



Securing the Supply Chain
Expediting the Flow of Commerce

CSA Solutions:

Pallet Security Kits – custom designed to protect *your* Cargo

The Threat Environment

Logistics by all modalities is vulnerable to surreptitious theft. Without a proactive, deterrent and visually verifiable approach to protecting valuable cargo, shippers run the risk of substantial, on-going loss. It's typically caused by the opportunistic theft of palletized cargo in such a manner that immediate detection is unlikely.

Pharmaceuticals, electronics equipment, luxury goods and other high value items packaged in cartons or small boxes are most susceptible to this form of theft. Thieves use box cutters and utility knives to quickly "slash and grab" a few items from boxed, often stretch-wrapped, palletized freight.

Carriers are responsible for theft that's discovered prior to acceptance. Failure to note a breach when signing off on the BOL relieves the carrier from any and all responsibility, so a process that immediately exposes tampering and theft is essential.

Losses can add up rapidly. Considering recovery, replacement and customer goodwill, freight lost to cargo theft can cost shippers more than triple its retail price. Recovery of damages from insurance is rare.

The M.O.

Palletized cargo is most often attacked from the sides or underneath, circumventing the wrapping and strapping that holds the cargo together. From the bottom, center boards are broken or cut off. Boxes just above the bottom slats are dropped through and replaced with weighted cartons to maintain the integrity of the cargo. This renders inspection by weight checking useless; the breached pallet weighs the same as it did when fully loaded.

Another method of stealing goods from pallets is to cut or shift the stretch wrap and remove the shipping carton and product from the outside without cutting the strapping, again replacing it with sand or like-weighted materials to reform the pallet. Once that's done the perpetrator simply adjusts the stretch wrap to hide the entry point.

Compounding the challenge posed by these crimes of opportunity is the fact that palletized cargo comes in an infinite variety of shapes, types and sizes, and is vulnerable to a wide range of threats. Therefore a customized approach is needed; there's no "one-size-fits-all" solution.

The Cargo Security Alliance solution: Pallet Security Kits

CSA works with its members to understand the threat environment and their unique cargo and shipping requirements to design a protocol that mitigates the risk of opportunistic theft.

The best way to protect palletized cargo is to establish a security protocol that considers and incorporates the packaging materials as an integral component of the process. Rigorous visual



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inspection combined with tamper-evident and resistant packaging and a procedure to establish and maintain the chain of custody are keys to creating a secure environment for goods in transit to reduce loss - without breaking the bank in costs.

Weight adds to shipping cost so it's a major consideration in designing the solution, especially in air cargo applications; an effective protective barrier that adds as few pounds as possible is obviously desirable.

CSA offers expertise and a variety of lightweight, theft-deterrent packaging materials and tools to secure and track palletized cargo, crates and containers while adding a only a small fraction to shipping costs. Components of CSA's *Pallet Security Kit* may include:

- Lightweight sheathing materials that are impervious to knives and box cutters
- Tamper-evident tape (TET), bags and seals
- The Topp Clip® pallet sealing system
- Covert GPS tracking devices and services to report location, motion and container openings to inform the status of cargo at all times, anywhere across the globe
- A customized packing and tracking protocol to establish and maintain a secure chain of custody, from end-to-end

Successful applications of CSA's *Pallet Security Kit* include ensuring that a shipment of security-sensitive servers was not compromised during a datacenter move from the USA to China and deterring opportunistic "slash and grab" thefts of palletized cell phones destined for South America.

From seals to tapes, from cut-proof components to tamper-evident packaging and tracking devices, CSA has a customizable solution to secure *your* palletized cargo from a wide range of threats. For a free consultation contact us by e-mail at info@securecargo.org or call us at: **(941) 575-0243**.



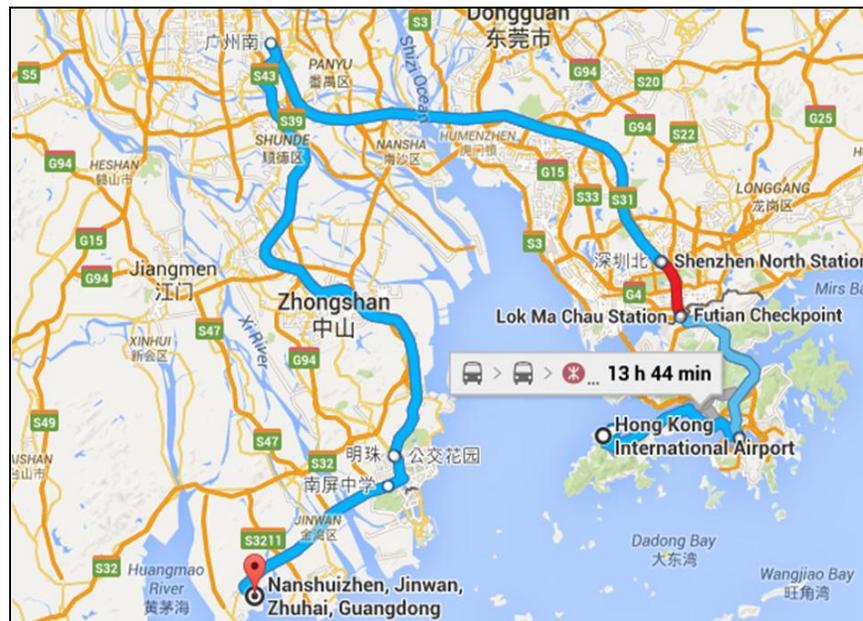
Reinforced D-Containers, TET secured cartons and GPS Tracking Devices designed to ensure safe passage by air and ground to a new datacenter in the PRC



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Numbered Topp Clip® and tamper evident pallet seals establish and maintain Chain of Custody



The Road from HKG to Nanshuizhen