



## **Martin Investigative Services**

### **Recent Case Histories:**

### **Employee Theft**

***“If you have 50 people just stealing \$20.00 a day in time, money or product, that amounts to a loss of \$250,000.00 annually.” – Thomas Martin***

#### **Situation: The Case of the Landscape Company**

Recently Martin Investigative Services (MIS) was contacted by a landscape business that employed about 150 people. Their net profits were dismal.

#### **Solution:**

Simple fix. On payday, Thomas G. Martin personally went there with two of his investigators to hand out checks. They were told if an employee didn't show up, they would not receive a check. Martin left with 32 checks, while two employees called in sick. Thirty were found to be phantom employees of the company that had been set up by the general manager.

On previous paydays, the manager would collect his and 30 other checks, then proceed to a local check cashing store where he cashed all 30 checks, giving a five percent fee to the store owner. He was netting \$24,000.00 every two weeks for landscaping personnel that did not exist.

#### **Result:**

Through the investigation, MIS determined this had been going on for three years. He started with one phantom employee and just kept adding to his lists. Martin and team found two large bank accounts and a one million dollar free and clear home in Mexico City. He agreed to turn all these assets over to our client. He was arrested, fled to Mexico, was extradited and given three years in prison.

#### **Funds Lost/Recovered:**

Plus or minus \$576,000 per year over three years, or \$1,728,000.

#### **Situation: The Case of the Upscale Clothing Chain**

The revenue from a flagship store of a large, upscale national clothing chain was suspiciously lower than the previous year. Suspecting a significant case of employee theft, the company's management team used an outside team of investigators to interview the store's employees.

#### **Solution:**

After a few days of interviews and interrogation, the employees interviewed were cleared of their involvement of the suspected theft. This enabled the team to concentrate specifically on the actions of the retailer's security personnel.

#### **Result:**

The team's concerns were confirmed on the first night when surveillance investigators caught several security guards removing clothes from the racks and placing them in a dumpster at 3 a.m. The items were later picked up and traded for cash at another store. This case demonstrates how proper interview and interrogation practices can quickly lead private investigators to the source of most employee theft issues and avoid costlier investigation practices that can include undercover work.

### **Funds Lost/Recovered:**

As best MIS could determine from interviewing the company's personnel, the thieves had taken over \$1 million dollars of clothing, valued at the retail level. About half the items were returned to a different store in the chain for cash while the other half was kept or sold at swap meets. Given this scenario the retailer probably lost revenues close to \$800,000.00.

### **Situation: The Case of Companywide Employee Theft**

A corporate executive at a medium-sized business suspected his staff of employee theft in 2010. He came to the Martin Investigative Services (MIS) and wanted the agency to investigate. They had about 45 employees and although they were making decent money, their profit margin was very slim.

### **Solution:**

In Martin sent several investigators out, and found out that not only were people stealing product, almost all 45 employees were stealing. In a very short amount of time, using professional interrogation techniques, MIS found out that nearly ALL of his staff was stealing from him.

Thomas G. Martin believes, "the truth is, once you get one rat, they all start to jump ship."

### **Results:**

As a result the executive had to fire all of his employees. Although this was devastating for the owner, he had to terminate all 45 people, so his business went into a slump for about six months. MIS also gave him some preventative measures to institute, and he has not had any problems since. Today his business is thriving, and he has about 700 employees and substantially increased profits.

Most of these problems can be avoided or circumvented altogether but typically management is unaware that these are actually happening within their organization.

### **Funds Lost/Recovered:**

Today the business is thriving, with more than 700 employees.  
For more information, please call 1-800-588-1080 or visit [www.martinpi.com](http://www.martinpi.com).