

**Cannabis Security Operations- *Criminal Deterrence
Through Surveillance & Building Fortification***

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Cannabis Security Operations- Criminal Deterrence Through Surveillance & Fortification

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Abstract

The medicinal and recreational cannabis industry is in its infancy in the United States, with several states creating a legitimate medical program or advanced to both medical and recreational programs in the last several years. Since 2009, most of these states have been forced through an aggressive cannabis business adolescence period to date; and through this adolescence suffered great financial and human loss from criminal activities, both internal and external. Through careful study and operational experience within the industry from a security standpoint, several common factors have been discovered that have led to catastrophic losses ranging from millions of dollars in revenue to the confrontation and loss of life throughout the country due to the high profile criminal targets that cannabis operations pose. Through carefully focused human security elements, precision surveillance regimens complimented by technology and thorough structural fortification, criminal activities can be significantly deterred down to aborted robberies with little to no liability, property damage, loss of product or human life.

Introduction

Multiple layers of protection are imperative when protecting facilities that house cannabis. Protecting human life and cost effectiveness are also staple factors of importance in the cannabis industry as a whole. A transitional security element working within multiple layers is oftentimes the “security guard”.

It is a multi-industry wide common practice to have static security guards enforcing security protocol between the outer and inner most layers of a secure environment. However, in the cannabis industry, due to strict regulations, it is (in some cases) unlawful or simply unfeasible and non-conducive to pro-active security measures to have security personnel within the inner layers of a cannabis operation (especially during closed, or non-operating business hours); and therefore these personnel are operating static on the outermost layer or even just outside the perimeter of the cannabis operation in a vehicle, guard booth or simply roaming. This regimen with guards creates challenging environments to the security personnel during hours of darkness to stay awake and remain vigilant, as well as maintaining vigilance in states with sub-zero temperatures at night. This also adds an area of liability for both the cannabis operation owner(s) and the security company providing the service if the security personnel are armed; not to mention the invitation of confrontation and potential loss of human life. There are several examples of personnel being killed, one in particular in Denver, CO an armed security guard was murdered during an armed robbery (McGhee | tmcghee@denverpost.com and Kieran Nicholson | knicholson@denverpost.com - <http://www.denverpost.com/2016/06/20/green-heart-marijuana-dispensary-security-guard-killed/>).

The author does believe in properly trained armed security personnel within appropriate businesses, given a conducive environment as well as a proper budget to do so. However, another challenge is the costly line item that security personnel pose for the cannabis business owner(s).

Other cannabis business operations will try to reduce their security budget through proprietary means, versus contracted. In the security industry, there are strong

contentions towards proprietary operations irrelevant to monetary concerns. It is this author's suggestion after review of relevant literature, that businesses take a solid look at their operational needs, budget, and analysis of risk in making an informed decision for security forces. After determining the initial need, one should analyze the allocated budget and weigh the cost of proprietary training, staffing, and resources versus outsourced proposals for contract work. Finally, a business should analyze the cost of insurance and liability over the long term, weigh that with an honest evaluation of its ability to assume risk, and determine the short and long-term viability of proprietary and contract security force options. Contract forces are a sounder, cost effective, and a long-term security solution. Allowing for professional security operators and the businesses that train them and focus solely on security is the most feasible and logical solution to U.S. based small to medium sized businesses, and thus the small businesses in the cannabis industry. The focus and expertise of having a security company deal with a business's security issues and challenges is the most astute and resourceful means for a long-term solution that contributes to the survival of the business. Regardless of the contention, whether the business owner is adamant about static security personnel, the solution should always be contracted versus proprietary for various liability, training, insurance and human resource purposes.

Cannabis Security System(s) Compliance Audit Statistics

Demographic/Zone: Colorado only, Medical & Recreational licenses (and operations with both licenses). Data compiled over 2 years.

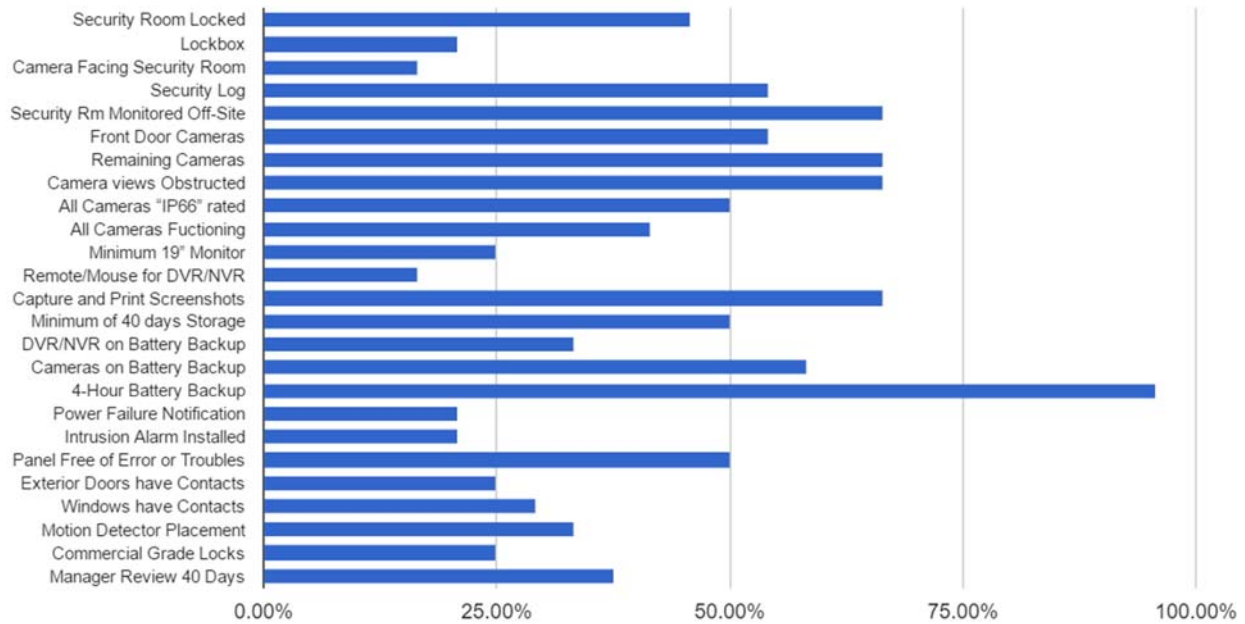
Percentage of Total Issues Found

- 14.3%** - Security Room Issues
- 26.6%** - Camera Issues
- 20.2%** - DVR Issues
- 21.8%** - Battery Back-Up Issues
- 15.1%** - Alarm System Issues

Overall Percentage of Facilities Failing Each Issues

- 45.8%** - Security Room Locked
- 20.8%** - Lockbox or Locking Cabinet for DVR/NVR (Digital Video Recorder/Network Video Recorder)
- 16.6%** - Camera Facing the Security Room
- 54.2%** - Security Log Near DVR/NVR
- 66.5%** - Security Room Camera Monitored Off-Site (No longer a Mandated Regulation in Denver)
- 54.2%** - Front Door Cameras placed according to regulations
- 66.5%** - Remaining Cameras placed according to regulations
- 66.5%** - Camera views obstructed
- 50.0%** - All Cameras "IP66" rated
- 41.6%** - All Cameras functioning properly
- 25.0%** - Minimum 19" Monitor for DVR/NVR
- 16.6%** - Remote/Mouse for DVR/NVR Operation
- 66.5%** - Ability to Capture and Print Screenshots
- 50.0%** - DVR/NVR recording a minimum of 40 days
- 33.3%** - DVR/NVR on battery backup
- 58.3%** - Cameras on battery backup
- 95.8%** - 4-Hour runtime on battery backup
- 20.8%** - Power Failure Notification System in place
- 20.8%** - Intrusion Alarm Installed
- 50.0%** - Panel Free of Error or Troubles
- 25.0%** - All Exterior Doors have Alarm Contacts
- 29.2%** - All Windows have Alarm Contacts
- 33.3%** - Motion Detectors installed in proper locations
- 25.0%** - All Locks are Commercial Grade
- 37.6%** - Manager has ability to review footage from 40 Days prior

Percentage of Individuals Non-Compliant



Based on the statistics above, there is a wide array of security compliance concerns within the cannabis industry. Oftentimes in the State of Colorado, the governing body of enforcement that inspects facilities for compliance to the regulations move too quickly, or the checks are not an audit and simply a cursory inspection that overlooks many mandates that clients should be adhering to.

The low enforcement of these regulations leads to consistent industry norm of non-compliance (with respect to security) and thus allows for vulnerabilities in security. A very simplistic example is the simple regulation of maintaining a locked security room which contains the security system *head-end* (digital video recorder and oftentimes the conjunction point of the majority of the security system) and thus allows for intruders to manipulate or sabotage the system which in turn reduces not only the chance for criminal deterrence but the evidence needed for conviction of captured criminals.

Building Fortification

A properly fortified (hardened) facility is not only conducive to protecting the assets of cannabis businesses, but crucial to protecting the precious assets of personnel operating within the facility. Good fortification such as bars on windows, steel doors with elaborate locking mechanisms and in some cases even bullet resistant exterior walls, can significantly reduce the chances of burglary both during and after regular business hours.

Contention for alternative to Static Security Guards

It is our professional opinion that good pro-active fortification, with the help of remote surveillance, can eliminate the need for static security guards almost entirely. The contention presented as an argument to reduce cost and alleviate the need for security guards (especially during closed hours when the facility is shut down and no personnel are needed onsite) is the fact that most static security guards are not as pro-active and as vigilant as an elaborate remote eyes-on (or even solely event based) surveillance program that is complimented with building fortification because the surveillance being conducted is showing viewpoints all around the property of the facility (including the interior, just as well as the exterior). In addition to this, good remote surveillance programs will have alarm monitoring relayed through the operations center where the surveillance operators are surveilling the property, all while using the aid of software/algorithms to carefully monitor actual or potential criminal movements on or near the property prior to criminal actions taking place. Even more elaborate remote surveillance programs will complement the surveillance with armed mobile operators that regularly visit the sites that are being surveilled, yet adding another layer of protection that is still more cost effective than a static guard. Oftentimes static guards who have to operate outside the facility (due to regulations and/or company policy /liability concerns) are statically stationed on one side of the building (limiting their vision of the entire property); and fight the night-time operational challenges of fatigue and (in some areas) the inclement weather conditions such as rain/snow and sub-zero temperatures, further reducing their ability to maintain vigilance. The static operators at

cannabis facilities themselves pose a liability simply operating in a static security capacity at a site where there is no supervision whatsoever (given an example of a grow operation that is completely locked up during non-business hours and there are no employees on site).

It is not our intention to put static security guards in a negative light. Static security operators pose an excellent security presence in many circumstances (for example within a dispensary during normal business hours to check identification of patients and consumers as well as handle unruly individuals that pose a threat to the business during those hours and within a dispensary environment). We simply express the statistically comparable (and in some circumstances surpassing) ability to effectively secure a cannabis facility, all while maximizing cost effectiveness. Effective surveillance programs will typically be at least half the cost or in many cases far less than half the cost of the billable fees of a static security guard (armed or unarmed).

Conclusion

It is the professional opinion of the author that due to the advanced technological changes that have taken place over the last decade in surveillance, along with rapid advancements in surveillance software; when complemented with trained surveillance personnel, there is a unique and incredibly effective ability to surveil and deter criminal activity at cannabis facilities with proper building fortification just as effectively, if not more effectively than static security operators. The key deciding factor in the author's experience with almost two decades operating in security, is the cost.... With surveillance being more cost effective, it is oftentimes a much more logical business decision to opt into a robust surveillance program than to utilize static operators, especially during closed business hours.

Advancements in surveillance have come so far, that two-way VOIP (Voice over Internet Protocol) loud speakers and microphones, strategically placed on the properties housing cannabis, along with specialized aggression detection and shot-spotting location detector audio analytics, all complimented with armed mobile patrolling operators that

visit the surveilled sites every 30-90 minutes pose a powerful deterrent to criminal activity, as well as drastically reducing costs (due to economies-of-scale with such programs) and allow for greater blanketed security coverage of these facilities than a static operator.

In conclusion, there are many circumstances where properly trained static operators simply surpass surveillance technology alone (just as the example was stated in: *contentions for alternatives to static security guards*). In these circumstances, they should be utilized, potentially even complemented with remote eyes on surveillance if it is monetarily feasible. However, the contentions to leverage remote surveillance (in structured and appropriate environments), in the author's opinion, far outweigh any argument to use static guards. The ability to remove the human element to prevent the worst-case scenario of life threatening situations alone should be reason enough for cannabis licensees (owners) to strongly consider good comprehensive surveillance programs wherever feasible.

Works Cited

McGhee, Tom | tmcghee@denverpost.com and Kieran Nicholson | Slain pot dispensary security guard dreamed of becoming a police officer | knicholson@denverpost.com - <http://www.denverpost.com/2016/06/20/green-heart-marijuana-dispensary-security-guard-killed/>

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Cannabis Data/Survey/Analysis Credit: David Keyes.