

# SECURITY NEWS

SPRING 2008



## E.J. Brooks Company is The First Seal Manufacturer to Become C-TPAT Validated.



Moving ever closer to its corporate objective of being the first seal manufacturer to attain Tier III status as a member of C-TPAT, E.J. Brooks has recently completed the validation phase (Tier II) of this very important security initiative.

Being a key supplier to the global supply chain for high barrier sealing devices, Brooks believes that demonstrating by example will send the proper message to all other supply chain partners regarding the importance of "security logistics". The first line of defense in container protection is the use of a compliant ISO 17712 high security barrier seal which has been tested by an independent ISO 17025 certified laboratory. The other part of the quality story reflects on the company who produces the seal and the best practices used throughout their marketing process.

E.J. Brooks intrinsically believes in "best practices" at the highest level and the C-TPAT program attainment is a wonderful vehicle to communicate this to all of our global customers. We also understand that C-TPAT is

a model program that will be implemented worldwide under the WCO Safe Framework. We want everyone globally to feel comfortable knowing that Brooks will always comply with the latest seal standard developments.

Brooks also grasps the role of new technologies within the "best practices" of supply chain logistics not only from a security perspective, but also as one of the keys to obtaining a higher return on investment within the new realities of "security logistics". As part of our overall goal, we will provide leadership in seal technology solutions enabling our customers to achieve both security and logistics visibility within their respective logistics models.



Founded in 1873, E.J. Brooks Company an ISO 9001-2000 registered company, and is the world's leading manufacturer of tamper indicating security seals, locking devices and meter-related products. The company, based in Livingston, NJ, has 13 operating units, including locations in USA, England, Mexico, China, Spain, India and Singapore. Visit Brooks and its subsidiaries online at [www.ejbrooks.com](http://www.ejbrooks.com)

## Seal of Approval for Markitwise

Markitwise International Ltd. is a global manufacturer of tamper evident security tape and labels in Worcestershire, United Kingdom. In late 2006, Markitwise was purchased by E.J. Brooks company and became its UK subsidiary. This acquisition has enabled Brooks to take the

next strategic step in the aviation marketplace. Markitwise's solid presence in the European aviation and logistics marketplace will assure future growth for Brooks in the years ahead.

At the Asian Aerospace Exposition earlier this year, Mike Mullener, Manager for Aviation Security for Markitwise said, "The demand for tamper evident security products, including Markitwise's new airline life jacket pouches, has increased dramatically during the tightening of security issues after 9/11.

Mike added, "We were in Asia to attract more regional airline customers and to meet airline officials, especially with those who are vitally concerned with airline and cargo security. Markitwise's introduction of their new airline life jacket pouches sharply reduces the typical security check times on, for example, an Airbus A330 from five or six hours to just one.

### Markitwise Prepares to Celebrate its First Anniversary as a Brooks Company

After acquiring Markitwise, the airline and logistics market leader in tamper evident security tapes and labels, Brooks took the next strategic step toward insuring profitable growth by forming E.J. Brooks UK Ltd., a wholly owned subsidiary of E.J. Brooks Company. The new company will manufacture, market and distribute both Brooks and Markitwise brand products from the current Worcestershire headquarters location. The consolidation of the Markitwise group under the E.J. Brooks Company banner allows customers to become more efficient with complete assurance of global compliance.

Jason Allen, the E.J. Brooks UK Ltd. Managing Director, is pleased with the smooth transition and the demonstration of growth that has occurred as a result of this consolidation. "We now can provide a full line of value added,

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# The International Seal Manufacturers Association (ISMA) Selects Bodycote Laboratories, Inc. and Dayton T. Brown Inc. as Independent Testing Labs for its High Security Seal Testing



The International Seal Manufacturer's Association (ISMA), with members representing over 80% of the world's high security seals market, has taken another leadership position within the security and logistics marketplace.

At the recent ISMA meeting in Dublin, Ireland, the membership unanimously approved a strong product testing program to ensure quality, integrity and conformance to the provisions of the International Standards Organization's Publicly Available Specification (ISO/PAS) 17712. ISMA has named two testing laboratories to measure compliance for all of its members. The labs are Bodycote Laboratories, Inc., (ACT), based in Hillsdale, MI, and Dayton T. Brown, Inc. in Bohemia, NY.

ISO/PAS 17712, Freight Containers – Mechanical Seals, is the globally accepted high security seal performance standard. For example, it is cited as the quality benchmark for the C-TPAT and FAST programs and for the WCO Framework of Standards to Secure and Facilitate Trade (SAFE Framework), including its Seal Integrity Program.

17712 calls for the use of testing laboratories accredited according to ISO 17025. However, ISO 17025 accreditation is not an open-ended endorsement for any and all testing by a given lab. Since many tests require some specialized facilities and equipment, each 17025 accreditation has a specific and limited scope; that means valid accreditations must specifically mention ISO 17712.

Some security seal manufacturers may claim their high security bolts and cables conform to ISO/PAS 17712, but those manufacturers have not used independent test labs, or have used test labs that lack specific accreditation to test for ISO/PAS 17712 compliance. This may result in inaccurate performance reporting.

Bodycote and Dayton T. Brown are to ISMA's knowledge, the only ISO/IEC 17025 test facilities that have the scope of accreditation which includes ISO PAS 17712. By appointing Bodycote and Dayton T. Brown, the members of ISMA have provided the market with a simplified method to identify true ISO 17712 compliance and consistency in performance.

The ISMA members have agreed to submit their high security seals for evaluation. If for any reason product submissions did not occur, suspension from the organization can be imposed on any member. This is a strong commitment on the part of the organization. The ISMA mark and membership signifies quality and compliance to those companies and governmental agencies responsible for securing the world's supply chain.

## About ISMA

ISMA members include the major manufacturers of high quality security seals, especially those supplying high security barrier seals. ISMA's web site includes links to each member's home page. ([www.ISMAsecurity.com](http://www.ISMAsecurity.com))

## About Bodycote Laboratories, LLC

Bodycote Laboratories is part of The Bodycote International plc, a world leader in the providing of vital metallurgical and materials testing services to a variety of industries. Headquarters in Macclesfield, England the Bodycote Group operates from locations in the UK, Europe, USA, the Middle East and Far East, with over 280 facilities in 26 countries.

Bodycote Laboratories, located in Hillsdale, Michigan USA is A2LA accredited to the ISO 17025 standard and the only lab to be specifically certified to test for ISO/PAS 17712. The laboratory also maintains approvals from the major OEMs and Tier One suppliers, particularly in the automotive industries. ACT Laboratories was also selected as one of two testing labs for ISMA (International Seal Manufacturers Association) for high security seal performance evaluation.

## About Dayton T. Brown

Dayton T. Brown is an A2LA-accredited, independent testing laboratory, which provides a wide range of security seal testing capabilities. Since 1950, it has qualified a 10-car railroad train at 50 miles per hour to carrying out capacity loads on maritime containers. Located in Bohemia (Long Island), NY, it is one of the largest quality control testing facilities in the country. It occupies a 300,000 sq. ft. facility (300 acres) and employs over 250 engineers and technical specialists.

## FAST Cost Benefit Analysis

If you've ever wondered whether it makes sense to become a validated member of the Customs – Trade Participation against Terrorism (C-TPAT) and/or Free and Secure Trade (FAST), here are the results of a study that was conducted by a customs broker on behalf of a client. This study documents the experience of a multi-national, hard goods manufacturer that is a validated member of C-TPAT, and is a member of the FAST program. This company uses a ISO/PAS 17712 compliant, high security barrier seals, that have been tested by an independent ISO 17025 testing laboratory accredited by 2ALA. The study analyzes aggregate FAST lane shipments during a high volume timeframe.

The study compared time differences between moving goods from a Mexican Yard to US Customs using a FAST Lane and a non-FAST lane. It also compared the number of Customs inspections that occurred between a FAST lane movement and a non-FAST lane movement.

In order to understand the financial impact of these results, one need only apply labor costs

and the cost of time in transit. "Time is money," states the 3PL. "Being a FAST member in the FAST lane can reduce the time if you achieve a

higher tier status (lower risk) and implement security Best Practices, i.e. using an ISO compliant seal."

	FAST Lane	Non-FAST Lane	% Difference
<b>Number of shipments</b>	1,821	888	
<b>Timing from Mexican Yard to US Yard</b>	1 hr, 49 min	3 hr, 42 min	51% faster
<b>Timing from Mexican Customs to US Customs</b>	32 min	1 hr, 30 min	64% faster
<b>Number of Customs Inspections</b>	2	11	81% fewer
<b>Percent of Total Shipments</b>	0.1%	1.2%	

# 10 Tips to Help Avoid Cargo Theft

by Jerry Peck, E. J. Brooks

## I. Apply for C-TPAT certification:

There's probably no better way for a company to identify its true strengths and vulnerabilities, but through a thorough self-assessment. If any company can qualify for C-TPAT status that company should immediately contact Customs and Border Protection to obtain its application. C-TPAT eligibility will require a vulnerability assessment via a Customs-supplied questionnaire. This initiative, alone, should expose most security weaknesses in that company's supply chain.

## II. Ensure that the physical integrity of shipments are never compromised:

Through random container/trailer inspections, control and tracking of conveyances and their authorized drivers, both in and out of ones supply chain, will help identify irregularities. Drivers should surrender their identification to the guard, who verifies the information. The guard should record the container number; the license plate of the rig, the seal number, date and time. Random spot checks of containers are always beneficial and that they are done in the presence of another security officer.

## III. Have physical access and employee/visitor controls in place:

Control of all physical accesses and who enters those accesses is paramount, if internal security procedures are to work consistently. All employees should continually have a photo identification badge. Visitors should display a clearly identifiable visitor's badge, once documentation of their identity, date and time of their visit and the person to be visited is known. Visitors should always be escorted and controlled access to sensitive areas should never be compromised.

## IV. Pre-Employment Verification:

Ensure potential employees are thoroughly interviewed and screened. Have applicant submit a resume and employment history and references and have the individual sign a release form authorizing the company to perform a background check. If an individual is

terminated, ensure that all company property, identification badges, passwords and other documents are received, then escort the individual from company premises.

## V. Conformance to existing regulations

With the global supply chain at risk by terrorists that will exploit any weakness, conformance to known WCO/CBT regulations will enhance safety and security for that shipper, and other shippers, who will indirectly benefit by the added diligence. Security is everyone's responsibility.

## VI. Physical protection of facilities:

Ensure that perimeter fencing surrounds container and truck yards and inspect fencing regularly. Any security gates should be continually manned and that access to the terminal location should be closely monitored.

External lighting, specifically in those terminal areas where little activity/traffic should be required. Video surveillance of all areas is strongly recommended. Separate logs should be kept of arriving and departing containers and trailers. Driver information, container/trailer identification, bills of lading, shipper and carrier information and seal number should be verified and any discrepancies rectified, should any exist.

## VII. Training of employees is vital:

The value of trained and motivated employees is inestimable. Increasing the security awareness of all employees will enable them to respond to unexpected situations involving intruder entries, terminal incidents and minimizing the potential for theft. Annual training evaluations, at a minimum, should be provided. Preferable quarterly training sessions will be administered in areas such as security issues facing Customs and law enforcement, how to identify and report suspicious activities, recognizing internal collusion, and how to promote and maintain sound security procedures within a company's supply chain.

## VIII. IT personnel are especially vulnerable to security breaches:

Ensure that the IT/data center is physically protected and set apart from all other operations. Access should be limited to only authorized personnel and that there should be a separate source of uninterruptible power. A firewall device should be installed and all access by users is restricted to pre-determined content. Desktop access and password protection should be fully secured. A fully secured data structure should be maintained with appropriate backups at predetermined intervals.

## IX. Use of high security seals:

To conform to all present and future sealing mandates and regulations the use of high security seals, as identified by ISO 17712, should become routine. Users should be trained to recognize compliant high security seals. They should be able to identify indications of the seal that would suggest theft or pilferage. To assure that the high security seals in use are in conformance, ensure that (1) test documents proving compliance to ISAO 17712 exist, (2) that the test facility is an A2LA-certified and independent test facility and that (3) the manufacturer has been audited by a certified entity.

## X. Test your security program:

At little to no expense, many aspects of your security plan procedures can be tested for their viability and effectiveness. For example, you can place an unmarked vehicle in an area that's off-limits to thru traffic. Or, to assess employees' awareness of your corporate security program, with respect to authorized personnel, a person with a visitor's badge can be planted in a sensitive area of your facility. You can then monitor employee reactions to this scenario. Or, some aspect of a container's identification could be deliberately changed, such as the bill of lading, container identification, or seal sequence number. Once again, the responsiveness to gate personnel can be observed and critiqued.

## SAFE Port Act Requirements and Benefits

The SAFE (Security and Accountability for Every Port) Port Act was passed to codify and improve the Customs-Trade Partnership Against Terrorism (C-TPAT). Its purpose is to define the advantages that C-TPAT membership provides at each of three tiers of membership.

Of the more than 10,000 companies that have applied for C-TPAT membership, only about 6,000 have been admitted, and these companies represent more than 90% of the goods exported from Canada to the US.

Each SAFE Port Act tier of C-TPAT membership has its unique set of requirements that must be met as well as benefits that are provided.

### Tier One

Applicant companies must fill out a C-TPAT application to be reviewed by a Customs and

Border Protection (CBP) Supply Chain Security Specialist (SCSS). However, nearly 20% of the applications are rejected.

The most important, direct benefit of Tier One certification is a reduced score in the Automated Targeting System (ATS,) which, in turn, will lessen the number of CBP inspections at all levels of security. Additional benefits include:

- faster cargo processing at the border
- access to Free and Secure Trade (FAST) lanes on the Mexican and Canadian borders
- mitigated penalties for violations of the Trade Act of 2002
- Importer Self-Assessment Program (ISA) eligibility
- C-TPAT security seminar participation
- an assigned SCSS as a liaison between the CBP and the member company

Indirect benefits to be derived by Tier One members are a) fewer thefts due to increased security, b) improved supply-chain visibility and accountability and c) more reliable and predictable supply-chains.

### Tier Two

Tier Two validation means that CBP has verified that a member company's security profile is accurate and that it has complied with minimum standards of C-TPAT for its supply-chain. This is accomplished by SCSSs inspecting a member company's domestic and foreign sites. A member's C-TPAT member benefits may be suspended if security short comings are identified during the validation. According to CBP, a total of 2,050 validations have been conducted during 2006 and the remainder will be completed by the end of 2007.

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## Sarbanes-Oxley and C-TPAT

Sarbanes-Oxley Act of 2002 (SOX) makes the signing officers (Chief Executive Officer and the Chief Financial Officer) of a public corporation's financial statements, personally responsible for establishing and maintaining internal controls embodied in rules, documentation and disclosure.

The Customs Trade Partnership Against Terrorism (C-TPAT), on the other hand, is a voluntary program of cooperation between large importers and the Customs and Border Protection (CBP) agency.

While SOX was enacted to prevent manipulation of inventory figures to create more favorable financial statements, C-TPAT was developed to help thwart acts of terror.

Although seemingly unrelated, these programs share significant common ground,

which deals with ownership and is responsible for inventory in transit. There are more than a dozen Intercoms (points at which inventory officially changes ownership and responsibility.) SOX deals with codifying and monitoring these Intercoms in order to prevent inventory reporting discrepancies that had previously enabled manipulation of financial statements.

The common ground for SOX and C-TPAT lies in that determining when, and at which point, ownership is actually transferred is key to assigning liability for shipments if they are somehow linked to acts of terror.

Dr. Mitch McGhee of Cal State University and Jim Giermanski of Belmont Abbey College recently stated in an article they authored in Strategic Finance Magazine "Whether financial controls, security, control, or both, the over-



riding and critical challenge for firms in the global supply chain is that of rule compliance."

## Cargo Seals: A Change in "The Rules of the Game" A revision of ISO PAS 17712 for mechanical cargo seals calls for some surprising changes in business process.

Michael Wolfe; Principal, The North River Consulting Group

In September 2006 the definition of "ISO-compliant high security cargo seal" changed in an important way. The change will affect seal procurement by most major users and may lead to simpler and more effective use of seals within the chain of custody. The International Standards Organization's (ISO) new Publicly Available Specification (PAS) 17712:2006 includes some technical enhancements, but the most important changes concern security grade marking and the security-related business processes of the seal manufacturers.

This article addresses the need for the major revisions, their content and the interaction between them. There is material on the transition to the new 17712 and the risks to careless buyers. Finally, the article describes 17712's conversion to a formal international standard and the opportunity to fine-tune its contents.

17712's importance comes from the ways agencies and firms use it. After its publication in 2003, several governmental and intergovernmental programs strongly endorsed the use of 17712-compliant high security seals. Leading examples are the U.S. voluntary Customs-Trade Partnership Against Terrorism (C-TPAT) and the World Customs Organization's (WCO) Framework of Standards to Secure and Facilitate Trade, via its Seal Integrity Programme. Add in a trickle-down effect on commercial practices, as some carriers and terminal operators required that containers be delivered to them with an ISO-compliant high security seal, and 17712 morphed into a de facto mandate.

The need for a change grew out of the narrow focus of the first version on the physical characteristics of seals, intending to mitigate the problem of flimsy, cheaply made "clone" seals. The PAS set physical performance levels for "high security," "security," and "indicative" seals without mandating a design (17712's

### THE BOTTOM LINE

Because of the revision of ISO PAS 17712, all ISO-compliant high security seals must come from manufacturers certified as meeting the security-related practices in the normative annex to ISO PAS 17712:2006. Non-compliant manufacturers cannot provide ISO-compliant seals.

grades apply as much to cable seals as they do to bolt seals). 17712:2003 did not address the way seals are handled, protected, accounted for, applied and verified. The current version expands the scope to address the security-related business practices of seal manufacturers and distributors.

A manufacturer can undercut the security value of a sealing system before a seal is even shipped to a client, and the "dirty little secret" of the industry is that this is not a rare event. Due to immature management processes or cupidity, some manufacturers do not attend to niceties such as inviolately unique numbering, careful record-keeping and handling seals as accountable items. There even have been

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# Safety and Security Go Hand-In-Hand

## Import Safety Action Plan: Increasing Protection of American Consumers

On November 6, 2007, the Interagency Working Group on Import Safety presented to President Bush its Action Plan, which contains recommendations for continuing to improve the safety of imports entering the United States.

While the plan addresses safety of imported foods and other products, it stresses the importance of security measures to safeguard Americans as well. The plan notes that the two measures can be implemented for a synergistic strategy to protect the American public.

- **The Action Plan proposes a strategy focused on a risk-based prevention with verification model that allocates import safety resources based on risk.** The Action Plan proposes steps to replace the current "snapshot" approach to import safety, in which inspections are made at the border, with a cost-effective, prevention-focused model that maximizes the impact of public and private safeguards by identifying and targeting critical points in the import life cycle where risk is greatest and focusing attention and resources on these areas.

### Highlights Of The Action Plan's Recommendations

- 1. Creating a Stronger Certification Process.** Certification can be a powerful tool to foster compliance with U.S. safety standards while facilitating trade. This would help "shrink the haystack" and better target resources on the greatest threats. In addition, voluntary certification should be encouraged for foreign manufacturers of other products. Products certified as meeting U.S. safety standards could receive expedited entry.
- 2. Encouraging Good Importer Practices.** The Action Plan recommends

the adoption of best practices to improve import safety and benefit consumers by providing incentives to importers to maintain the highest safety practices for products that carry greater risks.

- 3. Increasing Transparency.** The names of certified producers and importers of record that import products only from certified producers could be made public, so that consumers and distributors can make more informed decisions about product safety.
- 4. Exchanging Import Data.** The importing community, U.S. Customs and Border Protection, and other Federal agencies will exchange real-time product and compliance data on each import transaction to better inform decisions to clear or reject import shipments. The Action Plan also recommends that strategic information sharing agreements be concluded with key foreign governments, in order to facilitate the exchange of import and recall data.
- 5. Increasing U.S. Presence Overseas.** Product safety should be a guiding principle of U.S. cooperative agreements with foreign governments. It will also be important to increase training for foreign inspection agencies to build the capacity of foreign governments to ensure the safety of products exported to the United States. In addition, increasing our physical presence abroad and working with foreign governments and manufacturers will help ensure compliance with U.S. safety standards.
- 6. Enhancing Standards.** Congress should give import safety and inspection agencies the ability to strengthen their standards, where needed. These new

authorities should take into consideration industry best practices in order to leverage the knowledge and experience of those who best understand how the products are made.

- 7. Strengthening Penalties.** To hold both foreign and domestic entities accountable and discourage the sale of unsafe products, the Federal government will take steps to strengthen penalties against entities that violate U.S. laws, providing a significant incentive to comply with U.S. requirements.

### Even As Agencies Implement The Action Plan's Recommendations, Other Import Safety Initiatives Are Already Underway

The Working Group presented President Bush with a Strategic Framework to increase import safety that called for several immediate steps. One of these steps was a directive to Federal agencies to accelerate their participation in an automated "single window" system for reporting imports electronically. This will enable better coordination and efficiency to permit information exchange among government agencies and between the government and the importing community in real time.

### Background On The Interagency Working Group On Import Safety

President Bush established the Import Safety Working Group on July 18, 2007, to conduct a comprehensive review of the U.S. import system and identify ways to further increase the safety of imports entering the United States. The Working Group is comprised of 12 Federal departments and agencies.

*More information on the Import Safety Working Group and the full text of the Import Safety Action Plan may be accessed at: [www.importsafety.gov](http://www.importsafety.gov).*

## Congressional Testimony Stresses Cargo Container Security

According to Anthony Coscia, Chairman of the Port Authority of New York & New Jersey, "A typical container movement includes 14 different nodes, involves 30 organizations and generates as many as 30 to 40 different documents with over 200 data elements. This is the complex process in which the physical movement of a container is only one dimension of the system.

There are three other important components that must also be understood: the flow of money, the flow of information concerning that shipment and finally the transfer of accountability for the shipment, all of which much occur seamlessly in order for the cargo to be delivered to its final destination."

Mr. Coscia made this statement before the Senate Commerce, Science and Transportation Committee, stressing the importance of establishing procedures for verifying the contents of containers before they are even loaded on a ship destined for a US port.

He believes that the process must include certification that:

- the container is free of false compartments and was packed and sealed in a secure environment so that its contents cannot be tampered with
- there be an ability to verify along the route that neither the container nor cargo has been tampered with

- the container is transported under the control of responsible parties
- that the integrity of the information and information systems associated with the movement of the cargo has not been compromised

At the same meeting, Thomas S. Winkowski, Assistant Commissioner of US Customs and Border Protection (CBP) stated, "Custom-Trade Partnership Against Terrorism (C-TPAT) is an integral part of the CBP multi-layered strategy. CBP works in partnership with the trade community to better secure goods moving through the international supply chain."

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## E.J. Brooks and System Planning Corporation Team Up to Offer Advanced Cargo Security and Monitoring System Solutions

E.J. Brooks Company, and System Planning Corporation (SPC), a Washington DC metro area based high technology firm have announced their plans to jointly offer satellite, GPS and cellular tracking and monitoring products to provide improved security and 24x7 visibility for cargo and other assets in transit worldwide.

The jointly offered Brooks GlobalTrak® Product Family will include a range of asset monitoring devices equipped with a suite of sensors that communicates location, condition, and security status through a variety of cell, satellite, or wireless LAN to a network communications center called the Information Management Bureau (IMB). It is a unique product offering in so far as it simultaneously (1) tracks container assets; (2) monitors container conditions relating to temperature, humidity, light source and acoustics; and (3) will alert the stakeholder(s) in real time if the container door has been breached.

The system can be applied in a covert or overt manner, and will allow Brooks' GPS ready e-seals such the ISO 17712 compliant bolt or the indicative Hyperion electronic strap seal, to

be monitored electronically through the ZigBee™ wireless protocol. The readings will be reported through Brooks GlobalTrak to the IMB communication center where stakeholders will have real-time access to the location, security status, and condition of their shipments. The e-seal products have been cost-consciously designed to utilize reusable electronics with replaceable bolts and straps.

For additional security protection, Brooks GlobalTrak can also be fitted with specialized and optional sensors to address issues relating to radiation, chemicals, explosives, and biological agents' detection.

As the demand for supply chain management technology grows, the need for electronic solutions combining visibility tracking, the monitoring of supply conditions and container intrusion detection will increase and provide cost effective security to the logistics process. Brooks GlobalTrak products will allow shippers, carriers, retailers, banks, and logistics providers to protect their cargo and, as stakeholders instruct, alert authorities "in real time" when intrusion has occurred and before reaching cross border inspection points.

As the world's leader in mechanical, tamper evident security seals and the world's only manufacturer that produces proven, reliable, ISO-compliant, patented mechanical components for electronic seals that work with RFID, GPS or cellular technology, Brooks now has multiple e-seals to suit a variety of electronic security and tracking purposes which connect logistics visibility to container security.

### About System Planning Corporation

System Planning Corporation was founded in 1970 to provide the government with solutions to complex security problems through the application of systems engineering concepts. For 37 years, SPC has been a research/studies organization focusing on arms control, nuclear weapons, and advanced technologies. SPC also designs and builds specialty "low-observable" radars. SPC initiated development of the GlobalTrak system in response to the post- 9/11 threat environment and adapted the system for supply chain visibility in commercial applications. Visit SPC and GlobalTrak at <http://www.sysplan.com> or <http://www.globaltrak.com>.

## Container Security

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Mr. Winkowski continued by saying, "Throughout 2007, CBP continued to expand and strengthen the C-TPAT program and ensure that certified member companies are fulfilling their commitment to the program by securing their goods as they move across the international supply chain to the United States."

"Securing the container is a critical part of a multi-layered approach to supply chain security," Mr. Winkowski added. "It should be noted that minimum criteria for participants in the C-TPAT program do include a requirement that all C-TPAT importers must affix a high security seal to all loaded containers bound for the United States. These seals must meet or exceed the current ISO/PAS 17712 specifications for high security seals. C-TPAT membership currently accounts for 46% of the total importation into the US."

Brooks is the leader in providing C-TPAT compliant seals to help importers make sure their cargos arrive at the port of destination safely. C-TPAT, compliant high security seals from Brooks undergo rigorous physical testing by an independent, ISO certified laboratory to make sure they meet and exceed ISO/PAS 17712 standards.

## Our New Tradeshow Display

The tradeshow display features a blue background with a white grid pattern forming a world map. At the top left is the Brooks logo. To its right, the text reads "World's Foremost Provider of Tamper Evident Security Devices". Below this are three columns: "Security" with a red truck, "Compliance" with the C-TPAT logo, and "Logistics" with a person at a desk. At the bottom, the website [www.brookseals.com](http://www.brookseals.com) is displayed.

## “The Rules of the Game”

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offers on the internet to clone a particular seal design with specific ranges of ID numbers in order to help clients cope with “special situations.”

The new 17712 started with a list of the best security-related practices of seal manufacturers. A draft went through the formal ISO process with active user participation and 17712’s normative annex emerged. The annex is a basis for process certification akin to the ISO 9000 series for quality.

Grade-marking of seals was important to seal users. Carriers, wanting to simplify seal recognition for workers, asked that high security, and indicative seals be marked respectively with an “H,” “S,” or “I.”

To mitigate the risk of counterfeit “H” marks, the working group linked grade marking to the normative annex. First, any high security seal that lacked an “H” grade stamp would not be compliant with 17712. Second, the only firms authorized to place a grade stamp on a seal would be firms certified as compliant with the normative annex. Certification depends on passing an annual inspection of records and facilities by an independent validator that is itself certified to audit compliance. Seal manufacturers now need two certificates before they can offer a seal as ISO-compliant: Seal manufacturers need a certificate from the security process

validator and another from the lab that tested the seals themselves.

Although 17712:2006 does not address a transition process from 17712:2003, the 2006 version is the only operative version of PAS 17712—it replaced the earlier version. Clearly, there will be a learning curve as users and reviewers come to understand and apply the changes; I expect that process to be somewhat ragged.

Buyers, when purchasing seals, can ask for copies of the manufacturer’s dual compliance certificates. A buyer may also ignore this due diligence or just buy seals from the least expensive source that claims compliance; however, this buyer may put her or his firm in line for an unpleasant surprise. For example, at some point the shipper might learn the hard way, from a customs inspector, that the seal in use is not from a compliant source and therefore is not a 17712-compliant seal — which means the container and its contents violate C-TPAT covenants.

Prudent buyers can avoid this indelicate situation by ensuring they purchase valid seals from certified sources. One way to cut through the fog of claims is to ask your industry association for recommendations of reputable sources for seals.

Looking ahead. 17712:2006 is no sorcerer’s wand—important challenges remain unaddressed. Examples include assuring that

container doors are secured against surreptitious entry; that the seals are well-designed to reveal tampering; and that sound user processes are in place to apply, document and verify seals. Good seals in a good process can help maintain the chain of custody and defend against security breaches, but 17712 does not address the entire life cycle of a seal.

There is an upcoming opportunity to revisit 17712 and it may be in play by the time you read this article. There is an ISO process to transform PAS 17712 into a formal International Standard; a Draft International Standard (DIS) 17712 is about to circulate among the national “member bodies” that vote on freight container standards. There will be an unusually long five month window for consideration, comment, and voting. Concerned members of the community can contribute to the process and to the content of the outcome. The effective way to do this is via the official national standards bodies, such as the British Standards Institution (BSI) in the UK, the Association Française de Normalisation (AFNOR) in France, or the American National Standards Institute (ANSI) in the U.S.

*The main focus of Michael Wolfe’s consultancy is the interplay between intermodal freight system operations, tracking technologies, business economics, seals and supply chain security. He has been an active participant in relevant standards processes, including PAS 17712. He can be reached at [noriver@att.net](mailto:noriver@att.net).*

## SAFE Port Act

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Along with all the benefits of Tier One membership, Tier Two members will have their cargo examined even less often and will also be eligible for priority searches of their cargo.

### Tier Three

Having achieved Tier Two status, member companies can achieve Tier Three status by exhibiting “security best practices” beyond “the minimum security criteria.” Furthermore, these members will not have violated law enforcement or compliance regulations. In order to achieve Tier Three Status, members must use advanced container security devices and technologies. CBP also mandates that “supply chain security [should be] embraced at the highest levels of the company” and “supply-chain security should be required topics of discussion in corporate boardrooms.” Only 139 importers had achieved Tier Three status as of March 2006. CBP has produced a “Best Practices”

Catalog that describes steps to take for improving supply-chain security and help achieve Tier Three validation.

Among the benefits of being validated as a Tier Three member are: added reduction in ATS scores, highest priority for cargo examination, invitations to participate in joint incident management exercises and eligibility for “Green Lane” privileges. Green Lane provides for the accelerate cargo release in US ports at all threat levels.

### Continuing Requirements

C-TPAT certifications and validations are not permanent. CBP has already decertified or suspended companies for “negative validations, failure to meet their commitments or because their supply chain security was compromised.” If member companies wish to maintain their membership benefits, they must update their security profiles on-line at the C-TPAT Security Link Portal at least one time per year. In addition, these companies must also continually re-

assess their security systems and supply chains, respond to CBP questionnaires, enhance their security plans and diligently communicate C-TPAT guidelines to their supply chain partners.



## Brooks Global-Lok™ Sets New Quality Standard in Security Seals

Over the past two years, E.J. Brooks has been conducting market research as part of its new product development initiative to further improve the performance and feature levels of mechanical cable seals used in cross border and intermodal use around the world.

Being the only security seal manufacturer that is a validated member of C-TPAT as well as a strong believer in independent testing by a third party ISO 17712 accredited lab, global compliancy is Brooks' number one objective. However, the logistics community raised other issues that were considered in product design and we are now announcing a breakthrough in mechanical cross border security seal protection.

E.J. Brooks is proud to announce the introduction of the Global-Lok, a high security cable seal that is not only ISO 17712 compliant, but exceeds the ISO 17712 required strength level by 82%. Over 4,000 lbs of pressure is necessary to pull it apart.

Brooks has surrounded the product design, functionality and manufacturing processes with four (4) patents. Maintaining a plated steel cartridge and locking chamber within its "clip locking system" insures strength performance. In addition, the Global-Lok is over molded with a high impact composite resin that allows superior laser etching of either bar-codes or a company name with six (6) digit consecutive numbering. The new over molded design also assures 100% bar-code readability.

From the examination of components to assembly, decorating and packaging, the Global-Lok product is 100% audited by the use of

photo-optical readers on four (4) occasions during manufacturing. Others use only a statistical sampling at the end of the production line to determine if quality issues exist.

According to cable seal users, other products on the market occasionally demonstrate diameter variances or burrs on the cable ends that translate to either greater difficulty in threading the cable into the locking mechanism or with slower handling. A combination of maintaining consistent cable gauge tolerances and the introduction of an automatic rotary twist, cut and fusing process, yields consistent product each time.

The Global-Lok is made from galvanized aircraft cable which was successfully tested on Artic Circle material conveyers and is produced in a 7 X 19 format which means 7 smaller cables are uniformly twisted together each containing 19 distinct steel strands. This design approach yields maximum strength and flexibility.

In addition to its strength characteristics, enhanced bar-code reading, "easy feeding" of the cable into the locking mechanism and increased cable flexibility, safer product handling (no burrs) was also strongly considered. These issues were mentioned as important by the market users and all have been included within the feature profile of the Global-Lok.

The transportation community has assisted Brooks in developing this unique security solution for cross border and intermodal use and we thank them.

## E.J. Brooks Company Obtains US Patent on Adjustable Cable Electronic Seal

E.J. Brooks has announced that it has received a United States patent for an adjustable cable electronic seal (U.S. Patent No. 7,239,238). This patent is in addition to two other patents that Brooks has received for designs necessary to produce an ISO compliant electronic seal (e-seal).

Brooks is the world's only manufacturer that produces proven, reliable, ISO – compliant, patented, mechanical components for electronic seals.

Brooks now has two e-seals to suit a variety of electronic security and tracking purposes and with this patent will be developing a third.

The Brooks Electronic Bolt seal is the only ISO 17712 compliant high security mechanical seal that, when partnered with appropriate

RFID technology, satisfies the ISO 18185 Electronic Seal standard as defined by the U.S. Department of Homeland Security's U.S. SAFE Port Act of 2006.

The Brooks Hyperion-e-seal, is an EPCGlobal Gen2 compliant, tamper evident, electronic seal, which is based on the Company's popular Secur-Grip® and Secur-Pull® adjustable strap seals.

As security and asset tracking initiatives continue to be implemented across the globe, electronic security seals are considered a cost effective security and visibility solution within the logistics process. Whether used alone or in conjunction with other security devices, these products assist shippers, retailers, banks and logistics providers in protecting their cargo and equipment against theft and terrorism around the world.

## Markitwise

(continued from page 1)

tamper evident security products under one roof to all our customers," Allen notes. "And they appear to appreciate the business efficiencies."

As security initiatives continue to be implemented across the globe, tamper evident labels and tapes are considered a cost effective security solution within the logistics process. Whether used alone or in conjunction with other security devices, these products assist shippers, airlines and logistics providers to protect their cargo and essential equipment against theft and terrorism around the world.

"The acquisition of the Markitwise group brings a strong, quality oriented, market-leading organization into the Brooks family. Their leadership position in the tamper evident property marking and identification label category is a natural, strategic fit to our future direction", commented Scott Kirk, Brooks' Executive Vice President.



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