

## Protecting Your Inventory — Theft Prevention Tips

Your business's inventory can be an attractive target for thieves, whether items are found at jobsites, retail spaces, dealerships, warehouses, or other locations. Consider the layout of your business— the less likely a thief is to be detected, the more appealing the target. And, lack of inventory management and the ease of selling stolen items can lead to low rates of recovery. So how do you keep your inventory safe?

### Security Awareness

As a business owner, you can help make it harder for would-be thieves by:

- Reminding employees to keep designated areas locked and secure when the business is unattended.
- Having well-lit, monitored parking areas
- Not sharing keys, passcodes, or other confidential information with outside parties.
- Installing motion sensor lights and video recording systems, especially around entrances, loading docks, or areas that require extra security.
- Monitoring alarms or security systems, and testing them monthly.
- Keeping detailed records of inventory.

### Employee Training

Your employees need to be aware of the value of your business' inventory. Take the time to work with them on regular security training, and let them know what you expect in terms of following security protocols. New hires could also be potential security risks, as theft may occur as part of an inside job. Consider implementing a thorough evaluation and training period, and verify their qualifications by using proper screenings and background checks, when appropriate and allowed by applicable law.

### Security Survey

If you have not recently completed a security survey at your business, now may be the right time to do so. Consider the following to start:

- Are equipment, merchandise, and supplies property stored and secured at night or after hours?
- Are gates and doors functioning well, and are they locked securely each night?
- Do you use security lighting, clear signage, or use of technology to monitor your business?
- Are equipment, merchandise, and supplies arranged in a way where missing units can be easily noticed?
- If applicable, are employees using lockout devices on machines to disable the ignition or fuel system after hours?

While there are no ironclad defenses against theft, there are a number of ways that you can be proactive to help protect your business. Reinforce the importance of security to your employees, continue to keep records and an updated registry of your equipment, merchandise, and supplies, and obtain the right insurance to help keep you covered in the event of a loss.

*This article is for general information and risk prevention only and should not be considered legal or other expert advice. The recommendations herein may help reduce, but are not guaranteed to eliminate, any or all risk of loss. The information herein may be subject to, and is not a substitute for, any laws or regulations that may apply. Some of the services referenced herein may be provided by third parties wholly independent of Federated. Federated provides access to these services with the understanding that neither Federated nor its employees provide legal or other expert advice. All products and services not available in all states. Qualified counsel should be sought with questions specific to your circumstances and applicable*

Federated Mutual Insurance Company • Federated Service Insurance Company\*  
 Federated Life Insurance Company • Federated Reserve Insurance Company\* • Granite Re, Inc.\*†

\*Not licensed in all states. †Granite Re, Inc. conducts business in California as Granite Surety Insurance Company.  
 federatedinsurance.com | © 2022 Federated Mutual Insurance Company