



Industry

Shipping & Logistics

Issues:

- Cargo theft is on the rise
- Track & Trace Technology is gaining popularity
- Finding a service to interpret the data and initiate an action plan

FCS' Turnkey Tracking & Recovery Solution Combines:

- Wireless Tracking Technology
- Services to monitor the data 24x7
- Expertise to implement a response plan
- Nationwide network of law enforcement contacts to recover lost goods

Benefits:

- Worry free management across the Supply Chain
- Reduced loss and damage of transported assets
- Lower insurance premiums for shippers

For More Information:

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How Technology and Old Fashioned Know-How Help Law Enforcement Prevent Theft in the Supply Chain

According to the National Retail Federation (NRF), Cargo theft accounts for more than \$32 billion annually. A survey of large retail organizations reported that over 49-percent were victimized by organized criminals within the last year. Almost 85-percent of respondents feel that cargo theft is on the rise – because it's difficult to stop; it's profitable for criminals; and the penalties for cargo theft are light when compared with other crimes.

In response to these trends, Flemming Cargo Securement (FCS) offers a new program that features wireless asset tracking technology; services that monitor and interpret the data; and a nation-wide network of law enforcement contacts to help companies secure their supply chains.

"You'd be shocked at how easy it is to steal a trailer today," states Ray Flemming, President of FCS. "The latches on some of these trailers haven't been redesigned since the 1950's, and the truck stops where most thefts occur have little-to-no surveillance equipment."

Beyond the simplicity of the crime, there's also a growing market for stolen goods. According to the National Insurance Crime Bureau (NICB), the three most commonly stolen items are: electronics, food, and clothing. The ability to "black-market" a product plays a big role in it becoming a target. "Food items are regularly stolen, because they're easy to move," states Flemming. "There's no UPC code on the item, and there's lots of outlets that accept stolen goods

for pennies-on-the-dollar. Today, we're seeing organized crime outfits pre-sell certain types of items before they go out and steal them." Given this type of demand, and the relative ease in stealing cargo, companies are increasingly investigating asset tracking solutions like OnAsset's SENTRY solution.

OnAsset's SENTRY is a wireless tracking and control device with sensors that track the temperature; pressure; humidity; light; motion; shock; and vibration of assets transported via truck, plane, rail, or intermodal freight.

"Having a SENTRY device deployed in a trailer is very much like having a person traveling with the cargo," states Flemming. SENTRY's extensive data forms the starting point for the FCS solution. But what makes this a worry-free solution for shippers, is the following combination of services:

- **Security Evaluation** – FCS confirms dispatch and bill-of-lading requirements, and can covertly place the SENTRY tracking devices on board.
- **24x7 Monitoring of the Devices** – including Geo Fence routing from origin to destination and near ports, truck stops, rest areas, and other "hot-spots." Additional tracking includes shock & vibration alerts for hook and unhook events, and temperature tracking for all refrigerated units in transit.



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- **Multi-phased response plan** – from notifying the carrier if a driver is entering a hot-spot, to contacting the driver if an alert registers, to contacting law enforcement when necessary.
- **Covert Shadowing (with off-duty officers)** – at origin, and through high-theft areas.
- **Reverse Logistics** – to return the tracking devices via express carrier. Because SENTRY can automatically suppress its radio during air flight, it is the only device that can be easily returned to its charging station (via air cargo) for immediate reuse.

Turning Data into Actionable Information

Throughout the trucking industry, certain carriers are known to prefer certain routes, and drivers all have their own favorite stops for food and fuel. FCS keeps track of this. "Some carriers get cheaper gas at certain locations – and for them, the best way from point A to point B isn't always the most direct route," states Flemming. "You can't sound the alarm every time a truck deviates from a particular route. We've learned this over 20 years in the industry, and it helps us make better decisions when determining whether or not a theft is in process."

Network of Law Enforcement Contacts:

FCS' law enforcement database has been built up over 20 years, and now includes in excess of 189,000 law enforcement contacts, divided into quadrants across the U.S., Mexico, and Canada. FCS maintains productive working relationships with detectives, who are actively pursuing organized crime outfits that are responsible for the majority of theft on the nation's highways.

"It's an important distinction – working with detectives, as opposed to local police," adds Flemming. "Local police cannot react as thoroughly as the FBI can – who in many cases, have already been tracking the perpetrators of a given cargo theft. Often times, a recovered theft is connected to other crimes – such as drugs or weapons violations. Detectives who have been building a case against criminals are better prepared for this type of arrest." FCS also works with the FBI's National Crime Information Center (NCIC) to register criminals, and FCS provides border notifications when stolen cargo exits the country.

Why Stealth Matters:

One of the most valuable features of OnAsset's tracking technology is its ability to suppress its radio until it is time to transmit. This feature was initially designed to comply with FAA regulations for carriers such as DHL, Southwest Airlines, Continental Air Cargo and others – but it also provides a significant benefit to land-based shippers.

"If a tracking device announces its presence, what good is it?" asks Flemming. "Jammers and scanning technology are commonplace amongst thieves today, so tracking devices that require an external antenna are easy to identify and bypass."

OnAsset's SENTRY device is highly covert. It suppresses its radio until it remits a scheduled signal, before returning to stealth mode. The device, which is about the size of a smart phone, is usually buried within the packaging of the manifest – and often times the driver is not even aware of its presence. This makes it more difficult for even the most sophisticated thieves (or those working in concert with the driver) to detect the presence of the SENTRY tracking device.

Ray Flemming is a Certified Cargo Security Professional through the American Trucking Association who is also recognized by the North American Transportation Management Institute. Among his many ATA awards, Ray has been honored as "Claims and Loss Prevention Professional of the Year."

Measurable ROI:

FCS' program, including the tracking devices, accounts for only a fraction of one-percent of the cost of a given load.

Today, the average cost of a cargo load is close to \$100,000. As a result, companies are paying substantially higher insurance rates to insure their shipments. A Typical shipper can spend anywhere from \$20,000 - \$60,000 a year on insurance premiums. But by using a service like FCS', clients have been able to save 10 - 20 percent on their insurance premiums. These savings alone pay for the cost of the program several times over – not to mention the exponential savings that come with preventing loss and damage in the supply chain.

Some shippers also market and sell the FCS service as a value-added program for their customers, turning it into a new revenue stream.

To find out more about how Flemming Cargo Securement and OnAsset are helping companies streamline their supply chain, contact OnAsset today.

