

Day 1 – Meeting Notes

- **Manufacturer Security Program Overview - Glenn Nilsson /Hewlett Packard**

Summary: Glenn provided an overview of the Supply Chain Security program at HP. Included was an overview of how HP identifies the supply chain (transit and logistics, manufacturing, disposition) and how program design addresses all three areas. Risks associated with each of these areas were reviewed, tied to the approach HP takes in risk mitigation. Specific areas reviewed were risk assessment, risk identification, protection requirements, solution design and monitoring effectiveness

- **TSR Review –Fred Smith/Hewlett Packard**

Summary: Fred reviewed the current status of the TSR and discussion followed regarding usage and implementation. Fred indicated that the TSR is different than the FSR as it's a compliance rather than certification program. Trucking is categorized in very similar format to the FSR (A, B, C). Fred reviewed the TSR at a high level, pointing out the primary areas of focus - physical security of trucks and physical security of trailers.

- **Investigative Techniques – Gary Steger/Hewlett Packard**

Summary: Gary Steger, investigative consultant for HP, provided an overview of the investigative issues tied to investigating and prosecuting supply chain (physical property crimes) within the U.S. As a backdrop, he referenced a recent successful investigation and prosecution in the Houston area. Many of the issue tied to the issue involve the fact that many incidents are “non-violent” incidents, and as such, don't garner attention. He indicated solutions such as communicating to law enforcement the impact that an incident or theft may have on the community (less jobs, relocated companies, etc.) as a possible means of gaining interest and support.

- **Covert Tracking Devices – Chuck Forsaith/Purdue Pharma Technologies**

Summary – Chuck reviewed risk from the perspective of his company (and pharmaceutical industry) and the substantial worth of single shipments. He reviewed the learnings compiled at a recent industry security group meeting, reviewed current security requirements and provided an overview of many of the current cargo tracking vendors operating today (Argo Tracker, Bulldog, SC Integrity, FreightWatch). He also reviewed the current technologies utilized (GPS, A-GPS, Assisted GPS, Cell Tower Trilateration, Cell Sector Positioning, CDMA, GSM, GEO Fencing). Chuck also reviewed the actual devices currently utilized by today's vendors (Sendum Corporation, Argo Tracking) Chuck then answered specific questions and provided an overview on how his company currently uses covert tracking devices.

- **Benchmarking Results/IIS review - Dan Purtell – First Advantage Corporation**

Summary: Dan provided a summary of the benchmarking data including and overview of the loss ration calculations from '01 through '05.

01 .0007
02 .00045
03 .00043
04 .00024
05 .00026

It is calculated that data from 01 through the 05 reductions provides a TAPA member companies a \$586M benefit. Dan noted that it was interesting that EMEA losses jumped about 6-8% in 05 comparative to 04. Americas dropped about the same in the same time frame. Dan reviewed trends, statistics specific loss detail (type, locations, etc.). Dan also provided an overview of current transit compliance program activities (AEO, C-TPAT, Interesting Route/Lane Assessment Process).

- **TAPA Brazil Update – Maciel Lastoria/Phillip Morris**

Summary: Maciel provided an overview of TAPA Brazil membership and the focus of providers in Brazil (in-transit), leading to weaknesses within the warehouse physical security side of the house. He reviewed government loss statistics (type of product, location of loss, etc.) and some current issues (background checks, collusion) in Brazil. He reviewed the current security approach by most companies in Brazil (use of contracted risk management companies (armed escorts, unarmed motorcycles, 24 hour surveillance, strategies and actions plans, procedures, route evaluations, technology evaluation, training, vehicle monitoring, security inspections, investigation, reports, etc).

Day 2 – Meeting Notes

- **Plan Agenda Items for Q1 2007 meeting (Houston, TX)**

Summary: Next meeting is scheduled for Feb 6, 7 at HP in Houston. Possible agenda items identified include: (investigative overview, breakout session to discuss current trends, benchmarking updates on security equipment, ISO 28000 update, compliance program update, TSR rollout and Americas strategy, Eye for Transport conference update).

- **Strategic Plan (ByLaws and WWC update) – Bob Bullington/Motorola**

Bylaws

Summary: Bob provided an overview of the bylaw changes current approved by the board. Reviewed materials included:

Quarterly meetings for 2007: (Change from four to three meetings per year (February, June and October), change from 1 ½ days to two full meeting days, special meetings to be held if necessary).

Board of Director Position Changes:

- Chairperson position been changed to a two year term (2007-2008)
- Vice Chairperson – remains one year (2 VC's to serve under one Chairperson)
- At the end of the two year term (Chair) the Board will review the two Vice Chairs and hold an election to vote in next Chairperson (two year term (2009-2010)
- BoD position Vacancies: BoD is empowered to fill an open BoD position / BoD makes decision versus a general election.
- Extension to current Chairperson term (after two years): re-elect Chairperson to run for one additional term / or any BoD position can run for consecutive terms

Chairperson / Vice Chairperson Roles:

- Chairperson and VC must be a full member of a high risk (shipper of goods) company.

Committee Chairs:

- 1 year of service
- Election open to general membership or restrict to be voted within their representative groups

Voting rights for the membership:

- Full member: Manufacturers, Transports, Stores, Warehouse and Insured's of high risk goods – Voting Rights
- Associate member: Public investor sector loops – NO Voting Rights
- Proxy voting – restrict to be present to vote

WWC updates:

Summary: Bob reviewed some of the content and decision reached within the TAPA WW council meeting in November. Primary among them is the name change from Technology Asset Protection Association to Transported Asset protection Association (results from survey & vote in the WWC).

- **Auditing Firm Updates – Lois O’Brien/ SGS and David Church/BVQi**

Summary: Lois and Dave provided activity updates regarding their firms. Included was identification of new registrations (CVS, Nippon Express, and Pilot Air Freight), new certifications (fairly infrequent within US, lots of activity in AP and EMEA), and an overview of SGS audit activity for 06. Additional group discussion centered why certs and audits are down – C-TPAT spending, and the ISO 28000 standard.

- **2007 Election of BoD**

Glenn Nilsson (HP) will join the BoD as the Chairperson for 2007 and 2008
Charlie Olson (NEC) will join the BoD Vice Chairperson for 2007
Ted O’Sullivan (Falvey) will return to the BoD as the Secretary
Fred Smith (HP) will return to the BoD as the Treasurer
Brandon Stroud (Intel) will join the BoD as the MAL Manufacturer
Undetermined supplier to join the BoD as the MAL Supplier
Tom Deist (Marsh) will return to the BoD as the MAL Insured

- **Membership Applications for Approval/Vote**

Manufacturers: [all voted in](#)

Steve Stambaugh w/ Synnex
Crawford Robinson w/ Kraft
Chad Sharpe w/ Symantec
Matthew Kim w/ Samsung Electronics
Chris Meisenhalder w/ Hewlett Packard

Freight Forwarders: [all voted in](#)

Christian Ollino w/ CCT Global
H.J. Hammond w/WorldNet Logistics
Red Quash w/ Leader Mutual Freight System

Insurance: [all voted in](#)

Ryan O’Connor w/ Fireman’s Fund Insurance
John Tirel w/ Crawford and Company

Vendors

None

Other: [all voted in](#)

Robert Whitesell w/ RLW & Associates
Barry Conlon w/ FreightWatch
Kent Brazelton w/ Swailes & Company

• **Companies in attendance for the Q4 conference:**

1. AI Marine
2. AIG
3. AIMA
4. AON
5. APL limited
6. Applied Materials
7. Asset Protection
8. Avnet
9. BVQI
10. Bax
11. Bosch
12. Crawford
13. DHL
14. Expeditors
15. FADV
16. Falvey
17. Fireman's Fund
18. FM Global
19. FreightWatch
20. GE
21. HP
22. Intel
23. Jabil
24. Kuehne & Nagel
25. Marsh
26. Motorola
27. NAL Worldwide
28. NNR
29. Panalpina
30. Philip Morris
31. Purdue Pharma
32. SGS
33. SanDisk
34. Spansion
35. Symantec
36. Synnex
37. Tech Data
38. United Recycle Ind.
39. Watson Pharma
40. Zurich