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Black Market a Hot Spot for Stolen Crates

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For decades, college kids have used stolen **milk crates** as the basic building blocks of coffee tables and dorm room shelves.

Now, a new breed of crate rustler is cashing in by swiping thousands of the containers from loading docks and selling them to shady recyclers.

The containers are chopped into bits and shipped to booming factories in China to be made into a variety of products, from pipes to flower pots.

Facing an estimated \$80 million in annual losses from the thefts, dairies across the country are moving to stop the plastic pilfering. In California, companies are even hiring private detectives and staging sting operations.

"We saw them disappearing into this black hole," said Rachel Kaldor, executive director of the Dairy Institute, a trade group in Sacramento. "We just don't know who's stealing these crates off the loading docks."

In the past two years, the high-density polyethylene has joined a growing list of materials that are being stolen and sold via a thriving underground recycling network.

Among other things, thieves target **copper**, **aluminum bleachers**, **beer kegs**, even **cemetery vases** and **nameplates**.

It took a while for dairies to determine what was happening to their crates.

"If it were just college kids taking them, the dormitories would be overflowing with milk cases," said Stephen Schaffer, general manager of Alta Dena Dairy near Los Angeles.

The crates are made of petroleum-based plastic that has increased in value along with gasoline prices. The material now sells for 22 cents a pound, compared with 7 cents a pound in 2005, said Patty Moore, a recycling consultant in Sonoma, Calif.

Consumers can spend as much as \$10 for an "authentic" dairy crate at retailers such as the Container Store. Dairies pay about \$4 when they buy in bulk.

Last year, the industry lost about 20 million crates to thieves, said Clay Detlefsen, vice president and counsel of the International Dairy Foods Association.

California, the nation's largest dairy state, has taken the lead in the fight against plastic poachers.

Already hurt by the theft of milk-producing hormones and incidents of cattle rustling, the state dairy industry convinced legislators to pass a law last year that allows dairies to sue recyclers accused of accepting stolen crates. No cases have hit court yet, Kaldor said.