



Utica National Risk Management Alert

Loss Prevention Measures for Businesses to Take During Civil Disturbances

Civil disturbances may take various forms and vary in size and amount of danger to a business. Civil disturbances can include events, such as riots, strikes, and demonstrations, as well as spontaneous disturbances arising from sports celebrations.

The severity and magnitude of the danger posed by a civil disturbance require that emergency planning to cope with such incidents be an integral part of every business. It is essential that owners and managers give advance thought to what can be done to protect employees, customers, and the business. Preventing loss of life, injuries, and property damage, in that order, are the priorities.

Retailers and other companies across the country are looking to implement or improve plans in the wake of recent riots. For those businesses with losses, reasons some do not re-open or re-build business include:

- Lack of or insufficient insurance coverage;
- Loss of key personnel who are forced to obtain other employment; loss of customers who obtain goods and services elsewhere;
- Loss of stock resulting in loss of sales because of inability to fill orders or replenish stock; and
- Higher rebuilding costs because of updated building codes.

The measures outlined below may help in preventing or minimizing loss of life and destruction of property should a riot occur. How well a business survives a riot – if it survives at all – may be determined by how well it has planned for the emergency.

Learning from the Past

Patterns emerge from a review of riots in the U.S., beginning with the 1965 riots in Watts, through the 1967 riots in Detroit, Michigan and Newark, New Jersey, or the 1992 riots in Los Angeles to the Baltimore riots in 2015. It has become clear that:

- The normal means for protecting life and property are rendered ineffectual during civil disorders.
- An occupied facility is less apt to be attacked.
- A definite order of looting targets exists.
- Arson and looting prevention pays.
- Marked goods may be recoverable.
- Proactive public relations may be valuable in some locations.

Pre-Planning Considerations

Unfortunately, when riots occur, police and firefighting services are usually spread so thin that it is unlikely any one business will be able to obtain help from these services. This breakdown of the normal means for protecting property from looting and arson during civil disorders dictates that the businesses initiate protection plans to address these situations.

When developing a riot loss prevention plan, the first step is to check with local authorities on their plans for responding to a crisis. The business plan should be developed in compliance with local, state, and federal laws and should be implemented with the full knowledge and cooperation of local law enforcement authorities. The plan should also include provisions for the continuity and expeditious resumption of operations.

The type of property to be protected, its contents (based on the desirability of the goods to looters) and its location are prime considerations. The type of property – whether a small store or large complex – will determine the type and extent of the program. While a small store needs a minimum of preparation to secure the premises, a large facility with numerous buildings will require detailed and extensive planning for effective protection.

One lesson of past riots is that retail businesses are the prime targets of looters and arsonists and bear the brunt of financial loss. The businesses that are usually first attacked are liquor stores and pawn shops, and these are usually thoroughly looted. After these come food markets (initially attacked for liquor and cigarettes), drug stores, appliance stores, furniture stores, and clothing stores. Looters give top priority to merchandise that can be readily used or is easily resold.

Historically, inner-city businesses have been the most affected by riots. Rioters and looters prefer the anonymity afforded by their neighborhood. Rarely have the violence and damage from these civil disorders extended into suburban areas.

Because the problems of protecting a large property are different from those common to protecting smaller properties, for the purpose of this report, they are considered separately. However, many of the measures discussed are applicable to both types of properties.

The Larger Property

- Larger properties are frequently protected by a fence, may be patrolled by security forces, and may be provided with other security equipment. Fences and security equipment should be examined to assure their integrity. Riot experience also indicates that a well-illuminated and obviously occupied facility is less subject to attack than an unoccupied facility with little or no lighting.
- Fire prevention measures are especially important during times of riot. Even if the building is protected by a sprinkler system, local firefighting operations or vandalism of equipment can have an adverse effect on water supplies, rendering the sprinkler system ineffective.
- When the property is protected by a sprinkler system, outside sprinkler control valves are susceptible to closure by rioters. If a riot is imminent, insure sprinkler control valves are locked to assure availability of water when needed.
- Because a high incidence of Molotov cocktail attacks have been directed at roofs, it is important that a ready means of access to roofs, as well as alternate escape routes from roofs, be provided. Buildings should have non-combustible or slow-burning floors and roof coverings that have a listed flame spread less than 25.
- Depending on local conditions, establishing a fire watch on the roof may be prudent. It should be noted that law enforcement agencies may not be able to readily distinguish between a person on fire-watch duty and a sniper. The person on fire-watch duty should be instructed to remain in a safe location to avoid being splashed with flaming gasoline from a Molotov cocktail and stand back from the edge of the roof so he or she cannot be seen from the street.
- Existing firefighting equipment, such as hoses, sprinkler systems, and portable fire extinguishers, should be checked to verify that they are ready for use. Locating mobile fire carts in strategic locations is advisable. Fire carts should be equipped with several multi-purpose extinguishers, sand pails, tarpaulins, and any special equipment needed to handle individual situations.
- Duplicates of vital bookkeeping information, such as inventory, receivables, credit information, and computer tapes, should be stored off premises, at a secure location. The duplicates are vital to establish true losses and business interruption claims and to identify stolen goods by means of serial numbers or other markings.
- The importance of being able to identify stolen property is emphasized when the police in major riot areas are forced to auction recovered property worth hundreds of thousands of dollars because local businesses could not identify their property. Keeping records of serial numbers is one aid to recovery; another is to utilize "Operation Identification," which involves engraving an identification number, such as a personal identification number (PIN), on all valuable items.
- When riot pressures are building, if time permits, inventories should be reduced to a minimum. Target inventories, such as cash, jewelry, liquor, guns, drugs, and high-priced items, should be removed from display cases and windows and secured in safes or placed out of sight, and the windows protected. Steel roll-down gates have been found effective. Some stores have had notable success in averting damage by placing pre-cut plywood boards against display windows from within the store. This has the advantage of not exposing installation personnel to street conditions.

- Businesses that sell guns, ammunition, knives, and other dangerous weapons, or store firearms and explosives, must take extra precautions to assure that these materials do not get into the hands of rioters and looters. The police should be contacted and a plan developed for securely storing firearms and explosives on the premises or removing them to a safe area.
- Larger companies frequently maintain their own security forces. The decision to arm security forces with weapons, and under what circumstances force is to be employed, is an individual consideration. Whatever decisions are reached, they should be determined by consulting with appropriate local law enforcement authorities.
- Companies that do not maintain their own security force and do not regularly employ the services of a guard service organization might well consider making provisions for the hiring of security personnel under riot conditions. However, it should be noted that these organizations will give preference to regular clients.
- During riot conditions, all entrances and exits that are not needed should be sealed or otherwise protected, without restricting emergency exit or fire department access. Plans should be made to seal skylights, ventilation openings, and trash chutes under riot conditions. Elevators should be moved to upper floors and, if permitted by the local fire department, made inoperative. As a precaution, gas supplies should be shut off, especially if the premises will be unoccupied. Flammable liquids should be removed from the premises or stored in a secure location. Company vehicles should be moved to a safe location.
- The decision on whether to evacuate personnel will depend on local conditions. Whatever the conditions, evacuation routes and alternates should be determined beforehand. Personnel should be instructed regarding routes to take and, if driving, to leave with vehicle windows shut and doors locked. Advance coordination of evacuation plans with local authorities will result in the expedient movement of traffic and transportation of personnel.
- Advance planning must also include the possibility of employees and customers becoming trapped in the building. A shelter area should be selected in the event it is unsafe to evacuate employees and customers from the building. Under these circumstances, local law enforcement authorities should be contacted immediately and apprised of the situation. If employees will be remaining on property, a supply of food and medicine should be available.
- Pre-planning should also include arrangements for communicating with employees regarding when it is safe to return to work.
- Emergency communication is a matter of utmost importance. The names and telephone numbers of company officials, security officers, police officers, fire department officials, and transit authorities should be posted in more than one area. Under riot conditions, regular telephone service may become interrupted or severely overloaded. Alternate communication means, such as cell phones, may be advisable. Battery-operated radios should be on hand in the event of power failure. In many instances, the use of walkie-talkies may be useful in maintaining internal communication, advising security personnel of developments throughout the premises, and directing firefighting and security activities.

The Smaller Property

- Some of the preventive and protective measures applicable to larger properties are also applicable to smaller properties. Checking the readiness of fire protection equipment and securing all means of entry into the building are proven means of reducing riot damage.
- With smaller businesses, loss of records, especially inventory records, is a most serious matter. Inability to prove losses can and does result in businesses going out of business or, at the very least, cause personal financial hardship. Maintaining duplicate business records (including computer tapes or disks) in a safe location away from the business premises is imperative.
- Limited financial resources, common to many small businesses, dictates the wisdom of reducing inventories during periods of general unrest. This also includes removing high-value items, such as appliances, TV sets, liquor, clothing, and jewelry, from display windows.
- When safes are used to protect high-value items or important records, the safes should be suited to the purpose and not readily movable. For example, safes intended solely for burglary protection will normally be of little use in protecting vital records from fire, while fire safes may not provide adequate protection against physical attack.

- Most small businesses do not employ security guards; security and fire protection duties during unattended periods are normally provided by burglar and fire alarm systems. Nevertheless, the deterrent effect inherent in security guard service should be considered. Some businesses have found it desirable to assign certain tasks to volunteers in advance. Under these programs, teams of employees are designated as fire wardens and security patrols and are given suitable advance training and instructions for carrying out their responsibilities.
- Retail stores usually have large glass fronts. Means of entry into the property during riots is most often through large display windows. Steel rolling shutters and pre-cut plywood boards installed inside the show window help to provide protection against attack. Another protective measure is burglary-resistant glazing, which is also effective against the hit-and-run type attack. Protective bars and grillwork for side and rear windows should also be considered.
- Where rolling shutters, plywood boards, burglary-resistant glazing, and bars are used for protection; attention should be paid to their means of anchorage. It makes little sense to install this equipment in a window or door frame that can be easily compromised.
- Efforts should be made to establish good communication with the surrounding community and local law enforcement. Good public relations between the business and the community are important because the goodwill it generates helps alleviate tensions, which in some cases has resulted in selected businesses being spared. Also, the community will, on occasion, forewarn the local business that a riot is imminent.

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www.uticanational.com • 1.800.598.8422