



Preventing Construction Theft

Theft from construction sites is increasing every year. Some national surveys estimate such thefts cost as much as \$1 billion annually in direct losses and indirect costs, such as rentals, downtime, wasted management time and overrun penalties. The actual cost is hard to pin down, however, because many incidents go unreported and indirect costs are difficult to calculate.

It's a busy day on the job site. Many different trades people are working on the project. As your crew takes a break, a truck pulls up and a man in construction gear climbs out. He nods at you as he walks over to a gang box. He takes a few tools, puts them in his truck and drives off. Nothing unusual, right? Wrong. You've just witnessed a crime! The truck driver isn't employed by the general contractor or any of the subcontractors, but because he looked and acted like he belonged on site, no one questioned his actions. When the theft was discovered two hours later, the thief was long gone.

Why is construction theft such a problem?

Thieves are always looking for targets that present little risk and high returns. Construction sites often fit the bill. There is often little or no security, and the equipment is easy to sell and brings a good price. If a thief is caught, the penalty is often light.

Who's at risk and what is stolen?

Any construction trade contractor is at risk for construction-site theft. Thieves take anything on the site: tools and toolboxes, appliances, lumber, drywall, plumbing supplies, gang boxes, trailers, skid steers, backhoes, loaders and electrical supplies. The list is seemingly endless.

What can you do?

Put yourself in a thief's shoes and then take a look at your own site to see where you're vulnerable. There are lots of things you can do to prevent theft. Here are some suggestions.

- » Arrange for just-in-time delivery. Don't have supplies arrive at the site early or on Fridays and go unused for days or over the weekend.
- » Plan for storage areas on site and secure them using fences, lights and guards. Post no trespassing and warning signs.
- » Keep an inventory of equipment. The inventory should include photos, the product identification number and a die stamp with your company's identification number. Periodically review and update the inventory.
- » Consider participating in a neighborhood watch or good-neighbor program.
- » Anchor and immobilize equipment. Equip mobile equipment with a disabling device for the ignition, immobilization device for the transmission or both.
- » Use a satellite tracking system, such as LoJack, for high-dollar equipment.

- » Join a crime prevention program or start your own. Offer a reward for information on site thefts or vandalism.
- » Beef up your control of keys. Keep track of who has keys and where they are kept.
- » Do not leave padlocks open during the day. Thieves can easily replace your lock with one of theirs so they have the key to your trailer or gang box.
- » Mark all your tools and equipment. Consider color coding tools and lumber. Not many people will take a neon-red hammer!
- » Get to know the people you are working with. Become familiar with the other contractors and tell them if you're changing personnel and ask them to do the same.

Which site do you think he will hit?

Our thief drives by a job site to scout it out as a potential target. He notices the site is clean and orderly, all the equipment is parked in well-lit areas, and there are warning signs about a neighborhood watch and a reward for information on theft. Access to the site is limited and all equipment is well marked. He doesn't feel too good about this job site, so he drives down the road. Eventually he finds what he is looking for: a site with no signs, no lights and lots of equipment lying around. He takes another drive by. It's an easy target. Let's make sure it's not yours.

For more information about American Family's Loss Control Services, visit www.amfam.com

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