

Security enhancements not always expensive

Survey finds simple fixes can make significant differences in school programs. **SEE PAGE 11**



Crime bills back in front of Congress

Retailers applaud ORC, e-fencing legislation reintroduced in February. **SEE PAGE 13**

Siemens to reduce presence at ASIS 2009

Announcement is part of a plan to focus on local, vertically focused events. **SEE PAGE 21**

SECURITY DIRECTOR NEWS

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Despite economy, demand increases

ASIS survey reports demand for security is up due to rise in crime and theft, and more employee layoffs

BY RHIANNA DANIELS

ALEXANDRIA, Va.—A survey of ASIS members in January indicates that the need for security has increased in the current economic downturn — 78 percent of CSOs and 66 percent of managers reported an increase in these services.

Reasons cited for the increased need differ by group, and by size of a company, since the security managers tend to work for smaller organizations. General increases in crime and theft, followed by employee lay-offs and furloughs, topped the CSOs' list of reasons. Security managers, on the

other hand, reported increases in theft of and damage to physical property, as their primary concerns.

Michael Cummings, president of ASIS, said that the organization realized that this was one of the deliverables they wanted to deliver to the membership base due to the fact

that the economy is on everyone's minds, whether you are a vendor or a practitioner.

"It is helpful to see [this data] quantified and stratified from a CSO perspective," he said. "Not only does that help them, but it helps us plan

ASIS SURVEY SEE PAGE 10

TWIC hits one million enrolled

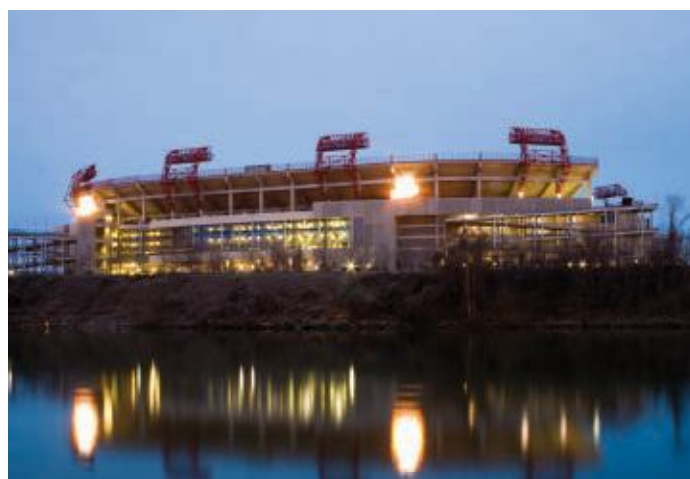
BY LEISCHEN STELTER

WASHINGTON—The Transportation Security Administration announced on March 9 that it enrolled one million port and longshore workers, truckers and others in the Department of Homeland Security's Transportation Worker Identification Credential program at ports across the nation.

"We are very pleased" with the enrollment process, Ann Davis, spokesperson for the TSA told *Security Director News*. "I'm not aware of any ports that may need an extension of time."

The announcement comes a little more than one month before the federal TWIC deadline of April 14 that requires all ports to comply with the credential requirements. One million workers were enrolled

TWIC SEE PAGE 12



NFL finds liability protection

BY RHIANNA DANIELS

NEW YORK—The National Football League is now exempt from lawsuits under the Department of Homeland Security's Support Anti-Terrorism by Fostering Effective Technologies Act.

The Safety Act helps DHS certified security providers by guaranteeing they will not pay any claims that terror victims might file after an attack. It was created in 2002 in response to multibillion-dollar lawsuits filed after 9/11 that left companies afraid they would be sued if security equipment failed to stop terrorists.

The protection extends only to companies' services or equipment that the Department of Homeland Security has approved as being effective

The NFL's Safety Act designation protects it from liability in the event a terrorist attack occurs.



in anti-terrorism.

Among those with top-tier protection is the NFL, which in December received liability exemption against future claims stemming from an attack at any of the nation's football stadiums. The law requires a court to dismiss lawsuits against companies whose products have Homeland Security's highest reliability rating.

The NFL got the protection after the government approved the league's nine-page stadium security guidelines.

NFL security chief Milt Ahlerich told USA Today that an attack from a terrorist organization could put

NFL SEE PAGE 14

Westec raises \$20M

BY RHIANNA DANIELS

DALLAS—Westec, a nationwide remote video monitoring company that focuses on the retail, restaurant and hospitality markets, in late February secured \$20 million in equity funding.

The investment was co-lead by Argonaut Private Equity and Egis Capital Partners with support from existing investors. In a time when securing capital is the exception instead of the norm, Kelby Hagar, CEO of Westec, admitted there were challenges but said these funds will be critical to help the company maintain its position in the marketplace.

"The benefit for us as a company is that it allowed us to pay off existing debt and also gives us access to \$8 million in growth capital that can be put into play for organic growth and targeted acquisitions in the coming months," Hagar said.

He also said the company's ability to secure funding "shows confidence in the marketplace from [the investors] who see that there is growth opportunity in the industry."

Since Westec offers two-way audio connections in to each location they monitor, it has enabled retailers they work with to reduce

WESTEC SEE PAGE 22

Jones: Market solutions to solve LP problems

CONTINUED FROM PAGE 13

wide. These days, LP executives are being asked to not only control shrink, but develop executive protection, brand protection and crisis management plans in addition to shrink reduction and control programs.

“Over the past seven years, the role of the LP executive has expanded,” Jones said. “This is often in areas they don’t know

much about.”

Active shooters and cyber crime, in particular, are issues on the leader of LP’s plate that they did not have to deal with before, Jones said.

His message to the manufacturers and integrator that were in attendance at the February event was direct: “If you’re a solution provider you need to think, how do I market my solution to solve these

problems?”

Jones said although layoffs in retail will continue as will a reduction in capital expenditures, the nearly \$12 billion that was spend in loss prevention solutions in 2007 is likely going to increase. There is opportunity to be had, he said, but vendors need to come to the table with solutions directed to the LP environment, not just products. **SDN**

ASIS survey finds demand increases for security

CONTINUED FROM PAGE 10

months (June-December 2008).

Survey results also found that both CSOs and managers had similar experiences in terms of direct impacts, most frequently reporting travel budget restrictions and postponements/freezes in new hires. Other concerns involve reductions in professional development and training budget restrictions, and the postponement or freezes in purchasing security equipment and technology.

CSOs, in general, are better prepared

to manage security services if significant reductions in resources occur, with nearly three out of five reporting that they have formal contingency plans in place. On the other hand, less than half of the responding security managers were in a similar position.

While there was some commonality between the contingency plan characteristics reported by each group, the CSO characteristics tended to be more strategic in nature, with greater conformity to the concept of enterprise risk management.

Participating individuals were randomly selected from members of the CSO Roundtable and ASIS members who are practitioners with management responsibility. These two groups were targeted in order to provide a perspective from CSOs of “the largest and most influential organizations around the world, as well as security managers representing a cross-section of employers,” a press release said. All of the respondents spend all or most of their time directly managing or providing security services for their employers. **SDN**

ORC bills

CONTINUED FROM PAGE 13

working together to get these bills combined and there is a high level of support from both sides of the aisle.”

It is important that the bills not only focus on ORC, but also the growing problem of e-fencing. Joe LaRocca, vice president of loss prevention for NRF, said e-fencing has now become criminals preferred method for selling hot items because they can receive as much as 70 percent of its retail value, compared with 30 percent on a street corner or at a pawn shop. The anonymity of the Internet also reduces the chances of apprehension. Regulations specific to the Internet are necessary, LaRocca said, because

online auction operators don’t do enough to cooperate with retailers to stop ORC activity on its sites. For example, an online auction site may only work with police after an incident is reported and is not taking enough proactive steps to keep stolen merchandise off its sites.

ORC continues to draw profits away from retailers, growing each year in incidents. According to NRF’s recent ORC survey, 85 percent of retailers reported they were victims of ORC in the past year. This number is significant, especially in today’s dour economic environment.

“When an ORC crime group ring is stealing tens of thousands of dollars in merchandise then selling it on the street, their profit margin is significant and it is very difficult for legitimate retailers to compete with them,”

LaRocca said.

The proliferation of sales show retailers already struggling to survive in today’s climate and retail crime — shoplifting and employee theft included — are making it more difficult for stores to reach goals. Reports have indicated that the recession has had a direct affect on the rise in retail theft, and today all products are a target.

“We’ve been asked many times about whether it is about need or greed — people stealing as a basic necessity for survival or people who are stealing Coach handbags and designer apparel,” he said. “What we have seen is that the trend across all sectors have remained fairly consistent but the demand for products at a reduced price are significantly up. Consumers are looking at places like eBay and swap meets and looking to find a deal.” **SDN**

L’Oreal

CONTINUED FROM PAGE 13

But during a March interview with *Security Director News*, Jones said the industry is continuing to try to work with the online auction site in hopes of finding some common ground. A new bill in front of Congress looks to give a federal definition to e-fencing, the process of selling stolen or counterfeit goods through an online retailers.

Joe LaRocca, vice president of loss prevention at the National Retail Federation, said it is paramount that there are checks and balances in place “to make sure criminals are not running rampant on the site.” **SDN**

NFL designation

CONTINUED FROM PAGE 1



Although the NFL’s liability is covered in the event of a terrorist attack, Robert Karl said the NFL’s Safety Act approval is a “double-edged sword for the franchise, team and owners.”

the league out of business. League guidelines include deploying digital security cameras, pat downs on fans and perimeter protection barriers. Robert Karl, managing partner of Safety Act Consultants, said the NFL was awarded both ‘designation’ and ‘certification’ under the SAFETY Act. To achieve both of these approvals, the DHS conducted a detailed review using statutory criteria required to assess various technologies, procedures, facility physical protections and other elements contained in the NFL’s best practices security guidelines.

“We are pleased with this because it supports our initiatives to secure our facilities and protect our fans,” said Greg Aiello, a spokesperson with NFL. “We recognize large gatherings could be targeted and will do anything possible to protect our fans and our teams.”

But Karl said the NFL’s Safety Act approval is a “double-edged sword for the franchise, team and owners. On one hand, if the NFL’s approved security plan and procedures are implemented and subsequently alleged to have failed in stopping a terrorist attack, the Safety Act’s regulation provides total immunity for all other parties involved with the NFL guidelines. This includes the team, franchise, team owners, venue owners and entities involved in providing products or services in accordance with the NFL procedures.”

Karl said if a terrorist event does occur, the plaintiff attorneys know that alleging a failure in the NFL’s approved best practices guidelines, will be expensive and ultimately futile, so they will attempt to circumvent or “plead around” the NFL’s Safety Act protection by naming parties other than the NFL in the complaint.

“Without their own Safety Act Designation, the franchise, team and/or owners now become the primary ‘deep pocket’ targets,” Karl said. “An organization without its own Safety Act protection is vulnerable. Sports teams, franchises or team and facility owners are no exception. Designation from the DHS is the only way to guarantee protection.” **SDN**

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