquiry mentioned earlier, I can determine the feasibility of improving upon and adding to anti-theft measures. With your approval, I will begin research immediately.