

# ROUNDY'S SUPERMARKETS, INC.

PICK 'N SAVE · COPPS · METRO MARKET · MARIANO'S

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PO Box 473  
Milwaukee, WI 53201

414-231-5000

December 8, 2017

## VIA ELECTRONIC MAIL

Re: Abandoned Shopping Carts

Mr. Jim Owczarski  
City Clerk  
City of Milwaukee - City Hall Room 205  
200 E. Wells St.  
Milwaukee, WI 53202

Dear Mr. Owczarski:

Roundy's believes the proposed legislation regarding the substitute ordinance relating to the abandonment of shopping carts is ill-advised.

We currently have nine Roundy's stores located within the City of Milwaukee, eight Pick 'n Save stores and one Metro Market Store. We utilize *Gatekeeper Systems*® cart containment technology at three of our City of Milwaukee stores where we have had cart retention issues:

- Pick 'n Save 2355 N. 35<sup>th</sup> St., Milwaukee
- Pick 'n Save, 605 E. Lyon St., Milwaukee
- Pick 'n Save, 5700 W. Capitol Dr., Milwaukee

*Gatekeeper Systems*® technology utilizes radio frequency (RF) and locking wheel technology to help prevent shopping cart loss. While the system has been beneficial in limiting cart losses, it is not foolproof. Persistent thieves will either break the wheel lock mechanism or drag the cart off premises with the wheels locked. The system is also a very expensive one, costing approximately \$40,000.00 per install.

We believe taking punitive actions against business owners for failing to prevent a crime of which they are victims is misguided. Being penalized twice, first, when the cart theft takes place and second, when the city imposes a fine for a crime committed by others is injudicious.

We are committed to reducing cart theft as much as possible and have taken appropriate measures to do so. In addition to the installation of cart containment systems at three of our Milwaukee locations, we are in the process of switching our metal carts to plastic carts at all City of Milwaukee stores in order to eliminate theft for purposes of scrap value, an issue which outweighs the theft of carts by the homeless. We also have our store teams canvass their respective neighborhoods for abandoned carts at various intervals throughout the year.

All of these actions have a significant dollar cost associated with them. Shopping carts and cart containment systems are expensive. Labor costs associated with cart sweeps are expensive. Although not directly related to cart abandonment, we also suffer cart thefts from “scrappers” who openly steal carts from our parking lots. All this adds up to significant costs incurred by our company.

An ordinance that adds more cost to Milwaukee grocers is not the answer. The Milwaukee Metro area grocery market is one of the most competitive in the country. The grocery business is a low margin business where the “cost of goods sold” is critical to survival. We are all trying to provide the best products and service to our customers at affordable prices. The proposed ordinance and its fine structure adds another layer of cost that will, in some way, have to be passed on to customers. That is not an action we wish to take and, hopefully, you as well.

In summary, the problem is the people stealing and abandoning carts, not the retailers that are suffering the loss. We would like to see “consistent violators” punished rather than retailers – shopping cart theft is a felony in the State of Wisconsin (Wis.Stats s. 943.55). We strongly believe the substitute ordinance relating to the abandonment of shopping carts is misguided in its efforts to address this issue. Working with retailers on the problem of cart abandonment would be a more agreeable approach to Milwaukee grocers rather than imposing excessive cart fines through a substitute ordinance.

Sincerely,

*James J. Hyland*

James J. Hyland  
Vice President Communications & Public Affairs  
Roundy's Supermarkets, Inc.

CC: Mayor Tom Barrett, City of Milwaukee