

Risk Insights

Advice for you and your business

Contractors Equipment Theft Management Program



Tens of millions of dollars' worth of equipment and tools are stolen each year in Canada and this statistic continues to soar.

Contractors know that equipment and tools can be easy to steal, easy to sell, and have a low recovery rate - often being shipped out of the province or out of the country within hours.

The cost of replacing stolen equipment is not the only consequence of theft. **Delays in completion** of a project due to the loss of specific or unique equipment can increase project costs and trigger late penalties. Additionally, you, the contractor, may be **held liable** if the stolen equipment causes damage to persons or property.

An effective theft deterrent program begins with assigning specific individuals in the organization to projects, who have the authority to carry out theft prevention measures. It's helpful to establish **company protocols** that become an integral part of all employees' daily activities. Completing appropriate employee background reviews to ensure staff integrity and honesty is good practice. Before conducting any **employee background reviews**, you should consult your legal or human resources professional to ensure that any background review is conducted in accordance with all applicable laws.

● Records

Having a **current inventory list** and **detailed records** of all equipment (and tools) used on project sites is helpful for recovery and management.

Records should include:

Equipment

- Serial numbers & product identification
- Make & model
- Year built
- Date purchased and value/cost
- Markings, logos and location of any details that help with identification
- Photos

Tools

- Date of purchase
- Description
- Photos

Tool inventory and appraisal services can expedite the above process.

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Contractors Equipment Theft Management Program *(continued)*

Tips

Vehicle Theft Prevention Tips

- Always lock vehicle and close all windows when exiting
- Never leave vehicle unattended while the engine is running
- Keep your vehicle keys on a separate keyring from other keys
- Never attach pieces of identification to your vehicle keyring
- Keep all tools and equipment secured and out of view
- Park in well-lit areas, or areas that are secured or controlled
- Install an anti-theft device that best suits your needs
- Install a vehicle tracking system
- Etch VIN or ID numbers into windows with microdot technology
- Have surveillance and motion sensor lighting installed on premises where vehicles are stored overnight

Tips

Tool Theft Prevention Tips

- Don't leave tools or equipment on site
- Place identifying marks on tools (ID numbers and company logos)
- Put tools away in a secure location after use
- Use on-site lock boxes with hardened locks
- Secure tools in an enclosed building with security and alarms
- Use etching or marking technologies to ID tools

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