

vigilant

The monthly cargo crime update for members of TAPA EMEA



Non-member loss ratios three times higher than TAPA members

Page 3

Review of the latest Worldwide Council meeting

Pages 4 & 5

IIS - plans for 2012

Page 8

Fuel theft increases across Europe

TAPA members' losses three times lower than industry average

Loss ratios suffered by non TAPA members are nearly three times higher than the average experienced by TAPA members, according to the TAPA 2010 Financial Benchmark.

By analysing the TAPA database, a comparative non-TAPA member loss ratio of 0.06% was identified for 2010, comparable to the 2001-2002 levels within TAPA. The Financial Benchmark reported a worldwide loss ratio for TAPA members of 0.01683%. Looking at individual sectors, hi-tech losses represented a ratio of 0.02108% while the level for the pharmaceutical sector was 0.00613%.

The TAPA Financial Benchmark was initiated in 2001 as a means for members to compare losses across the TAPA membership. The survey collects both qualitative and quantitative data points from members on loss specifics from the past year and the 'TAPA loss ratio' compares total value shipped to total value stolen in-transit.

The 2010 survey was sent to all members in EMEA and the Americas. After non-shipper responses were excluded, the Benchmark studied the data of 13 companies; 11 hi-tech manufacturers and two pharmaceutical companies.

Total revenue captured for the Benchmark participants, excluding service revenue, was US\$267 billion while total reported losses were \$44 million.

Looking at the most problematic countries for cargo crime, the report identified countries with three degrees of risk:

SEVERE

- Brazil
- Mexico
- Italy
- Germany
- South Africa

MODERATE

- United States
- United Kingdom
- The Netherlands
- India
- Nigeria

MINOR

- Argentina
- Venezuela
- France
- Hungary
- China
- Malaysia

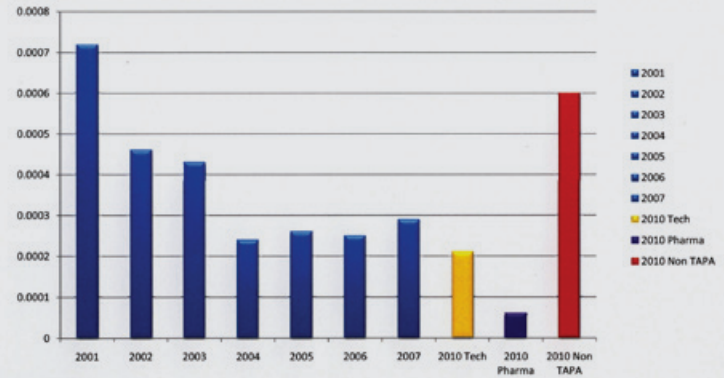
Most problematic airports

Amsterdam, Budapest, Chennai, Chicago, Dallas/Fort Worth, Frankfurt, Hong Kong, Johannesburg, Kuala Lumpur, Lagos, London, Miami, Philadelphia, Sao Paulo, Shanghai

Most problematic seaports

Amsterdam, Hamburg, Miami, Rotterdam, Southampton

World-Wide Loss Ratio Comparison



How can you use this ratio?

You can compare your company's losses to the average TAPA company and support security ROI models.

Calculating your loss ratio:

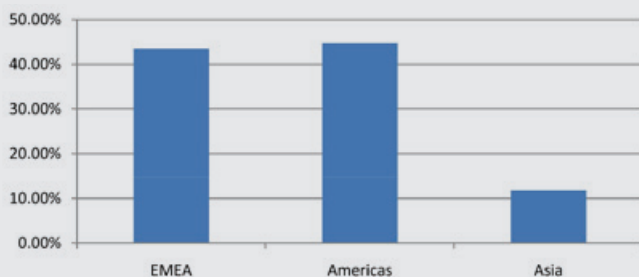
$$\frac{\text{Total Value of Losses (retail value)}}{\text{Total Revenue (exclude service revenue)}}$$

Thorsten Neumann, Chairman of TAPA EMEA, said: "The results of the 2010 Financial Benchmark reinforce what we believe; that membership of TAPA is the most effective way to protect high value, high risk goods in-transit and to combat cargo crime. The onus is on

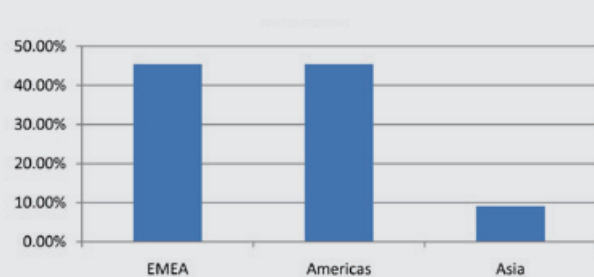
all of our manufacturing members to ensure we participate in the 2011 Financial Benchmark because the more companies that take time to support this initiative, the more valuable the intelligence becomes. I wish to take this opportunity to thank the 13 companies that took part in the latest survey for their outstanding commitment to our Association and hope that many more companies will follow their example when participants are sought next time."



Percent of loss by Region - Hi-tech Sector



Percent of loss by Region - Pharma Sector



The challenge to do more



On October 4th and 5th 2011, just prior to the TAPA EMEA Q4 Conference in Rome, the TAPA Worldwide Council (WWC) held its annual F2F meeting.

All three regional chairs representing the Americas, Asia and EMEA, along with members of their regional boards or management committees, met for a day and a half to discuss a number of key issues around Governance, Services and Standards

At the end of a lively debate, the following decisions were reached:

Governance

To assist the regions in clarifying the role of the WWC it has been agreed that each region is to nominate a person to work on the taskforce to look at its objectives.

Protecting our brand

To protect the TAPA trademark, it has asked for the regional PR Leads to work together on a global policy and alignment of its use. In addition, the regional PR committees have been asked to review all global press releases to ensure continuity and timelines.

Services

IQ to reflect supply chain issues

It was agreed that IQ, TAPA's new global publication will carry feature articles looking at issues affecting the worldwide supply chain industry.

Obtaining more IIS data

Lengthy discussions were held concerning the various IIS services available to members. All agreed that the most challenging issue facing each region is how to obtain good data in the first place. It was agreed that a number of programmes would be put in place to assist in this but one of the key objectives was to further encourage membership participation. The value of the IIS tool will be reassessed and members will be reminded that this tool exists to assist them. They will be reminded that they need to be actively engaged in providing data for it to increase the intelligence value of the service.

Regional service centres

The WWC were interested to hear TAPA Asia's plan to introduce a number of service centres throughout their region. These centres would be an extension of the main office and give them an increased footprint within

the regions. The other regions are awaiting feedback from Asia on this project.

Development of training courses

A number of issues around training were discussed. The WWC recognises that with the introduction of new Standards and increasing interest from security practitioners and academic institutions, more thought should be given to developing the current training programme into courses which can either be delivered by module or adapted to wider security issues such as business continuity. The WWC has tasked its regional Training Leads to look at this and report back.

Standards

Approval of the new TSR

One of the most significant agreements reached during this F2F was the formal acceptance of the new TSR (Trucking Standards Requirements), not just a revision of the existing standards but the creation of a new certifiable standard. It is anticipated that this will be officially launched on January 1st 2012. In the meantime, final preparations are being made.

TACSS on track for 2012

In addition to the TSR, the WWC received a briefing on the TACSS programme and was pleased to hear that this is also on track for a 2012 launch.

Auditing inconsistencies

Concerns were raised during the discussion on standards that related to some inconsistencies experienced with auditors. Asia highlighted some current issues which have required them to instigate a complaints procedure. TAPA Americas and EMEA have agreed to review their current procedures and see where these may need to be more robust.

The WWC recognises that 2012 will be a demanding year with the introduction of two new standards and a review of the FSR 2011, but it feels that TAPA globally is in good shape to meet the challenges of the year ahead and the changes which continue to face the worldwide supply chain industry.



Report by
Laurence Brown,
Executive Director,
TAPA EMEA

IIS MONTHLY REPORT

Steve McHugh, Intelligence Team Lead



New features and benefits for New Year



TAPA EMEA has been pretty active this year in creating new or revising its existing security standards. We have also put a lot of effort into supporting other associations/agencies' initiatives by providing speakers, data or both. Then there are the three great member conferences we delivered where the presentations and networking opportunities just seem to be getting better and better. I can say this with some authority because the first TAPA meetings I attended had less than 12 people and no-one could have predicted we would now be achieving over 200 attendees.

Therefore it should not be a surprise that we have also turned our thoughts to reviewing the "Intelligence" services we provide to our members. In particular, we have been considering what we can do to enhance data quality and communication with our members. So as we head towards 2012 we hope to be able to deliver some of these ideas. Here is what we have come up with so far:

- Freshen up the format of IIS Bulletins & Reports
- More analysis of the data we share and produced in a new format
- Special focus topics; Metal theft featured heavily in incident data this year but what will the next trend be and what advice can we give?

- Are you a budding journalist? We are inviting members to write an article for *Vigilant* based on a case study or crime trend that would interest other members

DATA, DATA, DATA!

- Enhance the annual benchmarking exercise with TAPA members; do you know your loss ratio from your trend analysis? We want to recruit active participants to contribute to a new initiative to collate accurate data and present it to our members as a new tool to support them in plans to mitigate exposure
- Continue with existing plans to capture more data from Law Enforcement Agencies and other sources
- Help members access the data with more user advice on the IIS tool and new training formats
- Support reasonable requests from members for data tailored to their criteria and put into a presentation format. Some examples will be posted on the web site
- Make it easier for members to report incident data
- Opt in or out of certain programmes to collect data so we don't bug you with unwelcome email but we may bug you politely if you opt in!

So, a lot of positive ideas so far and we are looking for more. What would you like to add to the list? Let us know. We will keep you posted on these developments.

The Numbers (Sept 2011)

In September 2011, the TAPA EMEA IIS recorded a total of 18 incidents. They were classified as follows: 5 Major Incidents, 12 were classified as general incidents and 1 was recorded as truck theft without load.

Continued on page 5

Continued from page 4

Truck thefts without associated cargo loss are not included in the analysis to facilitate an accurate view of cargo crime incidents.

In September 2011, France with eight incidents was the country with the highest number of thefts recorded by the Incidents Information Service, Germany and the United Kingdom with three incidents shared the second place and Belgium, Italy, Spain and Sweden were third with one incident each.

In France, seven of the eight incidents reported in September occurred in the most populated region of France (Ile-de-France)

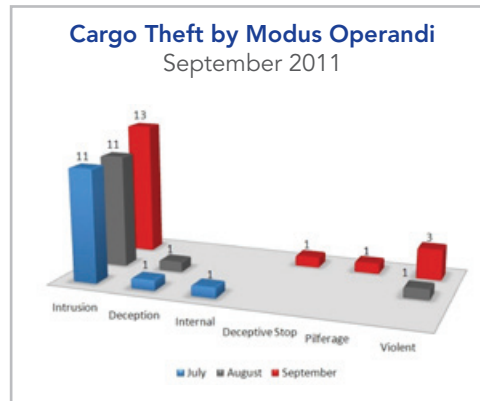
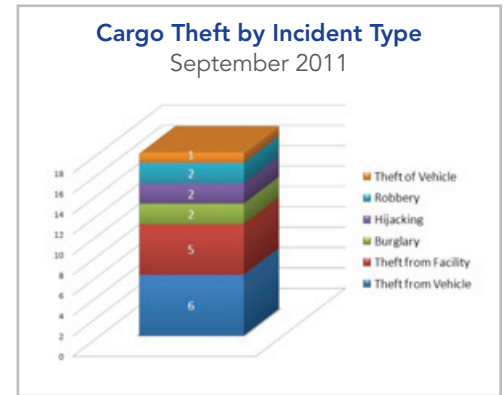
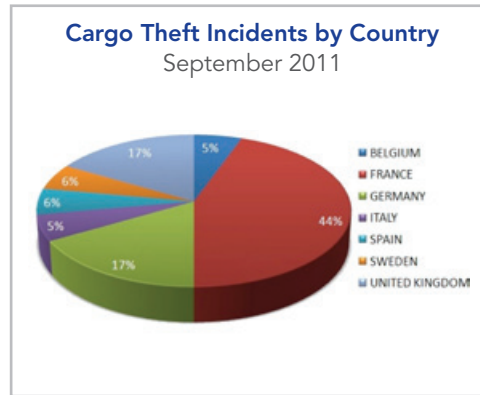
According to the incidents recorded during this month, the Metal category with seven incidents was the most targeted, with copper as the most stolen product. Electronics, Food and Beverage and Non-electronic commodities shared the second place with three incidents, Cash/Bullion and Tobacco were third with one incident each.

Theft from Facility/Burglary with seven incidents was the most common type of incident during this month, followed by Theft from Vehicle with six incidents.

Four out of the 18 incidents recorded were violent; three of them took place in France and one in Italy. So far this year, September has been the month with the highest number incidents involving violence.

Charts

Note: Delayed reporting of cargo theft incidents prevents an accurate comparison of numbers with the previous year.



Notable Incidents



Bogus police rob van with cigarettes in Marseille, France

Fake police officers pulled over a van and made off with a load of cigarettes on the morning of September 28 in Marseille's 11th District. The theft occurred around 0740hrs in the "La Valbarelle" neighbourhood after the driver was forced to stop by bogus police officers travelling in two vehicles. Once stopped, the driver and his companion were threatened at gunpoint while the thieves transferred 500 cartons of cigarettes into their vehicles, a German sedan and what appeared to be a police utility cruiser. The

loss value was estimated at "several hundred thousand Euros," officials said. Judicial police in Marseille are investigating the theft.

A source familiar with the matter reported that cigarette thefts are rising in the Bouches-de-Rhone area.

Source: Le Monde.fr

Robbers escape with €14 million in violent attack in Orly, France

One guard was killed and two injured when armed thieves attacked a safety deposit center in Orly, Ile-de-France Region, and escaped with an estimated €14 million.



Shortly before 0600hrs on September 21, four to six masked gunmen dressed in black and armed with assault rifles, used explosives to blow open the building's front door and then the facility's vault. A 50-year-old guard was killed in the blast targeting the vault, the police in Val-de-Marme reported.

Police arrived some five minutes after the first blast, exchanging gunfire with the criminals before the thieves fled in two vehicles to the A6 highway. At one point, the gunmen grabbed a passer-by as a hostage but released him unharmed about 10 minutes later.

Armed robberies targeting funds transportation companies in France have soared by nearly 75% over the past year (Sept. 2010 to Aug. 2011) compared with the same period a year earlier, according to the French Observatory for Delinquency. 55 such robberies occurred in the past year, compared with 32 in the year before.

Source: AFP



Public Private Partnership delivers results

TAPA EMEA's 2011 conference season ended on a high in Rome with 230 delegates participating in two days on conference sessions, panel discussions and workshops.

For the two days preceding the Q4 Conference, TAPA's Worldwide Council also met in Rome for its final face-to-face exchange of the year.

In response to members' requests and a growing awareness of TAPA and its activities amongst legislators and regulators, the theme of the conference was 'Realising the potential of Public Private Partnership', attracting high level speakers from both the public and private sectors.



Olav Beckers, the Netherlands' National Prosecutor for cargo crime, outlined his role as well as actions being taken in Holland in the fight against transport crime. Outlining objectives

TAPA EMEA is keen to see mirrored in other countries, he said his task was to:

- Provide one point of contact for transport crime
- Achieve a concentration of knowledge and expertise on transport crime
- Give an unambiguous view on the phenomenon of transport crime
- Focus the effort on investigating and prosecuting those involved in such crime

An unwillingness to report transport crime to the police has been one of the biggest hurdles. However, as he pointed out to delegates in Rome, the only way to achieve an effective approach to dealing with cargo crime is to be able to identify the problem in the form of intelligence. Without a report, no police investigation will take place, the nature and extent of the problem is not clear and police resources cannot be used effectively in terms of putting preventive measures in place.

Prevention measures, Olav Bakkers said, must be taken 'at the front of the problem'. Responsibility lies particularly with the

transport and logistics sector and insurance companies. Businesses must realise that by taking preventive measures they help to decrease the risk of crime, he added.

Outlining the initiatives that have resulted from the Netherlands' proactive approach to eliminating cargo crime, he pointed to several public-private covenants, including agreements to improve the exchange of information and increase the willingness to report cargo crime. Other activities include the use of decoy trucks and other repressive police actions, measures to tackle robberies and incidents involving bogus police, and the Secure Lane project.



Peter van den Ende, Director of Crimineel, explained the approach of the Secure Lane, highlighting the organisational approach, the technical approach as well as the political and legal aspects. The characteristics of the Secure Lane incorporate:

Continued from page 6

- Information-led security chain focusing on the prevention of chain and system failures
- A shift from reactive to proactive
- Co-operation between public and private partners
- Collective regional security organised by public private partners
- Cameras on parking areas
- Live camera surveillance from the Regional Monitoring Room
- Direct connection and transfer of information to police, fire brigade and health services' control rooms

The first Secure Lane was activated between Venlo and Rotterdam and resulted in a sharp decrease in crime levels in five top hotspots. In 2010, attempts at cargo crime incidents were cut to just four incidents from 74 a year earlier. Whilst protecting the area of focus, criminals have in many cases just moved their attention to other areas and transport routes in the Netherlands. To address this, a Secure Lane Netherlands foundation is being established to organise more Secure Lanes with the help of public/private co-funding and Crimineel will implement these projects which aim to provide safe transport corridors in the Netherlands.



Russia's attempts to deal with mounting supply chain crime were discussed by Sergei Bukreev, Deputy Chief of Department of Cargo Security and Armed Escorting, Russian Federation. The total number of crimes in the supply chain industry in Russia in 2010 was 76,703, an increase of 8.9%. Incidents of cargo theft rose 10.5% to 3,908 last year.

He explained how business and government are working in unison to make Russian supply chains more secure, including the creation of a Customs union of Russia, Belarus and Kazakhstan, the introduction of security transport corridors with monitoring and intervention in prime transport routes to Moscow and joint exercises involving cargo crime fighting units and police. Efforts have also been made to strengthen security requirements for commercial cargo carriers.

Q4 delegates also heard valuable updates from Jean-Dominique Nollet, Head of Analysis & Knowledge at EUROPOL, on its work and Lou Reid, Principal Officer of the Serious Organised Crime Agency (SOCA) UK, who reported on a recent public-private initiative to prevent criminals exploiting road haulage drivers and operators to transport illegal immigrants to the UK.



The presentation by Sheldon R. Kershner, Asset Protection/Supply Chain Security Manager at Lenovo looking at Global Supply Chain Security will be featured in the November issue of *Vigilant*.

Delegates also received updates from TAPA colleagues from the Americas and Asia and had the chance to participate in workshops focused on IIS, meet the LEA, and Cassandra vibration technology. The conference was opened with a keynote presentation by Joerg Schib, Global Account Manager, Logistics, ADT, the platinum sponsor of the event.

GET READY FOR Q1

Open those 2012 diaries now and make a date to attend TAPA EMEA's Q1 Conference in Bucharest on March 8th.

COMPLETE THE Q4 SURVEY

Please take a moment to complete the Q4 survey, especially if you have ideas for future conference themes, topics and speakers. We value your input.

TAPA EMEA once again wishes to acknowledge the excellent support of its sponsors in Rome:

TAPA EMEA Certified Facilities

In each issue of this newsletter, we will be publishing a list of the TAPA EMEA member sites that have most recently gained TAPA FSR certification. The following companies and locations were audited by one of TAPA EMEA's approved auditing partners.

Company Name	Country	City	Class
DHL Aviation BUD Hub	HU	Budapest	A
Flextronics Global Services	NL	Venray	A
Kühne + Nagel (AG & Co.) KG	DE	Langenbach	A
Schenker AB	SE	Malmö	A
Schenker AB	SE	Spänga, Stockholm	A
TNT Express (Austria) GmbH	AT	Wien	A
TNT Suomi Oy	FI	Vantaa	A

NEWSUPDATE:

Fuel Theft: A growing problem in Europe

SPECIAL UPDATE FROM THE TAPA EMEA IIS:

Austria: Substantial fuel theft in Carinthia

Authorities in the southern Austrian city of Villach reported that 6,000 litres of fuel were discovered missing from five trucks and other vehicles on October 3. The thieves apparently had gained access to the vehicles by breaking into business premises in an industrial park over the weekend. The same weekend, 1,300 litres of fuel were stolen from two oil tanks in Weissenstein, also in Carinthia state. It is unclear whether the two incidents were related. The total loss is estimated at €8,000.

High fuel prices seem to be the main reason behind the thefts, the *Austrian Independent* reported, noting that drivers paid 17% more for fuel in August 2011 compared with the same month a year earlier.

United Kingdom: Fuel stolen from trucks in Surrey

Thieves stole several hundred litres of fuel from parked trucks in East Surrey between September 22 and September 26. Police in the town of West Molesey reported that large quantities of diesel were siphoned from two vehicles near Central Avenue. Just days earlier, 200 litres of fuel were stolen from three trucks at a business on Central Avenue. Another fuel theft, possibly linked to the other incidents, took place outside a building on Oakbank Avenue in nearby Walton-on-Thames.

Noting that thefts are increasing with rising fuel prices, police urged vehicle owners to take extra precautions to secure vehicles carrying large amounts of fuel. Authorities said CCTV footage was being reviewed and patrols were to be increased in the area.

Source: BBC News

France: Aggressive fuel thieves

At 0400hrs on September 4, the Clermont police monitoring and intervention squad caught two men in the act of siphoning fuel from the tanks of several parked trucks in Nointel, Ile de France Region. In an

effort to escape, the thieves jumped into their vehicle and crashed into the front of the police cruiser. One of the thieves was arrested at the scene, while the second was apprehended a few hours later in La Bruyere. Police recovered siphoning equipment and 200-litre cans in the thieves' vehicle. One of the thieves has been convicted; the second is a minor.

Source: Le Parisien

Italy: Police foil diesel theft

Police caught two young men in the act of siphoning fuel from parked trucks in the town



of Sassuolo in Italy's Emilia-Romagna Region, on October 16. The thieves managed to escape, though they were forced to leave behind some 200 litres of diesel they had siphoned into eight tanks. The fuel was returned to the four drivers whose trucks had been targeted.

Source: Il Giornale Nuovo.it

TAPA and industry events

iSEC

01-03 November – Belgrade (RS)
www.isec-expo.rs

Infosecurity Netherlands

02-03 November – Utrecht (NL)
<http://www.infosecurity.nl>

ALARM

08-09 November – Kielce (PL)
<http://www.targikielce.pl/index.html?k=alarm&s=index>

Europort Maritime

08-11 November – Rotterdam (NL)
<http://www.europort.nl/>

Telematics

09-10 November – Munich (DE)
<http://www.telematicsupdate.com/munich/>

Logistica Global

09-11 November – Porto (PT)

Suisse Transport

10-13 November – Berne (CH)
<http://www.transport-ch.com>

Transport

15-17 November – Venray (NL)
<http://www.evenementenhal.nl/venray/beurzen/view/84/transport-vakdagen>

Securcom

15-16 November – Kalkar (DE)
<http://www.messeninfo.de/securcom-M7297/Kalkar.html>

Sfitex

15-18 November – St Petersburg (RU)
<http://sfitex.primexpo.com/>

Sicherheit

15-18 November – Zurich (CH)
<http://www.sicherheit-messe.ch/hm/willkommen.htm>

IFSEC Arabia

20-22 November – Riyadh (SA)
www.ifsecarabia.com/

Pack&Move

20-23 November – Basel (CH)
<http://www.packmove.ch/>

European 3PL Summit

European Chief Supply Chain Officer Forum
21-23 November – Antwerp (BE)
<http://events.eft.com/eu3pl/index.shtml>
<http://events.eft.com/cscoeu/index.shtml>

Global Logistics Forum

21-23 November – Abu Dhabi (AE)
<http://www.aimevents.net/gl/index.html>

Transpotec Logitec

21-24 November – Milan (IT)
<http://www.transpotec.com/>

SvizzeraLogistica

23-25 November – Lugano (CH)
<http://www.svizzeraLogistica.com/>

Project Cargo Risk Management

28-30 November – London (GB)
<http://projectcargo-risk.com/>

Security Middle East

28-20 November – Beirut (LB)
<http://www.smesbeirut.com/>

Intermodal Europe

29 November – 01 December – Hamburg (DE)
<http://www.intermodal-events.com/>

Logitrans

08-10 December – Istanbul (TR)
<http://www.logitrans.com.tr/english/index.htm>

World Class Logistics

15 December – Paris (FR)
http://www.logistique-internationale.com/logistique_internationale/

Advanced Forum on Supply Chain Security

30-31 January – Brussels (BE)
<http://www.c5-online.com/SupplyChain>

If you are aware of any events that might be of interest to TAPA EMEA members, please email the details to info@tapaemea.com