

Cigarette and Tobacco Storage

Risk Management Note

Theft, burglaries and malicious damage frequently occur to a wide variety of businesses. Whilst some incidents are random and/or unavoidable, there are instances where specific businesses are deliberately targeted due to the attractive nature of their products. In times of financial hardship, this can become more prevalent.

The purpose of this Note pertains, more particularly, to the bulk storage of cigarettes and tobacco.

As easily 'moved' commodity products with a relatively high dollar value, cigarettes and tobacco are often targeted by thieves. As commodity products they should be treated similarly to cash, with higher security protection provided.

Cigarette and tobacco retailers such as dairies, convenience stores and petrol stations are often exposed to this risk, particularly with regard to the bulk stock which is often stored in a general store room with other lesser value stock.

By introducing some more focussed and robust security practices, the likelihood of lost revenue and business disruption can be minimised. These practices are designed to deter, deny, detect, delay and respond to a potential or real threat, should your premise be threatened.

Stock volumes

The volume of cigarette and tobacco stock should be kept to a practical minimum.

'Holiday periods' see a higher frequency of thefts as retailers often increase their stock levels to cater for higher demand and the fact that delivery services often don't operate during these times.

Stock held at the premises should be stored in two (2) areas:

- Retail stock (relatively minor) must be secured in a lockable steel cabinet behind the 'point-of-sale' area.
- Bulk stock must be secured in a separate store room.

If additional stock is held off the premises it needs to be protected by the same physical security measures we advise in this Note.

Alarm protection/surveillance

The entire premises should be protected by a monitored security alarm backed by a patrol response. Remotely accessed CCTV surveillance can also be utilised but should not be considered an adequate alternative to a monitored alarm system.

The monitored alarm system needs to extend inside the store room and, as a minimum, should comprise of electronic passive infra-red (PIR) security sensor(s) that are linked to the alarm system. (Sometimes thieves can access a store room through the roof, thereby avoiding sensors positioned outside of the room.)

A smoke cloak, although comparatively more expensive, can be considered as an effective alternative. Smoke cloaks are designed to disorientate thieves and use the quick dispersion of gas, strobe lights and piercing sirens to create such an unpleasant environment that would-be thieves leave immediately.

Physical security

The store room door should be secured at all times with a robust deadlock. Alternatively, coded door locks could be substituted.

The store room must be fitted with either metal storage cabinets, cages or lockers for the storage of bulk cigarette and tobacco stock. The cabinets, cages or lockers must be anchored to the floors and/or walls to prevent the entire item being carried out of the premises and opened elsewhere.



Steel storage cabinets

Steel cages can be more cost effective than cabinets but it is important to ensure that the aperture of the mesh is smaller than the cross-sectional area of a cigarette carton, to prevent the cartons being slid through the cage mesh.



Steel storage cages

Additional physical locking devices could be retro-fitted to cabinets or cages. For example, robust steel locking bars padlocked horizontally across the door(s).

Alternatively, compartmentalised steel lockers, with individual doors that can accommodate closed-shackle padlocks, will delay thieves. Limiting the amount of stock held within each secured compartment means that multiple compartments would have to be opened before goods of any significant value are gathered.



Steel storage locker

Smaller volumes of bulk stock might also be secured in a robust commercial security safe.

These storage cabinets, cages or lockers also need to be secured using a closed-shackle padlock. Closed-shackle padlocks are designed in such a way to prevent the shackle being easily accessible to hand-held power tools (steel grinders) or bolt cutters. These should be shrouded where practical.

A good example is the ABUS 90/50 Titanium which has a key retaining feature that prevents the padlock from being left open; it will only release the key once it is locked.



Closed-shackle padlock

Dependant on your key control procedures, only selected or senior staff members should have keys (or codes) for the store room and, more specifically, to the cabinets, cages or lockers that contain cigarettes and tobacco.

Stock control sheets should be provided in cabinets or cages and should be signed off by the individual removing the bulk stock to replenish the retail stock.

Disclaimer

The purpose of this Risk Management Note is to assist you to minimise potential loss from exposures which need prompt consideration. The Note does not imply that all other exposures were under control at the time of inspection.

The options contained in this Note are not intended to be a substitute for appropriate professional advice in relation to any matter. In achieving compliance with these items, fire protection equipment and systems should be installed to comply with the requirements of the relevant local, and/or Government authority. Any equipment installed should also comply with the requirements of the relevant New Zealand Standards and Codes.

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