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Contractor Theft Protection

Last year alone, the construction industry had over \$3.5 million dollars in tools, equipment and materials stolen from Contractors, and this number is on the rise.

Stolen tools, equipment, and materials can have a financial impact on the contractor. The cost to replace stolen property, lost time, delayed contracts, and increases to insurance premiums can be significant. Thefts occur both on and off premises but measures can be taken to prevent losses in both circumstances. A comprehensive theft prevention program includes strategies for protecting vehicles, construction sites, show homes, and your own premises.

Vehicles

Contractor vehicles typically carry an assortment of tools, equipment and materials - power tools are especially attractive to thieves. Because of the company's identification on the exterior, thieves know the contents of a contractor vehicle. Service vehicles are easily recognizable and therefore, targeted. Some possible proactive steps may be:

- High target theft items should be removed from vehicles during non-business hours.
- Vehicles should be stored inside a secure compound or building.
- High target theft items should be secured inside the vehicle with lock boxes, chains, cables and padlocks.
- Vehicles should be equipped with interior rear compartments separated from the driver's compartment.
- Vehicle's cargo area should not have windows.
- Locking hasps can be added to vehicle doors, supplementing the factory installed locks.

- Vehicles should be parked in locations that minimize the opportunity for theft. This applies during business and non-business hours.
- Vehicle alarms can be used to supplement other security measures but should not be used as the only theft deterrent.

Construction sites

All contractors are aware of the potential for theft of materials, tools and equipment from construction sites and that security measures must be taken to protect these items. Some measures may be:

- High target theft items should be removed from the site after the workday.
- Use lock boxes to store tools.
- Ladders or other hard to secure items can be protected with grade 70 chain, steel cable, or professional series padlocks.
- Materials should be installed as soon as possible after delivery.
- Surround the site with a fenced compound.
- Install a monitored alarm. Wireless alarm systems are available with motion sensors, door contacts, vibration sensors and cable locks. These systems are designed for contractor applications and are very versatile. They can be moved between job sites as necessary.
- Hire a security service to patrol the site.



Knowing your business matters.

Buildings

Contractor offices and warehouses must be protected as well. Please see the Partners In Prevention bulletin - Burglary Prevention for information on building security.

Show homes

Show homes are targeted more frequently as they are not usually occupied at night and thieves know this. To reduce the possibility of theft a few suggestions follow:

- Monitored alarms can be installed on a permanent or temporary basis. Wireless alarm components can be moved from home to home and provide good protection.
- Light up the home's interior and exterior. A well lit home will discourage thieves.
- Have a security service patrol the area. Several homebuilders may share in the cost to keep expenses down.

Incorporating theft prevention into your day-to-day operations will reduce the incidents of theft, avoid the associated inconvenience and make your business more profitable.

Partners In Prevention

At Federated Insurance, we believe Loss Prevention is a critical component of your Risk Management Program. Your Risk Services Coordinator and our Loss Prevention Team are available to assist you in reviewing your specific situation and recommending ideas to help you protect your property. Working together to reduce your loss exposures, ultimately impacts your bottom line!

Federated Insurance provides this Loss Prevention Bulletin as a service to our policyholders and their business advisors. The information provided is intended to be general in nature, and may not apply in your province. The advice of independent legal or other business advisors should be obtained in developing forms and procedures for your business. The recommendations in this bulletin are designed to reduce the risk of loss, but should not be construed as eliminating any risk or loss.