

ASSET

PROTECTION

PEOPLE | PROPERTY | REPUTATION

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Pointe Hilton Tapatio Cliff | Phoenix, AZ.

VIOLENT CRIME AND LIABILITY EXPOSURE: A REALITY CHECK

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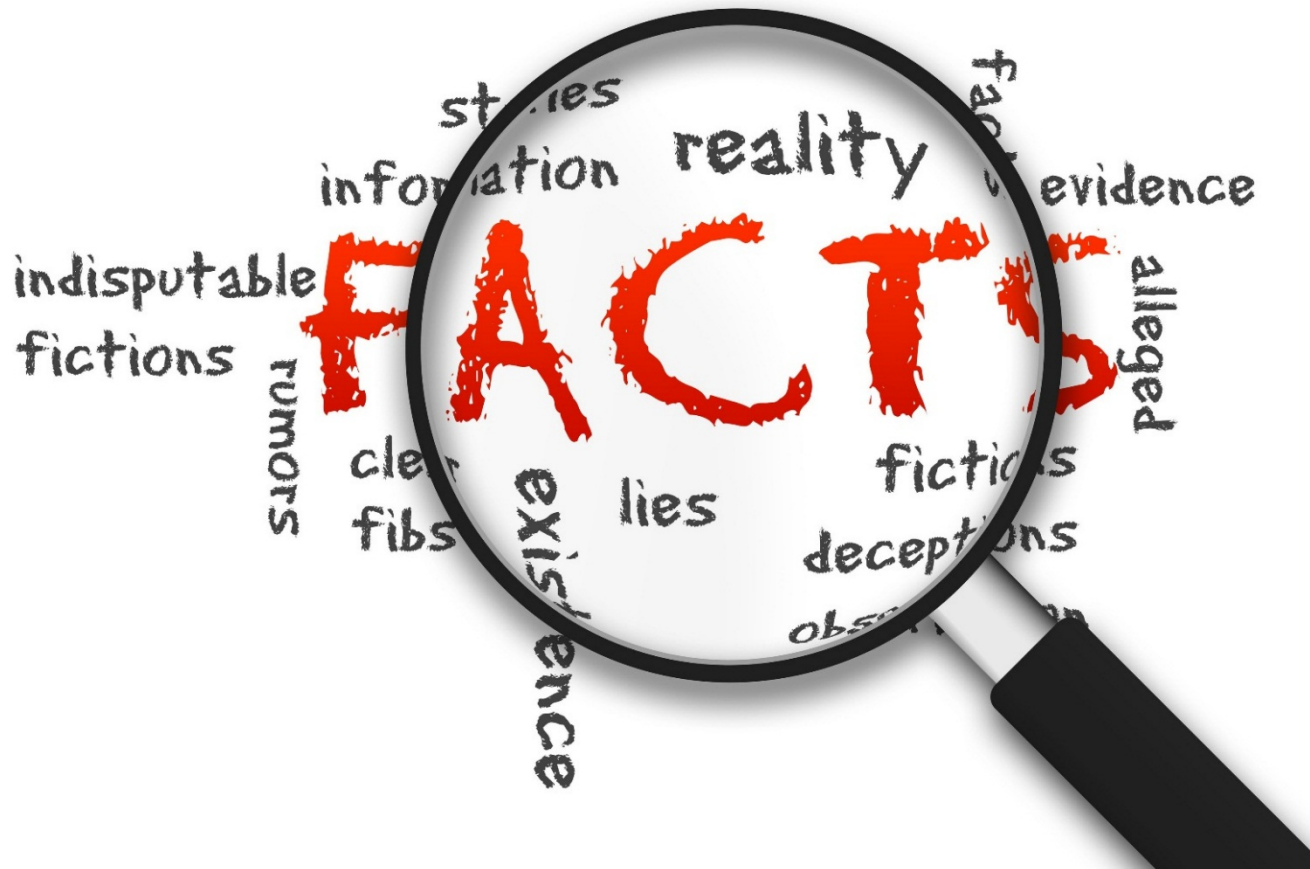
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OVERVIEW

- The Reality of Negligent Security Claims
- How Does Your Store Format Play a Role in Your Security?
- A Case Study
- Violence in the Workplace
- The Cost of Crime
- Reasons for Premises Security Lawsuits
- Creating a Risk Rating



You can't hide from the truth!



What you don't know can hurt you!

REALITY

- You don't get a vote on whether or not your company is sued.
- When your company is sued for a security related incident, you are on trial, not your company.
- You are responsible for the actions of people you do not know, you do not control, and have no idea what they are doing.

RESTAURANT FORMAT

- Restaurants in all 50 states and 37 countries
- Approx. 100 employees in each restaurant
- 700,000 customers a day
- Largest seller of beer in the U.S.
- Free standing, mall locations, inline strip centers, residential neighborhoods, city centers, business parks, airports, war zones
- Own parking lots, shared parking lots, no parking lots

MIAMI LAKES

- Homicide before we started construction
- Theft of construction tools during the construction of the building
- Multiple car break-ins soon after opening
- Armed robbery with gunfire after opening
- CAP Index Score: 316

And then this...



DISCOVERY

- What is in your personnel file?
- Have you been interviewed or quoted in the media?
- Have you done presentations outside of your employer?
- What's in your email?



**How do you know what is
happening in your stores?**

What are your reporting requirements?

VIOLENCE IN THE WORKPLACE

Statistics: Fear and violence in the workplace

- One out of four workers was harassed, threatened or assaulted in workplace during the past year.
- More than two million people were victims of a physical attack in a business establishment.
- Fifteen percent (15%) of all workers surveyed were physically attacked at some point while on the job.
- Harassers are usually co-workers or bosses (includes the use of threats, creating a hostile work environment, and physical contact without injury.)
- Attackers are usually customers or clients.

TYPES OF WORKPLACE VIOLENCE

- Disgruntled employees
- Third party crimes
- Sexual harassment
- Displaced domestic violence (Often involve unintended victims)





THE COST OF CRIME

Loss of reputation

Low employee morale

Diminished brand equity

Liability exposure

REASONS FOR PREMISES SECURITY LAWSUITS

Failure to assess the risk and adjust program

- Crime/risk data
- Complaints/event history at site
- Risks inherent to industry
- Frequency of assessments (How often is enough?)
- What is the plan? How is it executed?

Security program resource allocation

- Budget cuts
- No consideration of losses
- Failure to evaluate trends before taking action
- Failure to weigh alternatives (physical security v. procedural measures)
- No documentation before reallocation (e.g. 3rd party security/CCTV)

REASONS FOR PREMISES SECURITY LAWSUITS

Negligent supervision

- Failure to address prior performance or behavior through the disciplinary process
- Failure to maintain accountability (e.g. key control, money handling procedures)

Insufficient training

- Inadequate quantity of training (robbery prevention & response)
- Failure to provide competent trainers
- Failure to retrain after poor performance or incident
- Failure to train in skills proportionate with job responsibilities

REASONS FOR PREMISES SECURITY LAWSUITS

Violation of industry standards and practices

- Be aware of industry standards (national & local)
- Do not ignore self-imposed standards (are they feasible?)

Security equipment and technology failures

- Broken/inoperative equipment (CCTV & DVR)
- Out-of-date technology
- Missing equipment – what is purpose?
- Insufficient amount of equipment (deter, detect, investigate)

UNIQUE CHALLENGES FOR MULTI-SITE RISK ASSESSMENTS



- Not enough staff to conduct regular on-site visits to all facilities
- Inconsistent data collection
- New locations have no event history
- Assets needing protection may differ
- Countermeasures differ (cost, feasibility and effectiveness)

REMEMBER:



Realization and acceptance of the unique challenges to be confronted must occur within the entire organization.

DEFINE THE CORPORATE SECURITY STRATEGY

- What are we attempting to protect? Define Assets.
- What role do various departments play in the process and execution?
- Cost justification/return on investment
- Must be able to ARTICULATE program!!

RISK RATING

- Can be developed for each location, combining objective and subjective data
- Survey tool to collect information to go into the matrix
 - Event history
 - Security countermeasures
 - Industry and local practices
 - Staff experience
 - Law enforcement intelligence
 - Natural disasters



DEVELOP SECURITY COUNTERMEASURE THRESHOLDS

- Once the risks are identified, countermeasures must be implemented. Security is not “one size fits all”
- Site selection process can incorporate risk evaluation, thus limiting the capital costs during construction and the expense of potential retrofitting
- Depending on the classification designated to a particular location based on the risk assessment, a set of “minimum” security countermeasure thresholds can be allocated as a baseline

CREATE A “MENU” OF COUNTERMEASURE OPTIONS FOR ANY CHANGES IN RISK

- Create flexibility and select those alternative countermeasures that are **reasonable under the circumstances**
- Alternatively, if risk is reduced over time, it may be possible to reallocate security resources
- Establish protocol for reevaluation of risk and security countermeasure effectiveness



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QUESTIONS?

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