Thieves Seek Restaurants’ Used Fryer Oil

By STEVEN YACCINO

Companies that collect used cooking grease from restaurants across the country have turned to all forms of sleuthing in recent years. Private investigators. Surveillance cameras. Rigged alarms. And still, containers full of used fryer oil are slipping through their fingers.

For years, restaurants had to pay companies to haul away the old grease, which was used mostly in animal feed. Some gave it away to local gearheads, who used it to make biodiesel for their converted car engines.

But with a demand for biofuel rising, fryer oil now trades on a booming commodities market, commanding around 40 cents per pound, about four times what it sold for 10 years ago. That makes it a tempting target for thieves, especially in hard times.

California and now Virginia have enacted special statutes to regulate grease collection from commercial kitchens; North Carolina legislators may vote on a similar law in May. But while some law enforcement agencies, especially in California, have become increasingly watchful about the problem, the courts have lagged behind.

“It’s very difficult to get district attorneys to take it seriously,” said Douglas Hepper, head of the California state agency that regulates the disposal of grease. “They’re busy with murders and meth labs and they have limited budgets themselves, so they have to set priorities.”

Few cases go to trial, and when they do, the offenders often get off with no more than a small fine and hit the streets again to siphon off some more, he added.

An episode of “The Simpsons” from 1998 has Homer Simpson trying to make a quick buck selling grease, but for years, law enforcement authorities seemed unaware that fryer oil was being stolen by unlicensed haulers, causing millions of dollars worth of losses each year for the rendering industry that collects and processes the grease.

To be fair, it is not the easiest sell to prosecutors. Jon A. Jaworski, a lawyer in Houston who represents people accused of stealing grease, said that in the early 1990s he had won more than a dozen cases by arguing that grease should be considered abandoned property and therefore free to take — like Dumpster-diving, just oozier.

The grease is often stored in black Dumpsters that reek of death, in back alleys, which is why pickups usually take place in the middle of the night.

But the rendering industry has been trying to lock down the growing market, driven by demand for biodiesel, from freeloaders. Many restaurants now have contracts with collection companies to sell their grease for about $300 per container.

As companies have invested more time and money in lobbying efforts, the police have started to take notice. Randall C. Stuewe, chairman and chief executive of Darling International, the largest publicly traded rendering company in the United States, said it had recorded 100 arrests in 2011.

California has taken a lead in the crackdown on grease theft. In October, the state’s Department of Food and Agriculture began a program with local police departments to target areas most often hit. As of early December, the police had caught and cited five people suspected of grease theft, and they will probably pay fines. They will announce full results from the pilot program soon and expand it to other parts of the state, Mr. Hepper said.

Turning arrests into convictions with punishments large enough to deter future theft is rare, in part because of how hard it can be to determine not just the value of the stolen grease, but also
how much was stolen and from where. The thieves typically strike at multiple restaurants on one night, carting away the grease in tanker trucks or barrels in the back of a van.

Out of frustration, larger companies like Darling have started hiring lawyers to press civil charges against pilferers in a bid to recoup losses. “The reception in municipal court is very uneven,” said Steven T. Singer, a lawyer in New Jersey hired by Darling. “You’re reliant upon the prosecutors, so you got to get them to understand the seriousness of this, as well as the judge.”

In the past couple of years, Darling, which has about 2,000 trucks that pick up grease at sites in 42 states, has filed two civil lawsuits against companies accused of taking its grease, and has received close to $60,000 in damages.

For smaller companies, like Sacramento Rendering, which services about 2,500 restaurants in Northern California, hiring lawyers for a battle in civil court might not be worth the cost. Michael Koewler, president of Sacramento Rendering, estimates that it loses about 50,000 pounds of raw grease per week — about $750,000 a year in lost revenue.

One night in late November, an employee drove his monthly route through Sacramento — a Burger King here, a Taco Bell there. He opened the lids of 22 grease containers. Only two had grease for him to collect.

“I don’t want to have to hire an attorney to go after all this stuff,” Mr. Koewler said. “I’d rather have the state, which is obligated to enforce the law, to do their part.”