

Cargo Security

The hijacking of a truck represents the “spectacular” in cargo theft. However, this bold act accounts for only a small share of the total losses from cargo crime. According to most experts, the vast majority – possibly as much as 85% - of cargo losses can be attributed to employee theft.

Cargo security generally centers on three specific areas: at the terminal, while in transit, and at the destination. Since in-transit hijackings account for only a small percentage of cargo crime, clearly the key to reducing cargo losses is to focus on the prevention of theft and pilferage at the terminal, during delivery of the shipment, and while cargo is being unloaded at the destination.

This handout provides practical measures that can be used to improve the security provided to cargo. By establishing an effective security program that provides for the accountability of cargo at all stages of its handling, substantial reductions can be made in cargo crime losses. Information specific to hijacking prevention is not included.

Management Responsibilities

- Implement a cargo security program.
- Establish guidelines for the screening and selection of employees.
- Maintain liaison with local, state, and federal law enforcement agencies.
- Enclose the terminal with a perimeter fence. Where practical, utilize a fence alarm system.
- Maintain adequate nighttime lighting along the perimeter fencing, around storage structures, and in all yard and parking areas.
- Install a central station burglar alarm system to protect the facility during the closed period. Have the system protect all buildings and high-value cargo enclosures, as well as yard storage areas.
- Equip all perimeter entrances with secure locking devices and establish an effective key control program.
- Provide parking for employees and visitors outside the terminal enclosure.
- Require employees and visitors to enter and exit the terminal enclosure through one monitored door or gate.
- Require that all parcels be declared upon entry to the facility and inspected upon departure.
- Implement a badge identification system to regulate the movement of employees and visitors.
- Station guards at perimeter gates to inspect and manifest all cargo upon arrival at or departure from the facility.
- Maintain a log of all cargo seals and store un-issued seals in a secure place with access limited only to authorized personnel.
- Store all high-value cargo in cargo cages or other secure areas, and assign supervisory responsibility to one person per shift.
- Identify high-value cargo on bills of lading by code numbers or as general freight to conceal its identity.

According to most experts, the vast majority—possibly as much as 85%—of cargo losses can be attributed to employee theft.

- Restrict access into storage areas only to those employees so authorized.
- Separate the shipping and receiving areas as much as possible.
- Supervise the shipping and receiving operations, and utilize closed circuit television surveillance to deter pilferage.
- Implement a program of frequent, unannounced spot-checks, or audits of shipping and receiving operations.
- Rotate cargo personnel onto different shifts and locations, as practical, to limit the opportunity for collusion.
- Supervise trash disposal and salvage activities to prevent valuable items from being concealed in trash containers for later retrieval.
- Use kingpin locks to secure loaded cargo trailers and maintain a record of their use.
- Devise a parking arrangement for loaded trailers to prevent easy, unauthorized hook-up.
- Install truck alarm systems that provide for 90 day maintenance checks and keep a record of all service.
- Provide high-visibility identification for trailers (e.g., paint numbers on top for easy identification from overhead).
- Provide good locks for securing trailers during multi-stop deliveries, and establish written procedures for the proper handling of cargo.
- Select a reputable company when storing cargo in-transit. Determine beforehand that the storage location has adequate security.

Driver Responsibilities

- Inspect the integrity of cargo seals on departure from the terminal.
- Check operation of truck alarm before departure from the terminal.
- Do not to discuss the nature of the cargo with anyone.
- Establish a pre-planned route to the destination and deviate as little as possible from the route.
- Keep cab doors locked while driving, and do not to pick up hitchhikers.
- Park the truck in an area where it can be observed during relief or meal stops.
- Avoid parking in unlighted or remote areas.
- Remove keys from the ignition when leaving vehicle, roll up windows, and lock all door and compartments.
- Log-in with the dispatcher immediately upon arrival at a destination.
- Inspect cargo seals for tampering and compare seal numbers with shipping documents.
- Oversee the unloading of cargo.
- Obtain a signed acknowledgement for the receipt of cargo.

The loss prevention information and advice presented in this brochure are intended only to advise our insureds and their managers of a variety of methods and strategies based on generally accepted safe practices, for controlling potentially loss producing situations commonly occurring in business premises and/or operations. They are not intended to warrant that all potential hazards or conditions have been evaluated or can be controlled. They are not intended as an offer to write insurance coverage for such conditions or exposures, or to simply that Great American Insurance Company will write such coverage. The liability of Great American Insurance Company is limited to the specific terms, limits and conditions of the insurance policies issued.
301 E. Fourth Street, Cincinnati, OH 45202 F13628B-LP (01/13)

