

Minimizing Your Exposure to Scrap Metal Theft

The theft of copper and other metals is on the rise. A global building boom has raised demand for copper, increasing the price more than 700% since 2002. Historically, as the price of copper and other metals rises, so does the incidence of metal theft. Recent news stories underscore the trend:

- Criminals climb onto roofs, cutting HVAC and refrigeration piping off the equipment.
- Electrical panels are being stripped of any copper wire. This has occurred in vacant and foreclosed homes, manufacturing and office buildings, and even from the outdoor lighting on public highways.
- Bronze statues and other works of art are stolen from public parks and in front of office buildings.
- A plastics injection molding company lost some of their proprietary molds when vandals used a forklift to load molds into a stolen truck.

Items at Greatest Risk for Theft

- Plumbing pipe
- Wire
- Pipe fittings
- Backflow prevention valves
- Air conditioning tubing
- Irrigation valves, pumps and piping



Typically, the metal is easily sold for scrap at a large profit. Such theft can also result in thousands of dollars damage to the building. In addition, there may be business interruption losses, production losses and customer delays that may not be covered by your insurance policy. There are steps that business owners can take to minimize the impact to their bottom line.

Improve Building Security

- Many metal shops or job shops do not have burglar alarms, making them an easy mark. Install a burglar alarm tied to a central station alarm company.
- Check all doors for proper security hardware: solid core metal doors, deadbolts, cover plates for the door mechanisms.
- Windows should be secured with wrought iron or the burglar alarm should have perimeter protection that detects breakage of and/or movement near the windows.

LOSS CONTROL TIPS

- If possible, keep scrap metal inside the building.
- Secure the base pan of the condensing unit into the concrete pad it sits on so that when thieves try to steal it they'll have to drag off the 500-pound pad as well.

Improve Yard Security

- If scrap metal must be kept outside the building, consider having it hauled away more frequently.
- Gates into the yard could be equipped with a burglar alarm. This typically is a connection at the gate opening. When thieves cut the lock and open the gate, or ram the gate with a vehicle, the connection is broken and sets off an alarm to your alarm company.



- Burglar alarms within a yard, such as photoelectric beams or infra-red devices, frequently raise false alarms. A better solution may be a proximity detection device, similar to those imbedded into the pavement at a red light. This device, when activated, would sense a vehicle driving into the yard or through the gate after hours.
- Hire after hours security to patrol the area.
- Bring all forklifts inside the building at night.

Reduce or Eliminate Access to the Roof

- Many buildings have roof access ladders attached to the sides of the building. Ladder covers are used to block off the lower rungs. Verify that the ladder cover panel is closed and locked.
- Even more effective, when possible, is relocation of the roof access ladder to the inside of the building.
- Trim all trees adjacent to the building that might help thieves and vandals gain access to the roof.



- Verify or increase the amount of lighting on all sides of the building.
- Remove ladders or other objects in your yard that could allow anyone unauthorized access to the roof.

Other Building Measures

- Instruct all tenants to notify the property manager and police if suspicious activity is witnessed.



- If you use a lot of copper, aluminum or other similar metals, do not keep large quantities on hand. Try to use “just in time” ordering practices and arrange more frequent shipments.
- Secure HVAC systems in a fenced enclosure or cage.
- Refrigeration systems - install a device that hooks onto the refrigerant lines and, in turn, connects to the alarm system in your business. When someone cuts the line, the alarm goes off, alerting your security service.

- Paint backflow, brass and copper piping. Have the backflow registration number available in case of theft and report theft as soon as possible to police. They need the registration number to identify backflow units at scrap yards. Keep areas where backflows are installed well lit at night.
- Paint any copper components the same color as the building. This can camouflage the copper making it less obvious to thieves.
- Keep track of license/serial numbers.
- Engrave metal materials with your street address.
- Conduct an assessment of your facility or property surveying the external areas and components of the building with the eyes of a criminal. What metal items are part of the building? How easy would it be for a thief to steal them?
- If copper pipe is stolen, consider replacing it with PVC if feasible.
- Consider tinned ground bars – copper plates with a tin coating. They do not look like copper, making them less likely to be stolen by unsophisticated thieves. They are also harder to recycle, requiring additional treatments, thus reducing their scrap value.
- Hardware – Replace screws and bolts holding down or enclosing valuable metals with bolts that need special tools to open them.

Construction Site

- Have secure fencing around the job site.
- Post security guards during all off hours.
- Install motion-activated security cameras on the job site.

- Secure all metals in a locked container on the job site.
- Schedule delivery of materials so that metal products are installed that day. Remove all metals from the site at night.



- Consider the use of a GPS tracking devices such as P-trac devices, RFID tags and mobile locks on items susceptible to theft such as containers and spools of wire.
- A GPS device such as a P-Trac could be planted in a set of spools. These are easy to install and are fairly discreet. Spools could then be marked with UV ink, with a stamp or pen, for identification upon recovery.

How can The Hartford Assist You?

Your Hartford Loss Control Consultant or local Loss Control office can also be used as a resource to discuss potential options based on particular circumstances.

<http://www.thehartford.com/corporate/losscontrol/>

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