



v. *Palming*: To conceal in the palm of a hand, as in cheating at dice or cards in a sleight-of-hand trick

TICKET FRAUD

'PALMING', the art of hiding cards or money in the palm of the hand, was made famous when it was used to cheat at poker. Sly, turn-of-the-[20th] century card players would 'palm' cards in order to win. But palming in cinema ticket-

ing circles refers to a corrupt employee conspiracy to cheat management out of box office takings. In the past, when manual tickets were issued, they would be simply torn from a roll and sold to patrons by the box office cashier. Patrons then took their tickets to the doorman who, in turn, tore them in half. One half was returned to the patron as proof of purchase, the other placed into a ticket receptacle to prove attendance and, when later counted, the torn tickets worked as a double-check to balance the takings.

IDLE HANDS

So far, so good. But employees with too much time on their hands, and wanting more money, devised 'palming' as a way to

Annually, ticket fraud is estimated to cost the global Exhibition sector untold billions of dollars. In discussing 'ticket palming', past and present, ECI Prexy **Bruce L. Hall**, asks:

"Is yours a secure theatre?"

cheat the system and worked as follows. The doorman would become friends with the cashier and the two conspired to steal money. When patrons purchased a tickets, the latter would be torn from the roll by the cashier and upon the patron handing them to the doorman, they would be torn in two as before. However, the doorman only pretended to tear the ticket, but palmed them instead, handing back to the patron some previously-torn tickets that he had hidden in his hand. And since the patron wasn't expecting any sleight of hand, no one seemed any the wiser. When the doorman collected enough tickets he would take them back to the cashier for her to resell and then, when the cashier resold the tickets, he or she would pocket the money. This

continued until the end of the shift upon which the pocketed money would be split between doorman and cashier. Since there were no new tickets torn off the roll and the resold money was pocketed, the cash till contents would balance the

number of torn tickets and the original sums collected.

The modern-day way of doing this where theatres still use manual tickets – and indeed there are many, many Mom & Pop outlets across the USA alone that still do – is now even easier for rogue staff, and involves the doorman stopping in at an office supply store to purchase the same colour rolls as used in the theatre. As before, the cashier begins selling tickets from the correct rolls, depositing the money in the till as she is expected to. But when sufficient tickets have been sold and there's enough money in the till, she will alert the doorman and then begins selling from the rolls he bought. And pockets the money. The doorman, meanwhile, continues to give the

patron the same old previously-torn tickets while, in turn, pocketing the patron's ticket. Then, at the end of the shift, the pocketed tickets can be used to calculate the correct amount of fake tickets sold by the cashier.

CORRUPT

Subsequently, palming has evolved into 'a business within a business' and must be abolished if the main business of Exhibition is both to survive and prosper. Included in a recent article (*So, that's why they call it a pyramid scheme*) by Chairman of the Association of Certified Fraud Examiners, Joseph T. Wells, was example of a corrupt manager who skimmed \$30,000 from his movie theatre. During the slack periods, and when believing to be unobserved, the manager would print out and put aside a ticket. Then, admitting a paying customer but without issuing him the ticket, during the theatre's later busy period, he resold the ticket, pocketing the cash for himself. Repeating the routine, the complacent manager was eventually caught by an alert co-worker.



"If a [minimum wage] employee fiddles just ten \$6-tickets a shift, the annual cost to that theatre could be \$22,000... now multiply this by the number of screens [worldwide]"

COST

While the cost of ticket theft to the industry remains less-than straightforward to calculate – after all, companies thus ripped off tend not readily to publicise their misfortune – for a minimum wage employee, fiddling just one [\$6] ticket each shift represents an hour's wage 'earned' within just seconds. Therefore, ten fiddled tickets out of, say, 500-1,000 sold each day, represents \$60. Even applying such conservative guesswork, the annual loss here would represent some \$22,000 for just one small theatre. Now multiply this by the number of theatres at which this potentially could be done in the US alone, and the results become staggering.

One way to control ticket theft is to use computerised ticketing systems that print the ticket each time a sale is made. Such types of ticket cannot be bought in stores, neither can they be faked. However, there are other devious methods able to balance admissions with the money exchanged and will be covered in the next article.

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