

Bulletin

ECR Crime Prevention

September 2003

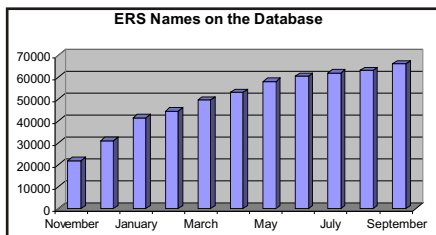
1. Incident Management System

This month saw the first of our proposed annual symposia, a day for feedback to all our members, giving detailed feedback on progress made, achievements, successes, etc. as well as the future direction of the Programme. The day was well attended, with over 120 delegates arriving at the Wanderers Club in Johannesburg. We definitely intend to hold a similar day next year.

The end of the month saw the ECR Conference, during which we were given the opportunity to present the Programme to the Industry, as well as interact with a number of visitors to the CGCSA stand.

2. Employers Reference Site

The database continues to grow, in both participants as well as names:



Candice in the Crime Office keeps a tight rein on her contributors, ensuring that we receive names from all participating companies every month. These companies posted 1340 enquiries during September, with 133 producing a positive match.

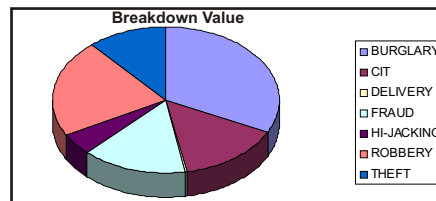
During the ECR Conference, we were twice informed by members that the database had produced work histories for candidates that differed to those provided on the Application form. Upon enquiry, in both instances the candidates had unacceptable references from the companies they had omitted, resulting in our members being able to take an informed decision thanks to the ERS.

3. Incident Statistics

Crime Statistics are a sensitive issue in South Africa, and the Statistics produced by the ECR Crime Office must be seen in the context of the developing nature of our programme. It can not be inferred from the graphs that Crime is increasing in our industry. We continually encourage more locations to report, and as more companies join, so the graphs will show a natural upward trend.

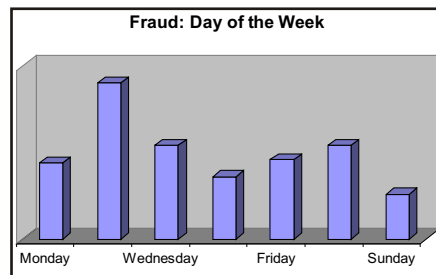
What is valid is the analysis of type, or value. This shows that Burglary and

Robbery continue to be our biggest threats:



Cash-in-Transit Heists, Fraud and Theft also show significant losses.

This month we took a look at **Fraud**. The graph above shows that a significant proportion of the losses sustained are due to Fraud, be it false or stolen Cheques and Credit Cards or Embezzlement. The following graph shows that there is no significance in the day of the week.



Similarly, there are no discernible patterns within a month, or time of day.

However, the SAPS Commercial Branch has established a specific task force to investigate cheque fraud. Our next Bulletin will contain details of what information is required by this task team, and how you can assist.

4. Focus Groups:

Violent Crime

This sub-committee is looking at ways to prevent Armed Robberies occurring (initially) in small suburban centres and high streets. The group includes representatives from Stores, Security Companies as well as the SA Property Owners Association and Shopping Centre Council. Work has started on developing a site-survey so that the physical attributes of a number of vulnerable stores, as well as some that have not been victimised can be inspected and weaknesses (and strengths) identified.

After consultation with architectural and environmental design experts, a "Best Practice" document will be published to enable stores to review their security vis-à-vis Armed Robberies.

Security Companies

We continue to get good support from the suppliers of Security services to our industry. The group established sub-committees to look at various aspects of their services, and to date two Best practices have resulted: Guarding and Armed Response.

These documents (which are in final draft) set out what the roles of A Guard or Armed Response officer are, and what they are expected to do.

This Group has also produced a checklist to assist in selecting a Security Provider.

These Best practices will be available on our Website shortly.

Sales and Merchandising

Work continues on implementing the ID Credentials Document proposed by this group. A steering committee has been formed, consisting of representatives from 4 Store Groups, 4 Third Party Service Providers and 4 Self-Merchandising Manufacturers.

A Letter of Intent is currently being circulated among the CEOs of the big 7 Store Groups for their signature, committing their groups to this initiative.

Hot Products

The research into where the shrinkage takes place within a store continues. Two test sites have successfully completed their test period, and we are now expanding this research into a random sample of stores, to obtain a statistically sound sample.

We have also launched the trial of a High Risk Champion in 10 stores in Gauteng. This person will be responsible for the goods (of a designated set of brands) from the time they arrive in the delivery truck to the time they are merchandised on the floor. Accurate stock counts will be maintained at each stage of the process, similar to the research mentioned above, to ensure that the goods are properly controlled. An ECR test of this idea in Europe resulted in increased sales of 228%, while Shrinkage reduced by 78%.

We will publish updates on this trial in future bulletins.

Membership

At the recent ECR Conference, Doug Baillie of Unilever, and Sean Summers of Pick 'n Pay, Co-Chairmen of the CGCSA (The Crime Prevention programme's parent body) called on the Industry to join the Programme. A target membership of 300 companies was put forward. Our

current membership is 100. This poses a real challenge for the Crime Office secretariat, and we need your support in achieving this goal. There are easily 2,000 companies active in the FMCG industry, but without your support it will not be reached.

We urge you to encourage your peers, your suppliers, principals and service providers to contact the Crime Office (0861 101 726; crime@cgcsa.co.za) and enrol.

Industry Participation

The following companies have agreed to participate in the Crime Prevention Programme:

3D Marketing
Accantia
Adcock Ingram
ADT Security
Agfa
Aluvin
Anglovaal Industries
Aventis
BAT
Beacon Sweets
Bic
Bokomo
Bromor Foods
Chandel Security
Chep
Chubb
Clover
CMR
Coin Security
Cold Chain
Colgate Palmolive
Consol Glass

Cordiner's
Daymon International
Designer Group
Dex Security Solutions
Energizer
Federal Marine
Fidelity Security
Firth Brothers
Focus Retail Services
GP Retail
GSK
Geoff Dakin
Gillette
GriffithsReid
Group 4 Falck
Illovo
Imperial Cons. Logistics
Industrial Fingerprinting
Irvin & Johnson
Johnson & Johnson
Kellogg's
Kimberly Clark
Knightwatch Security
Kodak
Kraft Foods
LA Sales
Legend Security
Lever Ponds
Lodge Security
Massguard
Massmart
Master Foods
Meridian Sales
Merisant
Metro Cash & Carry
Nampak Tissue
National Brands
National Safe
Nestlé
Network Field Marketing
New Clicks
Nola

Nutritional Foods
Pack 'n Stack
Parmalat
Pick 'n Pay Group
Premier Foods
Pro Asset Management
Procter & Gamble
Quiver Group
Rainbow Chicken
Real Juice Company
Reckitt Benckiser
Reef & Rural
Revert Security
RFF Foods
Roche
Rowlands Pearce
Sara Lee
SBV Services
Securicor
Servier Laboratories
Shoprite Checkers
Smollan Holdings
Southern Sales
Spar
Stallion Security
Strategic S & M
Supergroup
Supply Chain Services
Tar-Jet Distribution
TFD
Thumb Trading
Tibbett & Britten
Tiger Brands
UBR Foods
Ullmann Brothers
Vector Logistics
Vital Health Foods
Vital Merchandising
Widespread
Wolf Security
Wolf & Johnstone
Woolworths