Crime Alert

June 23, 2009

Rash of shipping losses

Calls for attention to proper packaging

Outbreaks of shipping losses are affecting several Jewelers Mutual policyholders prompting this alert from the Jewelers Mutual Loss Prevention department. Recent claims include address errors, lack of communication between shipper and recipient, and packages that are not properly packaged. To avoid losses, please review these important precautionary measures.

Item packaging provides clues to contents

Clue #1. If it looks like a ring, sounds like a ring, and weighs like a ring, chances are good it is a ring. If it looks like a shoebox, sounds like a shoe box... you get the picture.

Clue #2. If the addressee or the return address mentions jewelry or jeweler, aren't the contents likely to be jewelry?

Safe and deceptive packaging goes a long way in shipping merchandise safely. Be sure to train your staff to use the shipping techniques outlined below.

Prevention measures

Shipping losses are among the most frequent types of claims suffered by jewelers. You can reduce your chances of loss by following these guidelines.

- 1. **Place merchandise in a medium-sized, inner cardboard box**. Seal with tape. Label this inner box with your return address (no jewelry-related words) and the tracking number. This will serve as identification if the outside container or mailing label is destroyed in transit.
- 2. **Place the inner box in a strong, oversized shipping box** (i.e., 12"x12"x4"). To prevent the package from rattling, tape or glue the inside box to the shipping box. If possible, use a packaging box from the delivery service. Never use an envelope. If you do not have a box from your delivery service, disguise your shipment in a sturdy box from a different product. Do not use a box marked with any jewelry-related words (i.e. jewelry, gold, silver, etc.). Avoid old boxes that lose strength.
- 3. **Fill the remainder of the box with packing material** to help protect the smaller box during transit. Don't use jewelry catalogs or ads.
- 4. Seal the shipping box with reinforced mailing tape, pressure-sensitive shipping tape, tamper evident tape, or stamp over the tape so that any tampering is evident. Do not use string, masking tape, or cellophane tape to seal the box.



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- 5. **Confirm and double-check the correct address.** We see losses that were sent to uninhabited suites. If you're not sure, call to confirm address, suite number, and ZIP code.
- 6. **Address the package clearly**. Do not indicate that the package is coming from or going to a jewelry-related business. Use a name that does not contain jewelry terms. Change the name regularly. Do not use abbreviations that could be misunderstood. Disguise the return address in a similar fashion. Use the name of a business associate (with their permission), such as your accountant or attorney, who is at a different location, not in a jewelry district or with a prominent jewelry ZIP code.
- 7. List the contents of the package as "parts" or "supplies," not jewelry-related terms.
- 8. Use extra caution when shipping packages to/from these ZIP codes: 10036, 10017, 90013, 90014, 90015, 60602, 60603, 60659, 94102, 94103, and 94108. When possible, deliver packages to the post office, to the carrier's convenience center, or to another location outside of these ZIP code areas, but avoid shipping to a residential address.
- 9. Log the details of the shipment, its value, and the carrier used in case of a loss, as well as for reporting total exposures at policy renewal time.
- 10. Require a signed receipt upon delivery.
- 11. Buy coverage for the shipment from the carrier. Insurance coverage by most carriers is not automatic. It must be purchased.
- 12. **Inform the recipient when the package is sent**. In many shipping losses, no one realizes a loss has occurred until the sender calls the recipient to check on a delivery. Without the sender informing the recipient of a package shipment, several weeks can pass before the loss is detected.
- 13. **Before signing for received shipments**, be sure you have received the correct number of packages, open them, check contents, and **then** sign for packages in view of a security camera so the entire transaction is documented.

Free shipping poster, resources

For additional security tips, visit <u>JewelersMutual.com</u> and click on <u>Security and Safety</u> on the business tab. Training courses are available through the <u>JM University</u> link. Jewelers Mutual also offers a <u>free shipping poster</u> and many other materials and training sessions that you can order online or by calling us at <u>800-558-6411</u>. Supplies are free to policyholders.



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