

some time had been visiting their offices and had been making a nuisance of himself before a group of their female employees. They had called in the local police department who had apprehended him and he readily admitted his guilt. In the police investigation, it was determined this was a du Pont employee. When we receive this kind of information, we decide on what course of action we will take, since each situation must be handled on its merits. In this case, however, the investigation had shown this man had been in no police difficulties, he had served his country and was recently graduated from college. In view of this background, I discussed with his departmental management what had developed. They informed me that they were very much interested in helping this individual and would appreciate our discussing this further. In a discussion with the police department, the police officials felt there was a good chance to rehabilitate this person; so in the company of an official of the police department, I was able to talk with the judge in his chambers before this man was to appear in court.

The judge, after looking over the facts, felt the same way. After satisfying himself that the people making the complaint were willing to see this man rehabilitated, he called him in and before us talked to the employee. He asked if our psychiatrist would examine this young man and send him a report in order that he might examine it and make a decision as to what course of action would be taken in the future. In due course, the report was referred to the judge who then advised us that he was remanding this employee to our care and that he wanted a report supplied by the psychiatrist periodically until he was satisfied this individual was returning to normal activity.

This case happened three years ago and today this young man is still a worthwhile employee with us and to all intents and purposes has assumed a normal life. This would never have been possible if it were not for the cooperation and teamwork shown by the police, court, medical profession and industry.

We are grateful to the police departments that keep us advised when our employees are involved or are becoming involved with a bad group of people. Not long ago, another industrial company mentioned that in an investigation they were performing, it appeared that one of our employees had become involved in bad company. This young lady might be heading for trouble. Since it was a police matter, this industrial concern had turned the case over to the police for investigation. A police officer called on me and asked if I could assist them by having this employee appear on her own time voluntarily for questioning. This employee was approached and she agreed to talk to the police at headquarters. Her testimony helped solve a difficult case,

but also developed that she had fraudulently made claims against an insurance company and had been involved in other matters that were in violation of the law. By bringing this to our attention, we were able to quietly assist the police in an investigation and conclude a case with a minimum of notoriety. To this day, fellow employees of this person only know that she resigned.

In conclusion, it appears that industry and law enforcement groups can and do work together, not only with respect to determining the qualifications of job applicants but also in solving other serious problems in a quiet and efficient manner. Of special significance among the latter are those cases where the way has been opened for the rehabilitation of a wayward but otherwise competent worker.

Security Coordination

BY F. J. MOSES, GENERAL SECURITY COORDINATOR
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My job in the Bell System is that of "security"—security of assets and revenues. In ordinary everyday English, this primarily means making sure that everyone keeps his hands in his own pockets as far as Bell System assets and revenues are concerned.

At this time, I want to emphasize that my personal job is that of a "coordinator." As you probably know, the Bell System consists of many different companies, most of them subsidiaries of the American Telephone and Telegraph Company. On the other hand, you may not have known that each of these 25 or so different companies that make up the Bell System, operate to a very great extent as completely independent companies.

My job is to "coordinate" all security work throughout the Bell System. Now "coordinate" is a big word, one that has many different meanings. But the meaning that I personally apply to the word "coordinate," is to "help the Security Organizations in the operating companies in every way possible, to do the best job possible."

Now, I would like to move to the subject of my talk. "It's only the telephone company." So said a "respectable" business man in a Southern city. The occasion was a recent conversation during which he'd attempted to enlist a Bell System employee's aid in beating the company out of toll charges.

Dishonest? Fraudulent? Cheating? Sure it is. But it didn't seem to strike the businessman that way.

What is it that makes us such a target for frauds and thefts of so many kinds—from the obvious lockpicking of coin telephones to the more subtle (and more costly) dodging of toll charges?

For one thing, the Bell System is big. This contributes to a feeling in some that we'll "never miss it." Some people treat "beating" a big company as a challenge—a game—and seem to savor figuring out new ways to avoid paying for services rendered to them.

Then there's the nature of what we sell—services. You can't see or feel a long-distance call. Folks who wouldn't consider taking 50 cents in cash have no compunctions about stealing 50 cents or even \$50 worth of calls.

With the advent and tremendous growth of Direct Distance Dialing, and the general spreading of knowledge about electronics, more people understand how our equipment works and are looking for ways to avoid paying for long-distance calls.

Then there are the real crooks (in the more commonly accepted definition of the word)—the ones who rob coin boxes or steal telephones and the gamblers who don't want records of their long-distance calls in existence. Of course, we are also concerned with the huge loss that we suffer through vandalism and malicious mischief.

And finally, despite the fine reputation for honesty deservedly earned over the years by the vast majority of telephone employees, there is the small group of employees who don't take their responsibilities for personal integrity and ethical conduct seriously. Any organization of the size of the Bell System, even with the most careful screening, is bound to come up with a few such people.

Roll all these factors together into a bundle, and we in the Bell companies have a tremendous problem—costing millions of dollars a year in loss of revenue and assets.

Now let's talk about two of our major problems.

Our "Number One" problem today, is fraudulent use of our long-distance network—"toll fraud" as we call it. There are several ways in use today to do this, and I'd like to mention them briefly.

First, there are "third number" charges. A person charges his or her call illegally to the number of another customer.

Second, a person making a long-distance call tells the operator that it is a credit card call and then proceeds to give the operator a fictitious credit card number.

Both of these techniques result in his not being billed for these calls—not until we catch up with him, which sooner or later we invariably do.

Then we have the electronic devices. There is a "black box" which is used at the terminating end of a call in order to bypass the billing

equipment. And in addition there is a "blue box" which is used at the originating telephone—also used to bypass the billing equipment. Some of this equipment—the blue box in particular, is very, very complex.

These various toll fraud techniques pose a sizable problem. We have over 64,000,000 telephones in service, and any one of these schemes could be used at any one of them.

The other problem is that of coin telephone larcenies. Now everyone is familiar with coin telephone service—and I'm sure you are at least a little familiar with some of our problems in this area.

First, I should point out that we have over 1,000,000 coin telephones in service throughout the country—coin telephones that are available to the public for most of the day. An increasingly large number of them are outdoors and available to the public 24 hours a day. And I guess that it's no secret that there can be quite a few dollars inside these boxes.

It is readily apparent that this is a bad situation. Boxes containing money, accessible at any time, are often located at places where no one is likely to interfere while someone breaks into them. All the elements of trouble—and I might say that we're having trouble with them—are there.

Now there are two entirely different types of individuals who break into coin telephones. First, there is the "strong arm" man with a hammer and a screwdriver or a pry bar, who breaks into the instrument by brute force. Generally, this man is an amateur—and is often an alcoholic or a drug addict. He needs a few dollars desperately, and tries to get it. He is the same type of man who holds up newsstands, or who snatches women's purses in the streets.

The other type of individual who removes money from coin telephones is quite different. He is a lock picker—an artist by comparison to the strong arm man. He goes directly to the heart of the problem by picking the cash compartment locks and removing the money. In contrast to the strong arm man who generally operates alone, the lock pickers generally operate as a gang. The normal method of operations is for the actual picker to be at the telephone in a booth, pretending conversation over the telephone. Others in the gang will stand around the door and shield the picking being done by the first man. In one case, one of the gang remained at their hotel room with a home-made coin sorting machine, busily engaged in sorting, counting, and wrapping the coins. These men move from city to city, and from state to state, generally trying to move on before the telephone company becomes aware of their operations.

One interesting sidelight is that one gang which was recently apprehended, traveled in the company of some known safecrackers. The story is that the coin telephone larcenists provided the traveling money for the safecrackers. Judging by the extent of their activities, they must have lived pretty high while they were traveling.

I think that what I've told you about our problems with coin telephone larcenies and with toll frauds point up one important fact—that is that the problems are nationwide. The coin larcenists move from state to state—and a high percentage of the toll fraud cases involve interstate calls. It is clear that there is a need for nationwide coordination in our efforts to combat these dishonest practices—that we need a Bell System-wide security network, with System-wide coordination.

I would like to stress the fact with you gentlemen that we are not professional investigators. Almost all of the men in our various Security Organizations are career telephone men—with no police background. In our work we will be looking to you for help—more than that, we will be depending upon your help.

Now "help" is a two-way street. We feel that our Security Organization will be of help to you. For one thing, our Security Organization will give you a single point of contact at the telephone company—instead of the three or four places you have had to go for help in the past. And this means that you will be dealing with a group that will have more knowledge of your work—more knowledge of your methods of operation.

This brings up another point. I'm sure that some of you have had experience with cases where we were reluctant to assist in the prosecution of someone caught stealing from us or defrauding us. Well, Gentlemen, you won't have to worry about the telephone companies' full and complete assistance in the prosecution of cases in the future. Where the case against the culprit is good, we will certainly ignore any offer by the individual to "pay up." We are in full agreement with the basic principle of law enforcement—that the best deterrent to criminal action is proper, and just, punishment. If an individual caught stealing only has to return or pay for what he has stolen, there is really no reason why he should stop stealing. There is a chance he won't be caught, and even if he is caught, all he has to do is return or pay for the goods—which puts him no worse off than if he hadn't stolen in the first place. The Bell System will assist in every way to assure proper punishment for individuals caught stealing from or defrauding us.

This leads me right into what is easily one of the most important aspects of our job—that of proper cooperation with the law enforcement agencies—with you people. We are fully aware that without

cooperation from you people, it will be much more difficult for us to do our jobs. Now, cooperation is sort of a frame of mind—one that is built up gradually over a period of time, or more particularly, one that is built up gradually over a series of mutually satisfactory experiences. We at A. T. & T. can't sit in our chairs and legislate "cooperation" any more than you can in your home towns. I will say, gentlemen, that we will be doing everything within our power to build up the proper relationships with you people, so that "cooperation with the law enforcement agencies" will become a way of life throughout the areas served by the Bell System.

We are moving together on a two-way street. I'm sure you would agree that the Bell System in many ways has helped you in your work. And I assure you gentlemen that we will continue to offer whatever assistance we properly can.

Our fields of work are parallel—you and I both are engaged in preventing fraud and theft; we both are trying by every possible means to apprehend the guilty parties.

Finally, I would like to mention something that is probably obvious to you—that is that although the Bell System is making great strides to improve our security work, our people have much to learn. We have already had System-wide meetings to discuss security. We intend to conduct training courses for our people—the first ones to be held this fall. We are keeping security and security problems in front of our upper management.

Transportation of Government Equipment Under Arms

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It isn't often that an Industrial Security Representative has an opportunity to speak to the varied law enforcement officials represented by this group at one time. Although it is my personal feeling that there are many areas of mutual concern between the law enforcement officials of this country and industry, both large and small, I will only discuss one.

Although my comments are made as a direct result of experience with a large GE Division, the problem which I will discuss is faced by many industrial concerns performing classified work for the government. When we refer to classified work, this is National Defense effort on which the company is a contributor. Specifically, I would