

# SECURITY MANAGEMENT Features

DECEMBER 2010 CONTENTS

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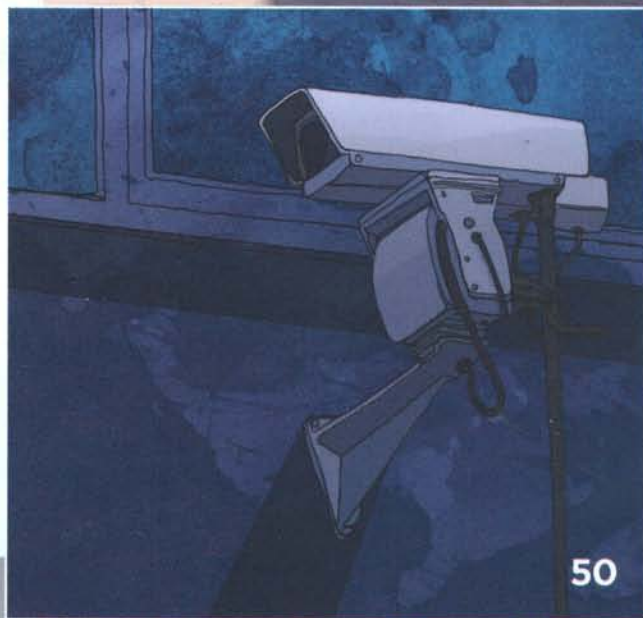
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Educational opportunities were plentiful as security professionals gathered in Dallas for the ASIS International 56th Annual Seminar and Exhibits. Here are some highlights from the keynote speakers and sessions.

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# Fast Food, Easy Money

By RANDY ATLAS, CPP

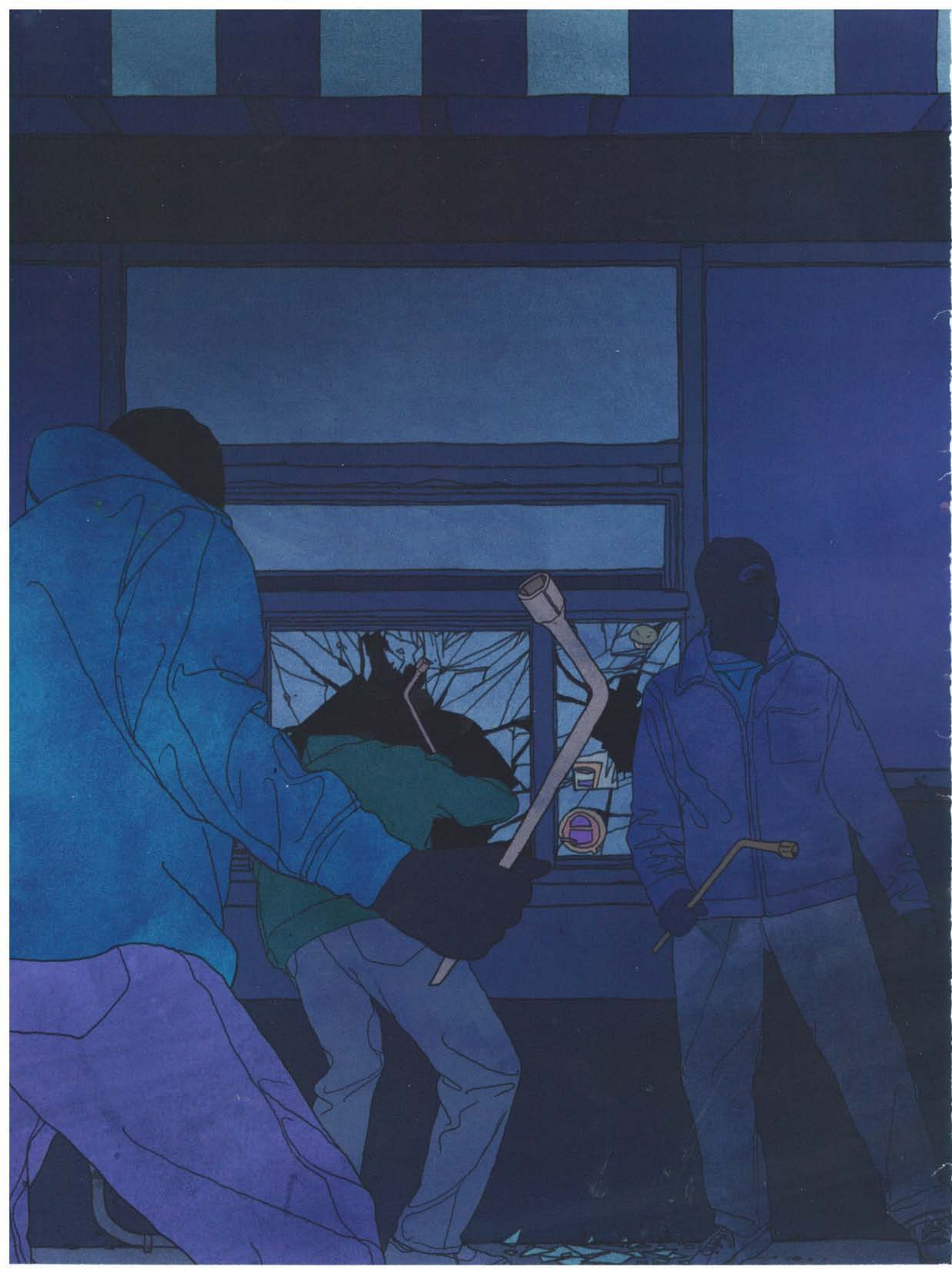
Find out how sites hit by smash and grab burglaries could have reduced their vulnerability.

**BETWEEN LATE 2009 AND MARCH OF THIS YEAR,** a national baked goods chain with franchises in Broward County, Florida, experienced a series of nighttime burglaries that resulted in thousands of dollars in stolen cash and damaged property. If proper reporting and advising mechanisms had been in place between the franchisor and franchisee, and proper physical security and crime prevention through environmental design (CPTED) principles had been correctly applied on site, these crimes and the financial losses might never have occurred.

I am a faculty member of Florida Atlantic University, where I teach a course on CPTED. One of my students was a police officer with the Sunrise Police Department. He brought to my attention the ongoing burglaries, which he was investigating, hoping to gain insight from me on why these crimes were repeatedly occurring at sites affiliated with the same retail chain while other similar establishments in the same environs were ignored.

All of the stores that were robbed were franchises, with four of them owned by the same franchisee. Most of the stores operated from about 6 a.m. to 11 p.m., and most offered both over-the-counter and drive-up service.







All of the sites possessed burglar alarms with motion sensors and CCTV. The police investigation later deduced that the thieves were aware of the alarm systems and had actually used the knowledge to their advantage. In the weeks prior to the burglaries, after the stores were closed at night, the thieves had rattled storefronts at many of the sites they would later burgle, creating a series of false alarms. The result was that the police took their time in responding and the franchisee feared that he would be cited and heavily fined.

In October 2009, the thieves began committing actual burglaries. Disguised with masks and gloves, they smashed the drive-through window of a store with a tire iron, climbed inside, and stole three unsecured cash boxes primed for the morning's opening with a total of about \$750. No alarms sounded because the owner had instructed the closing employee not to turn on the alarm system because of the previous false alarms.

In January, one of the stores was once more broken into in the same way, and the cash boxes were stolen. The alarm system was still disabled at the franchisee's order. A second location owned by the same franchisee was burglarized twice during that month. In both of these cases, the thieves smashed the glass front door and took the cash boxes and coin dispensers. Again, the cash was unsecured and no alarms sounded because the franchisee had ordered the system turned off.

This same pattern repeated itself again and again at other branches of the chain throughout Broward County, resulting in 21 burglaries.

During the police investigations, some store owners were not forthcoming with evidence that might have assisted police. In several cases, for example, there were no responses to requests for CCTV footage.

### Ride Along

I went on a series of ride-along visits to the burgled stores with the police officer to assess security and CPTED issues at the stores. Here are some of the problems that I spotted.

**CCTV.** One of the stores had both real and dummy CCTV cameras with images



stored on a hard drive that was located off-site. Conversation with employees revealed that the owner did not know how to download the video files to a CD-ROM. At another store, none of the employees knew how to work the security camera system. More critical was the fact that camera placement was so poor as to be almost useless.

**Lighting.** Employees who closed the stores typically worked alone. During one closing that I observed, the employee—a store manager—brought the day's trash out to the plaza's dumpster behind the building that was about 200 feet away. He had to lock the door behind him and then traverse a space that was almost completely unlit. He could easily have been attacked and the store keys taken. At another of the burgled stores, the drive-through window and the back entrance were in a dark service alley.

**Cash handling.** Amazingly, after multiple thefts, the stores continued to fill cash drawers at night and leave them sitting unsecured under the counter. This risky practice was made more so because the drawers were clearly visible from the drive-through window.

During one of my visits, I saw that the keys to the drop safe and cash drawers, which have lockable lids, were inside a coffee cup that was marked "keys," sitting beside the safe. At another store, the keys were left inserted in the drop safe lock and the safe did not appear to be bolted to the

floor. At yet another store, the keys were left inserted into the cash drawer locks, and at closing, the coin changers attached to the registers, with coin dispensing tubes that allowed the amount inside to be seen, were also fully stocked for the following morning's business.

**Visibility.** All of the stores that were burglarized were located on major roadways. However, most of the stores were set back from the street and shielded by earthen berms that limited witness potential and line of sight for patrolling police officers. The use of these berms was a result of 1970s zoning regulations enacted to placate community residents who felt parking lots were an eyesore. In fact, some berms around these lots are so high that only the roofs of stores are visible from the street.

Where berms were not destroying witness and police observation potential, the hot and humid Florida climate was. At several of the stores, poor air conditioner vent placement caused condensation to coat the interior of the windows at night, turning clear glass opaque. Other stores had large posters hung in the front windows that did much the same job.

**Glass.** Most of the stores had 1/4-inch tempered glass windows, which are easily smashed. Even though some stores were suffering repeated break-ins, the broken glass was replaced with the same type, rather than a thicker glass with security laminated glazing.



## Corporate Role

While this string of burglaries was occurring in the Broward County stores, where was the franchisor corporation's security and loss prevention team? They weren't there, because the franchisees never reached out to them for help. Moreover, the corporate offices never knew there was a problem because the franchisees were not required to file incident reports.

I spoke to both the risk management director and the director of legal counsel for the company that licenses these franchisees about corporate-level safety and security expectations at the stores. The franchisor and franchisee, it was explained, have a clearly defined independent contractor relationship—an "arm's-length" connection. The franchisor teaches the independent owners about how to meet quality standards in operations, management, and production, but it will not dictate how to run the individual business. If the franchisor tells the local business how to run its operations, it assumes liability.

**“When windows are smashed in a burglary, they should be replaced with break-resistant glass.”**

When asked about the preferred practice for cash handling in the stores, the risk management director and director of legal counsel concurred that the cash should be secured or locked up at the end of the night, preferably in a safe or vault, which should be bolted to the floor, but ultimately that is the franchisee's decision.

There was no franchisor policy on store lighting, interior space protection, or the use of alarms. Nor were franchises required to use an armored car service.

The two also said that the company does not tell franchisees how to interact with local police. However, the corporate viewpoint is that the franchisee should nurture a good relationship and cooperate with law enforcement.

When asked whether franchisee stores that have CCTV recording systems should be able to produce CDs for the police, they

replied that the company does make some recommendations on the use of a specific DVR system. It is supposed to record, replay, and retrieve incidents easily. The company offers training on this equipment and can send in a team to help the local store owner, they said, although no help had been requested from the stores being hit by the thieves.

Finally, they said that there is currently no reporting mechanism to the franchisor when a crime occurs, but if a store owner requests it, the company will provide public relations assistance with media inquiries in the aftermath of an incident. The company will also provide security assessments and advice if requested.

All of these corporate positions make sense when the name of the game is to unlink the liability connection between the company and its franchisees. But in my opinion, based on my experiences working with other major retail chains, more can be done to help the franchisees achieve good security without drawing the company into the liability snare.

pany had known they were occurring, it could have reached out to the franchisees and asked if they needed assistance, or the company could have released a memo to all franchisees with security advice—not directives—to help out while maintaining the arm's length relationship.

## Good Advice

Foremost among the advice the company could have provided was that cash trays should be prepared upon opening rather than closing; however, if the latter were necessary, the franchisee should be advised to store the drawers in the store safe or behind a locked door such as in the manager's office. All safes should be anchored to the floor, and all cash trays should be anchored or secured so that they cannot be lifted and removed. The key to the cash box should be kept in a lock box or secured key holder.

Stores should advertise that there is little cash on the premises, and there should be no more than \$50 in a register at any time. Excess cash should be placed in a drop safe or the store's vault or safe.

Alarm systems should never be turned off because of previous false alarm signals or the fear of false alarm fines. Instead, the alarm company should be asked to check the system for defects or short circuits if false alarms seem to be a problem. If there have been false alarms and the alarm service provider finds no problems, the store owner should be aware that the alarms may be a prelude to a burglary attempt.

When windows are smashed in a burglary, they should be replaced with break-resistant glass with forced-entry protection. In the case of these Broward County stores, if franchisees had replaced the broken panels merely with hurricane-rated, code-compliant glass, it would have simultaneously offered protection against extreme weather and some defense against smash and grab burglary.

Typical storefront glass is 1/4-inch thick tempered glass that sits in a metal frame. The typical "bite," or amount of metal frame that holds the tempered glass, is only 1/4-inch. The cost to replace 1/4-inch tempered single pane glass would be about \$23 per square foot. For a store to replace the glass with impact glaz-

Why should franchisor companies do so? The answer is that when incidents occur at the franchisee stores, the franchisor is affected financially and otherwise. When the franchisee loses income and market share because of an incident, the franchisor company loses money because most franchisees pay royalty payments that are often a percentage of the store's gross income.

There is also the issue of the brand's reputation. If something horrific occurs at the franchisee's establishment due to poor security, the local and national news reports will name the parent company, and the public will draw no distinction between the franchisor and the franchisee.

To protect both its bottom line and its reputation, a company should require that franchisees report incidents like the burglaries in Broward County. If the com-



ing, which is two layers of 1/4-inch tempered glass with a polyvinyl interlayer, the metal frame would need to be thicker and deeper to hold the glass. The bite of an impact-resistant frame is 1 inch as compared to 1/4-inch. The typical cost of the new frame and glass installed is approximately \$45 to \$60 per square foot. This glazing system offers burglary resistance and hurricane resistance.

To protect employees, the store should have a policy that two employees work shifts together at stores in high-risk locations or during late evening hours. Otherwise, the trash should be bagged and left until the store is opened in the morning.

If the trash absolutely must go out at night, then the path to the dumpster should be well lit, and a peephole should be installed in the door for the employee who takes the trash out to survey the scene before exiting. When two employees are working, the second employee should secure the store, then watch the

employee outside through a peephole or via CCTV, while standing ready to summon police in case of an attack.

Sufficient security lighting should be provided along the exterior of a store on all sides that are exposed. If the store is a standalone building, lighting must cover the parking areas as well. Afterhours lighting should be sufficient to facilitate surveillance by police or security patrols.

Dummy CCTV cameras should not be used. They create an illusion of security that can result in liability if there is an incident that the false camera should have caught. Instead, stores should have real CCTV and signs indicating that the premises are monitored and video is recorded.

Employees and store managers should be trained on how the CCTV system works. They should also be able to isolate an incident and burn it onto a disk to assist police in their investigation.

Landscaping, berms, posters in windows, and other factors that impede natu-

ral surveillance and lines of sight should be removed, if possible. Air-conditioning vents that cause condensation on window glass, preventing natural surveillance, should be moved or adjusted so as not to blow on windows, or the temperature should be changed to alter the dew point.

If a security alarm system is reporting false positive alarms, alternative protection measures need to be implemented until either the security system is tested and repaired or the threat is mitigated. A guard service should be hired as a stop-gap measure to determine whether there are persons causing the false alarms or whether the false alarms appear to be triggered by system errors. Further, local police should be notified when an alarm has been turned off due to problems so that the police can provide additional random patrols and be more aware and vigilant in their surveillance of the area.

## » SYNOPSIS

**Between late 2009 and March 2010**, a national baked goods chain with franchises in Broward County, Florida, experienced a series of nighttime burglaries that resulted in thousands of dollars of loss in stolen cash and damaged property. If proper reporting and advising mechanisms had been in place between the franchisor and franchisee, and proper physical security and crime prevention through environmental design (CPTED) principles had been correctly applied on site, these crimes and the financial losses might never have occurred.

The thieves smashed the drive-through windows of stores with a tire iron, climbed inside, and stole unsecured cash boxes primed for the morning's openings. Because of previous false alarms, the owner of several of the stores had ordered the alarm system turned off. When police asked for CCTV footage, the owner did not know the system well enough to provide it. Berms, poor lighting, and condensation on the windows impeded the line of sight and witness potential. Moreover, the franchisee had no obligation to report incidents to the franchisor, so the corporate security department was unaware of the problems.

If a franchisor tells the local businesses how to run their operations, it assumes liability. However, franchisors can offer advice in a way that aids the franchisee without increasing liability.

The criminals in this case were recently caught committing yet another burglary at a location of the same retail chain in another Florida county. They might have been arrested earlier if franchisees had cooperated with police and produced requested CCTV footage or if reports of these crimes to the corporate franchisor had resulted in the needed remedial security measures.

## Aftermath

The criminals in this case were eventually caught committing another burglary at a location of the same retail chain in another Florida county. They might have been arrested earlier, however, if franchisees had cooperated with police and produced requested CCTV footage or if reports of these crimes to the corporate franchisor had resulted in the needed remedial security measures.

While franchisor corporations must be careful not to take too strong a role in the business operations and day-to-day practices of their franchisees lest they assume a disproportionate level of liability, they need to alert franchisees that security and loss prevention help is available. In this way, the needs of all parties and customers can be met. ■

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