

Building Security

The latest tools and technologies to protect your jewelry and your employees

by Russell Roberts

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Ever since the first time a caveman gave his prehistoric sweetie a bracelet he crafted from valuable saber-toothed tiger teeth, and he saw other members of the tribe eyeing it enviously, security has been an issue for jewelry makers. And with the prices of metals hitting record highs, now more than ever jewelry makers must ensure that their assets are protected.

Unfortunately, just because a business invested in a new security program last year doesn't mean that it's going to stop those who have suddenly become aware of the high price of precious metals. The cutting-edge security product or service of today is obsolete tomorrow, thus making it necessary for jewelry makers to continually invest in new security measures to try to stay one step ahead of losses.

"You go to the doctor's once a year for a check-up; you should review your security program once a year, too," says Alan T. Sklar, president of Creative Services Inc. in Mansfield, Massachusetts. He adds that there are always new techniques and technologies that both sides—the industry and those seeking to inflict losses—can implement. A security review can reveal vulnerable areas that weren't imagined before.

Stepping Up Security

When conducting a routine review of your company's security plan, it's essential to be informed of the newest security products and services available. The list that follows offers detailed descriptions of the newest security supplies on the market designed specifically for jewelry makers to ensure that their valuables and employees are protected.

GPS tracking. Sales representatives who carry merchandise in the field have always been at particularly high risk for theft. According to Todd Morris, president of Brickhouse Security in New York City, in-store jewelry robberies have been on the decline over the past few years, while attacks on field sales representatives have risen. Jewelers' Security Alliance figures support this, reporting a 14.2 percent increase in crimes against field sales representatives in the past two years.

To help protect them, Brickhouse offers GPS tracking devices with its new P-TRAC technology, which enables the device to work anywhere, whether in an outside location or an obstructed place such as an underground parking garage or the trunk of a car. Formerly, the effectiveness of GPS systems was limited by the signal's need for unrestricted access to a satellite. "This GPS will work anywhere," says Morris.

The P-TRAC technology enables a company to follow both the employee and the sample case to make sure that neither deviates from a specified route. For example, if a case is accidentally misplaced during a dinner break, the moment the case does not register as being with the sales associate a signal is sent to the security representative monitoring the GPS and the associate is immediately contacted.

In addition, the company's GPS trackers have built-in panic buttons. The instant the employee presses the panic button, the alert can be sent to anyone, such as company representatives or emergency personnel.

Although the Brickhouse GPS with P-TRAC has been used by law enforcement for the past few years, the technology only recently became available to the jewelry industry. Morris reported that "dozens and dozens" of devices are currently in use within the industry.

Logic digital locks and digital keys. Developed by Medeco in Salem, Virginia, logic digital locks and digital keys offer jewelry manufacturers much of the functionality of more sophisticated access-control systems, but with the ease of use of a simple locking mechanism. Designed for use by retailers or manufacturers, they are quick to install and do not require wiring, door, or frame modifications, or additional hardware.

In addition to creating scheduling and audit trails, the Logic system has the ability to easily add and delete user keys. "Every time the key is used, it leaves a trail," says Joseph Kingma, director of business development for Medeco. "You can go back, audit the key and lock, and see exactly who has gone into the case." According to Kingma, the Logic locks can be neither picked nor copied.

When adopted by a major electronics retailer in Canada that previously had a problem with allowing employee access to certain display cases, the Logic system "completely changed the behavior" of the company's employees, says Kingma. "The company has found that they sell more products, with less shrinkage," he says.

DGA GemControl. An inventory access system designed for retailers and manufacturers, DGA GemControl Service, which was developed by DGA Security Systems Inc. in New York City, is a system of locks and readers installed on retail drawers and manufacturers' storage areas. Staff open the locks using a small "fob" device placed momentarily near a GemControl reader that is located in the cabinetry. The system takes less than one second to validate the user and open the lock.

GemControl permits an unlimited number of unique employee security levels so that specific employees are allowed access to only specific drawers. The system logs and tracks this information. A feature unique to GemControl is the Drawer Open Notification signal that sounds throughout the store or shop, indicating to staff that a drawer has been left open or not completely closed and engaged. The signal selected is at the discretion of management, and can be a chime, pre-arranged song, or other alert tone.

Tagging technology. New York City-based Neglia Services has partnered with the Fine Art Registry (FAR) to use FAR's patent-pending identification system to permanently register fine jewelry and gemstones in a global Web database. The system, which was developed by FAR founder and CEO Theresa Franks, consists of two parts. The first part involves applying a numbered identification tag to a jewelry item or gemstone. There are two tagging options: A small self-adhesive Micro-tag that is the size of a period on your keyboard, or an inscription laser engraved directly on the jewelry piece or gemstone. The Micro-tag cannot be steamed off but can be removed without damaging the item; however, if removed, the tag is rendered useless and leaves identifiable traces behind. This is the same technology that the FBI uses to trace explosives.

The second part of the system is the central database of the FAR, which houses detailed information about each tagged item, including photos and a description. The person registering the item tags it, enters the information into the database, and decides whether or not to make the records publicly accessible. The registration gets passed along to the consumer with the sale of the item.

"This tagging system gives designers who sell direct to consumers, manufacturers with samples that go out on the road with sales reps, and retailers a way to recover stolen property by installing a tracing device on each item," says Richard Neglia, owner of Neglia Services. "In addition, it provides the insurance company with a detailed list of the insured's inventory to validate a claim in the case of loss.

"And because the registration passes along to the consumer with the sale of the tagged item, retailers can use the system in their sales and marketing."

Beyond Technology

While the latest technology can definitely help with security, Sklar cautions against relying too much on it.

"Technology alone cannot reduce your risk," he says, adding that the human element is

the hardest one to secure against, with the greatest risk coming from unhappy employees. A contented workforce one year does not necessarily mean it'll stay that way. People are affected by a multitude of factors, such as the economy and personal issues. Any one of these can suddenly turn a previously happy employee into a risk. "A lot can happen in a year [to change people]," Sklar says.

To try to secure against employee theft, Sklar recommends keeping workers engaged and educated within the company. He added that it's important that employees follow security procedures to the letter, particularly in the case of rush jobs, in which the incentive to cut corners to save time is enormous.

"Often a rush job will trigger a [theft] opportunity," he says. It's common during rush jobs to cut corners and not follow all normal security procedures to the letter to save time. Cutting out a piece of your security foundation—even a small piece—gives thieves an opening they normally wouldn't have, and they'll take it.

Security will always be a constant and on-going concern. But by following standard procedures, as well as keeping up with the latest products and services, jewelry makers can stay one step ahead of those who want to inflict losses on them.

That caveman never realized what he had started.

sidebar

Crime Prevention Checklist

By John Kennedy, president of Jewelers' Security Alliance (JSA)

Manufacturing jewelers should take the following steps to prevent against the most frequent crimes committed against them:

Burglary

- Have an adequate safe or vault for the value of the goods you are trying to protect. Burglars have been entering UL-rated TL-15 and TL-30 safes in the past several years with relative ease. Burglars rarely enter TRTL 30x6 safes.
- Make sure that you have functioning line security for your alarm system. There are also excellent Internet-based video systems that allow you to view your premises from your home or another location.
- Install appropriate motion detectors, including at such common burglary entry points as the roof, adjoining premises, and air conditioning openings.
- Do not place a safe or vault on an outside wall; burglars can break through and enter it without entering your premises.

Robbery

- Don't allow delivery personnel and other possibly unknown persons to enter your premises. Have a mantrap entranceway and use a package or box slot so you can send packages or accept deliveries without having to open doors or admit delivery personnel inside your premises.
- Have two people open and close your business. For freestanding premises, one of the people should stand watch from a distance with a cell phone.

Internal Theft

- Perform background checks on your employees that are adequate for their level of responsibility and their access to your valuable merchandise.
- Have an adequate system to keep track of your gems and precious metals during the manufacturing process.
- No employee should have sole responsibility for financial functions or supervision of gems and precious metals. Dividing functions is more likely to result in preventing or discovering internal theft.

For more crime prevention information and security resources, visit the JSA website, jewelerssecurity.org.