

Transcript: Mayor Eric Adams and Attorney General Letitia James Announce Take Down of Massive Retail Theft and Crime Operation

May 26, 2022

New York Attorney General Letitia James: ...The commanding officer of the central robbery division of NYPD, Deputy Inspector Nicholas Fiore, Captain [inaudible], Detective Catalano, the assistant special agent in charge of Homeland Security investigations, George Ioannidis, the president and CEO of the Partnership for New York City, Kathy Wylde, manager of Bloomingdale's flagship store on 59th street, Sarah Shaw, and from my office, Deputy Attorney General in charge of the Organized Crime Task Force Nicole Keary, Chief Deputy Attorney General of the Criminal Justice Division Jose Maldonado, and Jose Malto, and the chief investigator for the Office of Attorney General, Oliver Pu-Folkes.

Attorney General James: Today, we are announcing a major crackdown on a retail theft ring as part of our efforts to combat crime and restore an environment where all New Yorkers feel secure. I'm proud of the fact that we have worked with our partners across law enforcement to make New Yorkers safe for all. Our announcement today involves the takedown of a massive retail theft ring that stole millions of dollars worth of goods from stores throughout New York City and resold them for profit.

Attorney General James: The takedown is the result of a joint investigation between my office's Organized Crimes Task Force and the NYPD's Grand Larceny Division that started in January, 2019. Today we indicted 41 people for their roles in this ring. The mastermind of this ring is a man named Roni Rubinov, who created a network to systematically steal goods from numerous retailers in New York City that he purchased and then resold them for profit on an eBay storefront. At the top of this chain were 11 people that manage Rubinov's day to day operations. At his direction, these defendants purchased stolen property and prepaid gift cards from 30 distinct boosters on a daily

basis. Rubinov trained these employees to procure and directed the boosters to steal specific items from retailers based on sale trends from his eBay storefront. And then he purchased those goods from boosters for a fraction of the retail price.

Attorney General James: He primarily focused on high end clothing items that were generally purchased for 6 to 8% of their retail value and stolen cosmetics and pharmaceutical items at a rate of \$1-2 per item, depending upon the brand. These items were stolen from stores such as Bloomingdale's, Macy's, Neiman Marcus, Nordstrom Rack, Duane Reade, CVS, and Sephora. Seven days a week. And these boosters came to two locations on West 47th Street in Midtown Manhattan, 67 West 47th Street, which was a storefront called New Liberty Loans Pawn Shop. And 71 West 47th Street, a business called Romanov Gold Buyers. And Rubinov and his team purchased massive quantities of stolen property ranging from high end designer clothing, purses, and shoes to drugstore products, to medicine and to cosmetics as well as stolen prepaid case cards. All in exchange for cash. Seven days a week, the stolen merchandise was transported from the Midtown Manhattan location to Rubinov's residence or a separate stash house, which were both located in Fresh Meadows, Queens.

Attorney General James: Several of the defendants were responsible for organizing and taking inventory of the stolen goods, posting them on eBay for sale, and ultimately shipping the stolen goods to purchasing customers between 2017 and January 2020. Rubinov and the other defendants concealed more than \$1.37 million in proceeds from selling these stolen goods. At one point during the investigation, our investigators seized more than \$3.8 million worth of stolen goods, some of which are displayed here today. In addition to the stolen clothing and cosmetics, Rubinov directed his employees to purchase stolen gift cards from the boosters. They paid boosters around 50% of the card's value in cash and then they would swipe the balance of the stolen gift card through a merchant account terminal at New Liberty Loans Pawn Shop. They created fraudulent receipts for these transactions, and they deposited the full value of the stolen cards into business accounts that Rubinov operated to conceal the illegal profit proceeds of the gift card transaction. Between January 27, January 17th and January, 2020, Rubinov hid more than \$90,000 of illicit proceeds from the cards alone.

Attorney General James: And during our investigation, we seized more than 550 stolen gift cards from approximately 60 different retailers and financial service providers. And those companies included Amazon and Home Depot and Walgreens and Visa and Apple and Modell's and Lowe's and K-mart, American Express and Pottery Barn. And

lastly, which I think is probably the most offensive and egregious, is that Rubinov also purchased EBT benefits or food stamps from some of these same boosters in exchange for cash. He would pay 50 to 60% on the dollar to boosters for these benefits, and then use those benefits to buy groceries for himself and his family. To be clear, these were not benefits that the boosters stole from other individuals. These were benefits that they personally received from government. Over the course of the investigation we also seized approximately \$300,000 in cash from his residence, from his stash house and business locations.

Attorney General James: Altogether, these 41 individuals are being charged with various counts of: enterprise corruption, money laundering, criminal possession of stolen property, scheme to defraud, and conspiracy. And as you can see, these individuals stole millions of dollars of luxury goods and massive amounts of over the counter medications and products from drug stores that we all frequent. Together, together, we will continue to work tirelessly to restore an environment where New Yorkers feel safe and secure. We will protect businesses in New York. We will preserve the rule of law and we will ensure that all New Yorkers are safe. At this point in time, I'd like to invite my colleague, Mayor Adams, who is also responsible for this crackdown, and he's committed to doing all that he can do to crack down on crime in New York City. Ladies and gentlemen, Mayor Eric Adams.

Mayor Eric Adams: Thank you so much, AG. It is such an important issue and there's a lot of lessons here as we looked throughout our city and the country, actually. When I spoke with Mayor London Breed in San Francisco and mayor in Chicago and other areas, they talked about the pattern of the shop and grabs, going into stores and just grabbing items off the shelves. And I cannot thank the AG for her tenaciousness to not just merely look at this as a small group of individuals going in to steal. And what's horrific about this is that this perpetrator used, for the most part, from what we see across the country, young people are doing these acts. You connected the dots. You connected the dots from what we thought in some circles that this was individualized crimes of opportunity and no is wasn't, it was organized crime.

Mayor Adams: Sitting from his beautiful home in one part of the city was having other individuals carry out actions that was destroying our basic financial ecosystem. Duane Reade, one of their stores, talked about closing down. Other merchants, Kathy Wylde from the partnership, talked about it over and over again. Fifth Avenue, a lot of our luxury locations were thinking of closing down or placing items behind cages like in some third world country that experiences this type of crime. We saw it over and over

again throughout the year. And this case is so important because what it does, it highlights that this is just not shoplifting. This is organized crime attempting to exploit our merchants and our city.

Mayor Adams: Now we shed lights and the work of the New York City Police Department, coordinating a partnership with the AG and other city and state officials is shed light on those who believed they were going to hide under guise of people taking action because of their economic challenges. But it was really greed. Making this apprehension, it was not as, some would have said, is criminalizing poverty when someone goes in and steals. No, this was greed. Greed that attempted to exploit New Yorkers, and New York City will investigate, arrest, and prosecute criminals of every kind. It doesn't matter if you are dealing guns illegally or stolen products, because the law is the law. And without the law enforcing the law, we are living in lawlessness. This person had no regard. From a guitar to leather items to toiletries to products, and some would look at this and say, "What's the big impact?"

Mayor Adams: It is a huge impact on our economy. It erodes trust, it sends the signal that we are in a city out of control. You heard me say on the campaign trail over and over again, this is not a city where you can walk into a store, take what you want, and walk out. This feeds into the overall distrust that our city is manageable. And it's a city of law in order, not a city of law in disorder. They focused on a wide range of stores. It wasn't only the top ends like the Bloomingdale's. It was the chains. It was the independents. It was all the stores were the victims of their greed. There's so many businesses at the top and the bottom of the free market ladder right now are hanging on by the thread due to cycling out of COVID-19. They added to the destruction of our economy.

Mayor Adams: Well, today we said to them, the ring leader and this entire crew, you won't need these items because we are going to ensure that you are incarcerated for defrauding our government and undermining our public safety. And now, after an investigation that lasted three years, they were finally brought to justice. And I cannot thank AG enough. We had a conversation about these issues and this shows how government works. Kathy Wylde brought this to our attention some time ago, during the beginning of the year, NYPD was already on the case, the AG, we shared it in a conversation, and we realized the focus on this important issue. And today we have successfully brought to justice one of the ring leaders. This is a message for the other ring leaders, that this is unacceptable. But there's another hidden hand here that we

constantly find at the heart of some of the issues we're facing. Social media, eBay, Amazon, all the other sites that sell these items.

Mayor Adams: There needs to be a red flag. If these items are continuously being sold with one vendor, they're not manufacturing these toiletries. Artificial intelligence can start identifying the patterns, from gun violence to illegally selling goods to terrorism. It's time for social media giants to step up and stop putting profit over public safety. And we're going to continue to say this over and over again. Something that is in our lives is not being socially responsible for the people who are using their platforms. It's not acceptable, and we're not going to continue to stand back and let it happen again. I thank everyone for this investigation in general, and specifically the AG for taking the leadership role here. Thank you.

Attorney General James: Thank you, Mr. Mayor, for focusing on this issue. Because we all know that last summer and fall, storefronts throughout the City of New York were being ravaged by theft. And one of the individuals who brought it to our attention is Kathy Wylde, the Partnership for the City of New York as well.

Kathy Wylde: Thank you, AG. And on behalf of all New Yorkers, thanks to you, the law enforcement team, your team that are here today, and thanks to our mayor for his laser focus on public safety. For the business community and particularly for their employees, this is a major breakthrough, and we're so proud as New Yorkers that once again, we are at the forefront of dealing with organized crime in the digital economy. And it's been tough, but you did it. And, and thank you so much. All of you. The business community has been very worried about the undermining of our civil order because of these mass thefts. We have seen dozens of stores close. We have lost thousands of jobs because of this activity. The workers in these stores have been terrorized, and this is a major breakthrough. And hopefully, as our mayor said, this is a lesson, a warning, to all who are trying to disrupt our city through criminal activity of this kind. So thank you all so much. Thank you.

Attorney General James: Now I'd like to bring up the NYPD commanding officer of the Central Robbery Division, Deputy Inspector Nicholas Fiore, who oversees the Grand Larceny Division at NYPD and who was our partner as part of this investigation.

Nicholas Fiore, Deputy Inspector, Police Department: Thank you, AG, Mr. Mayor for your support. Everyone, I'm Deputy Inspector Nicholas Fiore. I'm the commanding officer of the NYPD Central Robbery Division, and most recently, the Grand Larceny Division, which oversees this case. We're here to talk about an important long-term investigation into a sprawling criminal theft and fencing operation, and the harm New York has suffered because of it. And to talk about the justice your NYPD and our law enforcement partners have now delivered amid New York City's ongoing recovery. This case involves a criminal enterprise that victimized New York City businesses, many hanging on for that financial life, amid the ongoing strain of COVID-19. The details, the actions of a ring leader who assembled a team of criminals, including many recidivists with lengthy criminal histories, to advance an illegal retail theft ring. It highlights how the ringleader selfishly prayed on some of those he employed in this criminal behavior.

Fiore: But mostly, the 17 count indictment unsealed in court today shows that law enforcement was here to identify the problem, investigate it, address it, and work together to achieve justice. If there is a case that defines the NYPD's relentless and intelligence-driven pursuit of justice for all, this is it. I want to thank the NYPD detectives, the State Attorney General's office, investigators, prosecutors, Homeland Security agents, and all others who worked over the last three years to meticulously piece together these mountains of evidence. Who patiently ensured that every person responsible for these crimes was identified, who never gave up, who never forgot. This is our mission, to keep everyone safe, to ensure a climate in which New Yorkers can thrive and prosper free from the threat of crime and disorder. Retailers cannot endure hundreds of thousands of dollars in losses.

Fiore: The NYPD is a police department dedicating to rooting out these criminals and this case exemplifies our success in doing so. It is critical work because it comes as we are all emerging from a period in which we have fought through the strains of COVID-19. This case represents our success in reemerging. The NYPD will always proudly do its part to do all it can to stop this kind of law breaking. I, again, want to commend all that worked on this case. So hard to bring us to a successful conclusion. This isn't over. We're gonna continue with this with our partners here. We show that collaboratively, the entire city can work together through this. Thank you.

Attorney General James: Thank you, Deputy Inspector. Thank all of the detectives. And of course, we want to thank NYPD. Now I'd like to invite Sarah Shaw, the Vice President and General Manager of Bloomingdale's 59th street. Flagship Bloomingdale's was a target in this scheme, and we thank them for cooperating with law enforcement,

[...]

Attorney General James: Thank you. Thank you so much. You know, I'm part of a team, although I'm the attorney general, I'm part of a team and, and all that the great work that we do here is because of all of the wonderful individuals who work for the Office of the New York State Attorney General. Someone who I have the honor and privilege of working with is a Deputy Attorney General in our office who is in charge of the Organized Crime Task Force. Her name is Nicole Keary and she does great work. Ms. Keary?

Nicole Keary, Deputy Attorney General, Organized Crime Task Force, Thank you. Good afternoon, everyone. OCTF's mission is to identify, control, reduce and prevent organized criminal activity. Today's indictment is a great example of our continuing dedication to that mission. I'd like to thank AG James for her unwavering support of the Organized Crime Task Force. I'd like to recognize the dedication of our law enforcement partners, specifically the NYPD grand larceny division, detective Catalano, and my detectives, Detective Fleming and Laspina, particularly, for identifying this, not for just a string of unrelated thefts, but the foundation of a widespread, organized theft ring.

Keary: Organized retail theft is not a victimless crime. Innocent consumers, employees, local communities and business owners bear the costs of rising retail theft. The charges in the now unsealed indictment reflect the brazenness of these individuals stealing goods at a prolific rate, sometimes returning to Rubinov's several times a day to sell their stolen property, often for pennies on the dollar. The charges also reflect the unrelenting and inexhaustible greed of Rubinov and his organization. There was no product too small for Rubinov to fence. As long as it had resale value, it was fair game.

Keary: The investigation exemplifies the strength of our law enforcement partnerships and the powerful results that those partnerships can produce. It is work that we are committed to continuing, and I look forward to continuing that work with all those present here today.

Keary: I'd like to thank my team. Without them, we would not have had this case. It was a very, very long time coming, but everybody was very diligent in their hard work and dedication. Detective Brian Fleming, detective Mary Laspina, Brandi Kligman, the prosecutor, our legal support analyst, Christine Cintron, and my entire OCTF staff, their

hard work and dedication to the very work that we do each and every day. Thank you so much to everyone. Thank you.

Attorney General James: Thank you, Nicole. Before we open it up to on topic questions, I also wanna thank the team in the office who worked on this day and night. Detective Brian Flemings, Detective Mary Las pina, Detective Rachel Machen, Co-Detective supervisor Cheryl Munez, Detective Supervisor Paul KIS, Gorski Principal Auditor Megan Cullet. Downstate OCTF Deputy Chief Andrew boss, Chief Investigator of Oliver Pu-Folkes, a CT OCTF Assistant Deputy Attorney Brandy Clyman, OCTF Legal Support Analyst Christine Citron, OCTF Downstate Deputy Bureau Chief Laura Abanati. Of course we wanna thank Deputy Attorney General in charge, Nicole Keary. And of course the chief deputy attorney general, the division for criminal justice, Jose Maldonado. Let me also go on to just describe some of the charges. Again, the charges are enterprise corruption, which is a B felony, money laundering in the first degree, a B felony, money laundering in the third degree, a D felony, criminal possession of stolen property in the first degree, a B felony, criminal possession of stolen property in the third degree, a class D felony, grand larceny in the third degree, class D felony, conspiracy in the fourth degree, class B felony, criminal use of a public benefit card in the first degree, an E felony, criminal possession of a public benefit card in the first degree, class D felony, welfare fraud, a D felony. And some of these charges, the enterprise corruption charge is a bail qualifying offense, and we are seeking bail for all 12 individuals charged with enterprise corruption. Some of the other defendants will receive bail as well because they are recidivous. Any questions on topic And direct your question to... yes.

Question: So, what I'm wondering is [inaudible].

Attorney General James: So let me just say that this investigation is ongoing. We're looking at other schemes and I'm not gonna speak for NYPD, I'll let the Deputy Inspector speak on behalf of this crime. But as you know, as I mentioned, last summer and fall, this was a major issue with a number of smash and grab incidents. We've been hearing it over and over again, and this was in our attempt to address and to suppress one particular team and also to send a message out there that the mayor reiterated that this will not be tolerated in the City of New York. And our investigation is not completed. Deputy Inspector?

Fiore: To your point. So now we've taken the NYPD Central Robbery Division who oversees, let's say, shoplifting robberies and the Grand Larceny Division that can get into the fraud. And we combine them together into one big family. Now, this is something we're looking at heavily. You have your youth crews that are gonna go inside. They're gonna swipe, they're gonna take. And then you have your organized crews. This investigation is based off of three separate patterns of shoplifting. It was stealing bags, and to another point, they were actually doing unattended bags, taking credit cards out, and taking the credit cards and buying the gift cards in turn and then selling 'em to him. So it was really, really well thought out. Now, Mr. Rubinov himself prays on the week, prays on people who have tremendous narcotics history, tremendous petty crime history, and was able to pay them anything they can, especially during tough times. We're now able to, through both divisions, to debrief and interview all of our people that come in, especially on shoplifting and boosters and such things like this, and try to gain this Intel based off of stuff like this. So this case itself is spinning, I don't wanna call it a part two, but into another case. And these cases tend to do that, and this will spin off into another case. So these are things that we are looking at, but shoplifting is definitely an issue that could lead into this.

Question: [Inaudible].

Fiore: Right, it was an opportunity for them to make, to actually, it was almost like a job for them. So what happens is, is when they start to steal the product, it's very hard for them to go out and sell it for a good amount. Every product that they knew to sell, they knew what they were going to get. Such as your Vichy or your No7. If during this investigation, he would say, "Well, the markup or the want on this item itself, it's high end, high demand. I can make \$2-3 more per product." When you sell that on eBay marketplace, usually you're selling it as a pack of 12, pack of 24. You're making a fortune on it. He knew what was a hot item, that perpetrator knew to go to get this certain item specifically targeted. He had direction. They had direction on what to do. So, yeah, it's a little bit more direction for them to go out. Instead of saying, I'm gonna take a chance, shoplift, take as much stuff as I can and then what am I gonna do with the products, sell them on the street? They were able to get more money, they had concrete... It's like a job for them. They were able to do it constantly.

Question: [Inaudible].

Fiore: They would. So they were not armed. So this is a good point to the Central Robbery Division. So Central Robbery Division takes the armed... So say you're going to Duane Reade, you steal stuff and a lot of times you'll see the security guard. He'll say, get outta the way I have a knife, that'll turn into a robbery. Now, we can consolidate that and put that all together through grand larceny and robbery. But none of these that we were able to report had a knife or a firearm or any weapons in these robberies or grand larcenies.

Question: The question is these, are gang are part, or is this part of these gangs in SoHo that [inaudible] they would like, you know, get there, identify a location [inaudible], you know, rental vehicle.

Fiore: No. So we're not seeing any vehicles or anything like that. So these are perpetrators that have a tremendous long history of boosting, shoplifting, stealing, and coming in and out, nothing as sophisticated as taking a car and setting that up. On the robbery side? Yes. When we see that, we do see that, but on this side with the boosters, we have not seen any of these perpetrators have any cars, walkie-talkies. Cell phones? Yes. You know, cell phones obviously built the investigation, right? Everybody had contact with Roni Rubinov.

Question: Were these separate meetings or were they coming [inaudible].

Fiore: Certain smash and grabs, yes. During the certain period that we had on COVID, certain smash and grabs, yes. We would have that. We did have high end Louis Vuitton, Gucci stores and stuff like that, that we had crews from Brooklyn coming in and going back to Brooklyn and doing it that way. Yes. This wasn't a part of that. This wasn't any to do with that. This was going into Duane Reade and doing that unattended bag dips, going into a location, a restaurant, you put your bag the back of your chair. I'm gonna take, I'm gonna dip. I'm gonna take your say, wallet, take that credit card. I'm gonna go swipe it for gift cards. I'm gonna take the gift cards. I'm gonna sell 'em to Roni. Roni's able to swipe them in his store and he's making money. And the credit cards are nulled... Yeah. Many are from Bloomingdale's, many different stores, but they would take anything. They can worth the, like, if you look at Roni, he would buy Starbucks pods. He bought coffee pods. There was nothing too big or too small for him, you know? He took pods and he sold K cups. He stole Vera...

Question: [Inaudible].

Fiore: So he lived a great, great life. He has a wife, he has a \$2 million house in Fresh Meadows. He lived a great life, right? And he was taking the EBT cards and he was paying less for groceries and stuff. He counted every dollar that he had. He was extremely smart, but he had a warehouse. He wanted to create a department store. There's a photo of, as you see right here, he had a department store. Anything you needed on eBay, he had for you. Whatever you needed. Dress, you could have gone on his site and you could have found anything you want from, like I said, coffee pods to dresses from Bloomingdale's.

Question: [Inaudible].

Wylde: Yeah, I've had significant reports, particularly drug stores. One of the big drugstore chains has closed 40 stores in the city. I mean, it's big numbers.

Question: [Inaudible].

Mayor Adams: Yes, we zeroed in on it. And the police commissioner and her team, you could reach out to their team and find out exactly where the initiative is, is already underway. Everything that include paid, detailed officers at many of the sites that have been targeted as Kathy stated, the drug stores have been real victims of this, utilizing the paid details, utilizing the constant people who participate in these types of thefts. And also our high end locations, our Fifth Avenues, our SoHos, having additional SA, special assignment officers in those areas to look for those traditional people who have historically participated in this type of crime, but for fuller of details, you could reach out to the police commissioner cause she enacted the plan.

Question: [Inaudible].

Mayor Adams: Combination, combination. Use intelligence to identify when individuals are in the area, understanding who's wanted for carrying out the action, using the video to know who are the historical people who carry out these actions. These are gangs and groups that have often been connected to not only the thefts, but connected to other crimes. And that is our focus. Our focus on, as I say over and over again, there's a small number of people that are career criminals. If they're not in the stores, shoplifting, participating in organized crimes, they're doing robberies somewhere. They're doing stick up somewhere. This is the same groups of people that are carrying out these acts. We need to identify them, arrest them, and make sure our court system prosecute them.

Attorney General James: But let me also go on to say that when the Mayor of the City of New York was elected, he reached out to me given the fact that this was a major problem in the City of New York. And part of it is working together and coordination and connecting the dots at all law enforcement that we all recognize are all part of one team. Question, yes ma'am.

Question: [Inaudible].

Fiore: Well, this was a three year investigation and \$3.8 million of goods. It can all vary depending on what this particular person is going to sell or how big the operation gets. This guy built a massive operation for three years, plus. So he was able to find out what the markup was on certain items. So everyone's very different on what they expect

Question: [Inaudible].

Fiore: I'm gonna be honest with you, I can't compare this to anything that we have right now. Just thinking back to what I have going on right now, nothing to this dollar amount or length that we have right now. So nothing to this detail, an enterprise he built. We don't see, you know, it's not that often, but again, it takes time and manpower and a lot of help to get to that point. So nothing at this point.

Question: [Inaudible].

Fiore: It's large because, A, it build up over a long amount of time. B, the stores obviously were closing and they were taking a certain amount of stuff. And C, as the business progressed, he progressed, he evolved, right? So as he was making a certain amount of money, he brought more team members on, right? So you'll see that people are getting charged with certain things. One of 'em being is that he brought in a computer tech, he changed the Google algorithm in order to take himself, when you would, say No7 or Vichy on a Google, right? What do you click? You click the first or second or third thing. He moved the Google algorithm. He had a tech for, and he moved it up. And he played with the algorithm of Google to move his business up on the totem pole for eBay. So he got super technical and he was able to pay for that. He put money back into the business. He sure did pay these technical people. He had a hierarchy. He had a hierarchy, he had three people that was with him. He had techs, you know, he had females that were moving dresses. So he got very sophisticated as he moved along, but he had to have money to do that. So...

Question: If convicted [inaudible].

Attorney General James: So the corruption charge, again, there are 12 defendants being charged with enterprise corruption. If convicted, these individuals face up to 8 and a third to 25 years in prison. It's also important to understand that this started in 2017. Our investigation began in 2019. This individual had clerks. He had individuals to do inventory. He had individuals to go and shop and to ship some of the merchandise on board. It was a complete operation and he was moving up to creating an entire store in Queens

Question: [Inaudible].

Mayor Adams: Well, I think that we saw the impact of shoplifting on different levels. You know, I keep using the analogy of many rivers and there are many rivers. Some people are dealing with real economic challenges. And that's why I was imperative for us to have programs in place to help people with their basic needs. But there were those who saw it as crime of opportunities. They created these organized schemes around disorder and erosion of quality of life creates an atmosphere where professional opportunists utilize that erosion to carry out their illegal actions. And that is the primary reason why we can't allow the erosion of quality of life in our city. People are taking opportunities of the over-proliferation of guns. They're flowing guns in the city. You can get a gun anywhere and everywhere if you desire in this country, it appears. And so we can't allow the erosion of quality of life because that presents opportunities to the professionals that use it as a way to carry out their deeds. And so, there's a host of reasons that people were shoplifting, but today is sending a strong message that we are not ignoring it. Shoplift is often dismissed, but it destroys the economy. It stops jobs. It hurts the bottom line of those who are doing businesses in this city. And that's why the AG and the Police Department took it seriously.

Question: [Inaudible].

Mayor Adams: Yeah. We get those exact numbers for you in shoplifting. The police commissioner in our morning calls, we know that shoplifting is hurting our overall economy. We don't write it off. We know the impact of it. And so we get those exact numbers for you. And also the commissioner on our team will roll out the actual plan of attacking this, because this is very serious to us. And when I talk about eBay, there's something called artificial intelligence. We use it to create the algorithm to give people

to go on websites. We use it to create the algorithms to determine what products are going to sell or not. Why aren't we using it to identify when there is criminal activity?

Mayor Adams: We have completely ignored that people are using social media for criminal activity. And the industry, which we are going to bring together, the industry can't continue to take the position that this is an attack on the right of free speech and free communication and free commerce. It is not. This industry is moving at a pace that's faster than what law enforcement is able to keep up with, with the bad guys. Everything from selling gun parts online, to selling stolen goods online, the industry must align itself with public safety. That is the key here. And right now it is not aligned. It's aligned in many cases with people who are disrupting our public safety. That has to stop.

Attorney General James: Last question, because I know that the Mayor of the City of New York has a tight schedule. But let me just close by saying this, that a functioning economy is critical to capitalism and any disruption to that obviously impacts our economy overall. This is an ongoing investigation, but it's also important that everyone understand that the mayor and I, as well as law enforcement all across the state will also focus, a clear focus on guns and violence throughout the state.

Question: Yeah. Why are you connecting with the pandemic era...

Attorney General James: When we did what? I'm sorry.

Question: When you rated his pawn shop in January, 2020, how is it connected to the pandemic era?

Attorney General James: So, and...

Fiore: So the beginning of this case was based off of numerous patterns and debriefings, right. So as we went through the pandemic itself, it became more rampant. Not saying that he specifically built his business on it. He happened to still take advantage of the pandemic time and still have them boost when it was a little bit easier for them. Where people were ward down on their lock when the pandemic hit, he was able to get more boosters. He didn't have the 21 boosters that he had all at that one

time. There's still a two year period or a year and a half period where he still built an enterprise and built... Got boosters.

Fiore: One booster leads to another booster to another booster. When shoplifting during the pandemic grew, it was an opportunity for other boosters who were down on their luck to do it as well. He's a recruiter. He's a businessman, he's a recruiter. He recruited during tough times and he did it. So he started to build it in 17. It got, like I said, he used a lot of money to put into the business and was able to utilize the pandemic to advance his business and this is the issue here. But he was a smart man. He's a business man and he built it through the pandemic to his advantage.

[...]

Question: I'm wondering yesterday, as the governor said she'd like to the [inaudible] AR-15 and the school's chancellor said that maybe it's time it should lock the doors. In your view as attorney general, are the most productive two takeaways for how to do something about surge of guns, [inaudible] lock the doors. Is there anything else you need in the aftermath of Texas that can be done in New York State to limit the proliferation?

Attorney General James: We're looking at all of the proposals, but at the end of the day, the solution to the over-proliferation of guns is reasonable gun reforms on a national level. Thank you all for coming,