

LOSS CONTROL DATA GUIDE

## Construction Site Security

Contractors know that construction site theft is a huge problem and a big business for the criminals. Industry experts estimate annual losses at roughly \$1 billion in the United States. The number of thefts and dollar amounts are increasing. Criminals think that the chances of getting caught are slim so they have become bolder over the past few years.

While criminals will steal just about anything on the job site, these are the more common target items:

- Copper wire and scrap metal
- Tools
- Generators
- Doors and windows
- Plumbing supplies & fixtures
- Loaders
- Backhoes
- Bobcats

Remember, many of these items may fall under insurance deductibles and therefore the contractor bears the brunt of the loss. High dollar thefts could cause difficulties in finding insurance coverage.

Most thieves have an intimate knowledge of the construction industry. They know what to steal, when to steal it, where to still it and where to sell it. An estimated 90% of equipment thefts take place between 6pm Friday and 6am Monday.

Law enforcement and construction industry professionals in Florida — a state with the second highest incidence of heavy equipment theft after California — cite common reasons for thefts, such as: construction vehicles often use the same key to simplify operations; older and existing equipment lack 17-digit vehicle identification numbers; many sites are open; and subcontractors and deliveries constantly flow in and out of sites.

### What Can Be Done?

- Establish a written job site security plan and assign supervisory security responsibilities.
- Encourage security awareness among all workers and require prompt reporting of incidents of theft and vandalism.
- Maintain an inventory control system for all equipment and tools. Keep careful ownership records. Find numbers on each machine; write them down and identify where the numbers are located; take pictures of large ticket items. Keep this information readily accessible.
- Mark your equipment with an identification system, such as a driver's license number (State initials, number, followed by DL) It is the only traceable number in all 50 states. Weld company name on equipment. Put numbers in two spots: obvious and hidden.
- Disable heavy equipment before leaving job site. Universal keys can be easily obtained. Taking out a battery or removing a steering wheel may discourage a thief. Disable equipment with hidden switches.
- Install anti theft devices on equipment: fuel cutoffs, hydraulic bypasses, track locks or alarms.
- Install GPS on larger pieces of equipment.
- Lock oil and gas tanks caps where possible as a means of deterring vandalism.
- Try not to leave equipment in remote areas. Park equipment in well-lighted secure areas.
- Keep equipment and supplies locked in securable storage sheds.

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- Keep expensive items off of a job site for as long as possible.
- Install fences that limit all accessible entry points. The National Equipment Registry recommends adding a fence around the site and augmenting it with motion sensor lighting and an alarm system. Walk the perimeter on a regular basis to look for breaches where someone could enter the site and repair it immediately.
- Provide for nighttime lighting of the site.
- Provide parking areas outside of site for employees and visitors.
- Post trespass warning signs. This could elevate the theft from a misdemeanor to a construction site felony crime.
- Other signs to post include:
  - "Private Property"
  - "Vehicles may be searched"
  - Contractor's and builder's contact information
  - Reward program signs
- Use surveillance cameras. The idea of being caught on video may deter some criminals.
- Change padlocks on gates and around site several times during construction.
- Hire a reputable security firm to patrol the site especially on weekends, holidays and preferably during nighttime hours as well.
- If you use a keyboard to store equipment keys, make sure it is not easily accessible after hours. It should be securely locked or removed from the site.
- Build partnerships with local suppliers and scrap metal companies.
- Talk to the local communities and businesses and ask for their support.
- Make sure local police have after hour contact names and numbers to call for suspicious activity and/or thefts.
- Promptly report all losses to the police.
- Be willing to prosecute.**

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 imply 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.