
HOT TOPICS Archives

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Ounce of Prevention: Worth Cargo Secure

Once while trying to find the office entrance to a transportation company, I decided to enter instead through a warehouse bay door. Finding the office was no easy task. I stumbled through 60,000 square feet of warehouse filled with name brand high value freight, loose open cartons of high-end wearing apparel, brand name computers and other delectables. During my journey I encountered numerous warehousemen and forklift operators who greeted me with a friendly smile and a manly nod. One small group of workers had gathered to share an espresso with a visiting trucker. A real hospitable bunch of guys. Since our firm was responsible for obligating one of our finer insurance companies to \$1,000,000 of coverage on the cargo in this "sitting-duck of a warehouse", I felt pangs of guilt seasoned with a dose of frustration with my freight forwarding friend's lack of security. I fantasized momentarily about loading my car with stuff and delivering it to the owner along with a cancellation notice. This place stood out like a lost German tourist sporting around Miami in a rental car with a placard on the side reading, "I'm lost, I have cash, a Rolex and my door is unlocked."

After some encouragement, this particular company did eventually implement a cargo security plan in all areas of the operation from warehousing to shipping. The cure ultimately was simple, inexpensive and revolutionized the thinking of my new warehouse buddies.

Here are some cost-effective security measures you might want to consider for your operation.

Warehouse Security

- Always conduct criminal background and drug tests on personnel.
- Randomly audit loads received. A popular game for dishonest truckers is to arrange with a warehouse receiver to sign for more cargo than actually delivered. Random audits will put all employees on notice that you are watching.
- Randomly audit loads being picked up. Another ploy is for truckers to coordinate with terminal loaders to release to them more cargo than stated on the documents.
- Limit access to facility. Have employees enter and exit through one door. Have a separate waiting area for truckers.
- Establish varying levels of security clearance among warehouse personnel. Put highest value cargo in rear of warehouse. Give only certain employees access to that area.
- Temporary Labor is dangerous. Remember - control, control, control.
- Do not release loads without getting a copy of the driver's photo ID.
- Equip your alarm with a wireless back-up system.

Trucking

- If your trucker doesn't screen their drivers thoroughly, don't use them.
- If it's high value and going far, insist on a driving team. Stops are lethal.
- Use trucks equipped with Global Positioning Satellite (GPS) that are monitored constantly.
- If it's worth a lot and the truck does NOT have GPS, hire a container escort.(\$75)
- Seal doors with locking bars or other high quality seal. (\$45).
- Note on documents at what time trucker left and/or arrived the terminal.

Packing

- For memory boards, hard drives and cell phones, there's nothing like wood crates (\$75).
- Airfreight pallets need to be built according to airline loading specs. If they are too tall, they'll be broken down and your freight will go everywhere.
- Never send consumer electronics, computers, computer components, pagers and cell phones as loose freight. Pay the extra few dollars to pack in larger non-descript cartons and then palletize, wrap and band whenever possible.
- Cartons, crates and pallets secured with a Toppclip seal or similar have proven effective at mitigating pilferage. (\$2 each)
- Use security tape that leaves behind evidence of violation when it is removed.

For more information

Hopefully you found some of these suggestions helpful. Check with a local security company to obtain the security devices mentioned. Also, Intercargo Insurance Company publishes a Best Practices Guide to Cargo Security that covers this subject in more detail. If you drop us a line, we will be happy to send it to you.

P.S.: Now when I join my warehouse friends in an espresso, we have to do it in a special little room outside the warehouse terminal.

Greg Kritz is Regional Vice President of Roanoke Trade Service's Miami branch. He consults and lectures on the subject and has held seats on various security councils and task forces.
