

# 7

# Theft From Manufacturing

Target Process

Target Asset

Impact

**PRODUCTION**

**PRODUCTION**

**HIGH**

## EXAMPLES

- Production facility does not track/secure samples made as production methods are developed and they are stolen by staff.
- Production facility does not track/secure quality rejects, scrap, overage during production and they are stolen by staff.
- Production facility does not track/secure production standards samples once production run is complete and they are stolen by staff.
- Production facility does not track quantity produced during production runs closely enough to prevent theft during production run.
- Production does not ensure thorough destruction of product slated for destruction and undestroyed items are removed with waste stream.

## PREVENTATIVE CONTROLS

- Licensee requires production facilities to log, track, and securely store product and components that will be retained but are not part of the production run.
- Licensee limits quantity and retention time of product and components retained outside of the production run and requires destruction beyond limits.
- Licensee requires product runs be counted and verified complete from production line to finished goods stock.
- Licensee requires production facility to use secure bins for scrap and rejected product and components.
- Licensee requires thorough on-premises destruction of all scrap, reject, and excess product and components.
- Licensee requires production facilities to include provisions for restricting employee belongings from areas where product is present.

## BEST PRACTICES

- For highly sensitive items, production facilities should uniquely mark or serialize product and components that are not part of the production run.
- [Link to Destruction Process For Physical Items best practices.](#)

## DETECTIVE CONTROLS

- Licensee requires CCTV coverage of all access points in areas where product or components are created, stored, or destroyed within a production facility.
- Licensee requires checks of parcels being carried or shipped out by production facility staff.
- Licensee requires production facility management to periodically audit their logs against actual quantities of non-production product and components on hand.
- Licensee should requires production facilities to have policies and procedures for conducting inspections of personal belongings and/or vehicles upon exit from areas where product is accessible.