

Technological surveillance and control of the distribution chain

Interview and edit by Amnon Haviv

Supervision and monitoring of the supply or distribution chain constitutes a significant challenge for security managers. Recently HVI launched a dedicated system – live video streaming over network – to supervise and monitor vehicle fleets that includes real time video broadcast. In the interview we conducted with Mr. Avi Ofir, Director of Operations and Security at Philip Morris Israel, he elaborates on the challenges and solutions.

"Philip Morris International" (PMI) is a global company that markets the tobacco products it produces in over 180 countries and employs about 80,000 workers. For years, PMI has built the most successful cigarette brands in the world. About a decade ago we made a dramatic change and engraved on our flag the vision of a "smoke-free future" that has affected us and millions of smokers worldwide. As part of this change, PMI has set itself the goal of reducing the harmful effect of traditional cigarettes based on tobacco burning, and is moving to alternative advanced technologies. In Israel Philip Morris Ltd. has about 300 employees in marketing, sales and operations, the bulk of our activity is the distribution to over 11,000 sales points countrywide. The goods are delivered to Israel from abroad and distributed to customers through a national distribution system that operates through four logistics centres, that are the base for our sales people that reach out to thousands of sales points daily. On an annual basis we deliver goods that are worth billions of shekels, and it means millions at the daily level. It's not just about the transport of goods but we also aim to secure the couriers since, in many cases, our sales people also collect the payment for the goods delivered. So, it's about dealing with cash beyond the cigarettes themselves, which are an attractive commodity on their own; Hard to locate, easy to steal and even easier to sell. Unfortunately, the sale value of the stolen goods is almost equal to its full value in stores. This area has always been an attractive goal to crime organizations. In recent years, and especially during the Corona period, there has been a significant increase in the number of robberies from kiosks and supermarkets where the target is cigarettes. Unfortunately, our distribution system is also an attractive target for attacks, and over the years we have witnessed a large number of attempts and successes of such robberies. "

»» In light of what you told us, what is the main security challenge that you focus on?

"We have about 90 sales personnel who go out, as mentioned, every day to sales points across the country. Our main challenge is to secure them at the best level while constantly maintaining alertness and watchfulness. Our starting point is that an event can happen anytime and anywhere. Our goal is to increase the time gaps between events and respond in real time with maximum effectiveness, since we know that events will happen. 'Silence is temporary'."

»» Can you share with us more about your security department – span of control, different functions, etc.?

"The field of security at Philip Morris Ltd. deals with a wide range of issues Sergei Chaikin, who works with me, manages the physical and technological security systems of the company at the national level. This array includes a number of categories of interests: escort security guards, site security guards, call centres, and the security and operations centre. Beyond that, the security system in the company includes other areas; Risk and crisis management, filtering and occupational integrity processes, employee training, controls and exercises, while the most important emphasis for us is the involvement of all employees in the organization. That is why we make sure to create collaborative work processes that will provide added value to the company's business activities.

Beyond that, Elad Mazon serves as head of safety and global programs and Malkiel Yehud is the company's traffic safety officer."

»» **The Supply Chain**

"We are in continuous contact with our colleagues abroad. Together we characterize all the risks along the entire supply chain, including sea freight, during which we had sophisticated container opening events, and it took us a while to research these events and understand the method.

Cigarettes are defined as 'sensitive goods' and therefore their handling is different from any other container. Our containers are unloaded quickly and moved directly to secure areas in the port, separated from the rest of the containers.

The chain of responsibility in the field of distribution is complex and depends on many factors, some of which we have no control over, but we are responsible for the goods directly throughout the transportation and delivery process and, emphasis on the daily distribution and sales activity with over 80 vehicles a day on the roads all over the country. In recent years we have made a significant upgrade in the level of security of the entire global supply chain when we decided to fully adopt the standards of TAPA organization. "

»» **The seller who actually distributes to the stores also collects the payment?**

"Indeed. The seller is also the money courier and that's one of the reasons we added security guards for drivers. Driver's security is provided after an individual process of risk assessment that takes into account many parameters in determining the security level. In addition, we strive to actively act and adopt the level of security based on intel gathering from the field and police sources. Also, from time to time we break the routine and change the distribution paths and arrival times ".

»» **Who employs and trains the security guards?**

"These are security guards from security companies. We work with well-known companies in the field, such as: Team 3, Ji-Wan, etc. We work with several different companies to minimize risks and also based on geographical area. They are permanent employees who undergo with us selection and training procedures customized to their job function."

»» **What training are they required to do?**

"We have three types of security guards. There's a site security guard, there's an escort security guard and there are the security guards manning the security center. Surprisingly, despite the high sensitivity and potential for events – the operation does not receive any police guidance. After we recruit the security guards, we train them for the role ourselves in order to significantly increase their capabilities - tutorials, procedures, scenarios, case studies, etc. Moreover, we also perform reviews, observations and refresher courses to ensure that their performance matches the standards we set."

»» **Can you say a few words about the security control center and the new systems you've implemented?**

"Every few years we renew our distribution fleet vehicles, perform risk assessment, renew and accordingly plan the security and protection means in the vehicles. These are physical protection measures such as in vehicle protective partitions, advanced locking means and also technology measures, about which, for obvious reasons I will not elaborate.

We added an extra layer of security to the vehicles via a recording system and HikVision security cameras from HVI Ltd. And secure cellular lines by Partner Communications Ltd. and thus we got a

comprehensive solution with a closed network of security cameras and a means of comprehensive control.

This is a dramatic leap forward that allows us to get real-time video directly to the control centre. Another layer is in the field of cyber defence and vehicle analytics, a threat significantly increasing in recent years, and also in this field we did not remain indifferent and implemented advanced cybersecurity systems supplied by **Enigmatos Ltd.**

Before we started working with HVI and Hikvision's system, we tested almost all the vendors in the market that offer security cameras for distribution vehicles. We did a controlled pilot and understood that the system proposed by Partner Communications and HVI is best for us.

One of the important parameters we set was that the system will give us fast transmission in real time with extremely high resolution and quality. Also, it was important to us that the system will enable vehicle tracking and provide real time location data on the map, including automatic alerts on different scenarios we have defined and of course that it will integrate with other in vehicle security measures, such as distress buttons and more. In addition, we were looking for an app with the ability to allow us, as security personnel, to respond to the incident, make real-time decisions about how to proceed while looking at all the cameras. It should be noted that not every event is a robbery. There are events that are in the grey area so this tool allows us to see the event and make a decision how to act.

Another reason is that it was important to us that the cameras will provide a high-resolution image for event investigation purposes, both inside and outside the vehicle, and in all lighting conditions. This is because we often investigate suspicions of tracking of our vehicles or other suspicious activities in the vicinity of the vehicles. After the information is obtained from the system, it is often transferred to the police. "

»» **Do you monitor in real time all your distribution vehicle fleet?**

"As soon as the vehicle leaves the loading area, it is under close control of the security center, using a variety of location and GPS systems that track it and know its whereabouts at any time. All our systems are secure at the highest level and broadcast on the dedicated APN network established by Partner as part of the comprehensive security solution. When the vehicle stops at a distribution point we monitor the process in the control center with the help of the cameras that stream real time video.

So far, the system has proven itself and it is implemented and operational in dozens of new vehicles. Everything works very well, thanks to meticulous characterization, a preliminary pilot performed and joint work of Partner Led by Assaf Dvash together with Yair Tzuberi and the technical team from HVI.

We have an operational security center that operates 365/7/24. Its main task is to protect the company employees and property, we operate with a great sense of responsibility and out of the understanding that our employees trust us to do everything to secure them and, if God forbid, something happens, we will be there for them and will respond in the best way, and in the most efficient and most professional manner. This is what motivates us every day – the desire to improve and be the best at what we do."



Avi Ofir has been in the security world for over two decades, following military service in the paratroopers he served in a variety of security and management roles. In 2009 he enlisted to take part in the founding team of the Witness Protection Authority in the Ministry of Public Security. After 4 years in the unit he decided to move to the private sector. His first job was as the Director of the Security and Safety Department of Clal Insurance and Finance Group. After 4 and a half years in the position, he received an offer to move to Philip Morris Ltd., where he manages safety, security and the company's vehicle fleet. Avi is 40 years old, married and a father of 2, lives in Rosh HaAyin and holds a BA in Behavioural Sciences and an MA in Diplomacy and Security.

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