



PRECIOUS METAL

Metal Thefts Continue to Hit Businesses Hard

By Lisa Schmelz



Got metal? Then you better lock it up tight. According to a recent report from the National Insurance Crime Bureau, nationwide insurance claims for metal theft increased 81 percent over the last two years.

Think your company isn't at risk? Think again. Metal is as much the fabric of our lives as cotton, and across Wisconsin, no industry appears immune from criminals wanting the quick cash ferrous and nonferrous metals bring.

Manuel Casarez is a co-owner of Casarez Pelleting Inc. a feed processor in the rural Manitowoc County community of Valders. In March, thieves made off with over \$27,000 of metal in the form of electric motors, batteries, and stainless-steel shafts and bolts.

"The items they took, I was surprised," says Casarez. "They had to go up a staircase and take thousand-pound objects. I would have had to have had a forklift."

While Valders, with a population of just under 1,000, isn't used to seeing thefts of this magnitude, Police Chief William Riesterer wasn't shocked by the heist.

"It's a huge, huge problem right now," he says. "It's happening everywhere."

Cost hard to estimate

Putting a dollar amount to the problem, however, is tricky. Most law enforcement agencies do not monitor metal theft as a specific crime category.

"We really don't track that, but that is something we are working towards. It's been a problem, a big problem, for the last couple of years," says Elise Schaffer, a public information officer for the Dane County Sheriff's office.

Milwaukee Police did do some number-crunching, though, and say an estimated \$3.5 million worth of metal items with scrap value were stolen from January through September last year. Everything from city manhole covers to catalytic converters on vehicles, which contain platinum, palladium or rhodium, to the copper wiring in HVAC units is up for grabs.

For recyclers themselves, metal theft can easily add up to a six-figure loss. When B&B Metals Processing Co. Inc. of Newton noticed large



TOP: Catalytic converters, a sought-after item for thieves are locked in a steel cage at Stateline Recycling in Janesville. **BOTTOM:** Recyclers have seen a spike in thefts from their yards and have been vigilant when customers bring in metals to drop off. Scott McNall, general manager for Stateline Recycling, inspects metals when they come in, asks questions about their origin and turns down items that seem questionable.



discrepancies in what they were picking up from commercial clients versus what they had in inventory, they offered a \$20,000 reward. They also hired Ira Robbins, a private investigative consultant and retired Wauwatosa police officer.

“In a four-year period, we believe at least \$400,000 to \$500,000, and probably more, was taken,” says Robbins of a four-year period.

What does Robbins make of the massive spike in metal thefts?

“The more I investigate, the more I find out it’s epidemic,” Robbins says. What you’ve got is people stealing all different types of metal ... from catalytic converters to copper pipes. Any kind of metal that has value, and can be melted down, is being stolen.”

Getting down to brass tacks

Metal is ripe for theft given its continued high prices, widespread accessibility, and the difficulties inherent in identifying and recovering stolen metals. Less than ethical recyclers don’t make the situation any better, says Scott McNall, general manager for Stateline Recycling in Janesville. He shudders when he hears of recyclers paying cash for cars without titles, which is legal in Wisconsin if the car is being junked, or ignoring the huge red flag when an average Joe comes in with 3,000 feet of industrial grade copper.

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tification from non-commercial recycling customers and record all transactions. But even when recyclers follow the letter — and spirit — of the law, they can’t always stop the meltdown.

“Sometimes the people you’ve trusted the most are the ones that hurt you the most,” says McNall, adding a longtime noncommercial customer turned out to be the source of many local thefts.

Ethical recyclers like McNall are part cop themselves, inspecting what’s offered, asking questions about its origin, turning it down when something doesn’t add up and providing license plate numbers of suspicious scrappers to law enforcement.

“What good does it do you to knowingly buy stuff that’s going to give you a black eye?” asks McNall.

Going to any length

Riesterer says metal theft affects everyone, and he’s especially concerned about

the target of public infrastructure and the length criminals are willing to go. Last year, he says crooks scaled a Verizon cell tower in Valders.

“They’re taking copper wires off cell phone towers and cast iron from railroad yards and bridges. There’s some real travesties waiting to happen,” he says.

National databases like scraptheftalert.com, hosted by the Institute of Scrap Recycling Industries, help some. But most of the time thieves don’t attempt to recycle their stolen metal in the same community. Unlike cattle branding, metal isn’t always easy to uniquely mark. WE Energies, however, says it’s doing just that. Spokeswoman Cathy Schulze declined to provide details on thefts or beefed up security, but says incidents at the utility’s substations and remote sites are down. Proactive efforts, she says, seem to be working.

“We’ve been in constant contact with law enforcement and educating them and recyclers on how to spot our materials as well,” says Schulze.

What You Can Do

To prevent metal theft at your business, secure, store or lock up anything with scrap metal value. Increased lighting and surveillance cameras can also deter thefts. Catalytic converters can be “clamped” and outdoor HVAC units can be caged. For industry-specific information, visit www.popcenter.org/problems/metal_theft/3/. 🇺🇸

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