

NHSAA Newsletter

Member of the National Self Storage Association

October 2011

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Locked, informed and protected

The need for quality locks and security has never been greater.

It is the kind of story no self storage facility wants to find itself a part of. It can deflate public opinion of your business literally overnight. It is a public relations nightmare. When a self storage facility is in the news because thieves have come onto its property and cut the locks of numerous units, making off with customers' possessions, the fallout is disastrous.

Just such a thing happened this past January in Manheim Township of Lancaster County, Pennsylvania, as 50 self storage locks were cut at two different facilities over a matter of days. All the units broken into had Master locks. Imagine the phone calls that had to be placed from managers of the two facilities to customers the next day, explaining that all their valuables had been taken. Now, more than ever, with self storage growing in the nation's consciousness, a self storage facility needs to be properly locked, well-informed and sufficiently protected from thieves.



SSA Globe spoke with three experts in the field of locks to get their opinions on how self storage facilities should position themselves when dealing with customers, which locks should be used and what
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Important Announcements:

Save the date!
NHSSA Board Meeting
Oct. 19, 2011
4:00 p.m.
Joe Mendola's office

Christmas Dinner Meeting
Dec. 13, 2011
Lyons' Den in Gilford
6:00 p.m. for cocktails
6:30 p.m. for dinner
Invitations and directions
will be sent out in
November.

**Visit the NHSAA
website @
[www.NHSSA.net!](http://www.NHSSA.net)**

“Demonstrate why the lock you are supplying is better than the one your renter bought at Home Depot or uses at the gym.”

~ Rich Morahan Lock America

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direction the lock industry is headed. The experts are Nancy Martin of Chateau Products, Rich Morahan of Lock America, and Bill Meyers of Supply Side.

Where To Begin?

It is always best to begin at the beginning, and for the three experts that means self storage owner/operators and managers need to stress security and locks from the moment a customer comes through the door.

“Self storage operators are asking their customers to store their valuables at their facility,” says Morahan of Lock America, which has been in the lock business since 1980 and is headquartered in Southern California with other offices in Massachusetts, Australia, Mexico, Taiwan and the United Kingdom. “The customer needs to understand the business. No one brings their own lock to a hotel. Why should self storage customers determine the security level of a facility by bringing their own lock?”

“As an operator, you should ask your lock manufacturer for a display board for your front desk. Demonstrate why the lock you are supplying is better than the one your renter bought at Home Depot or uses at the gym. If you can’t show why the lock is better, ask your lock manufacturer to educate you. Why did you buy this lock? Because it was the cheapest? Convey knowledge and professionalism. It’s a competitive market out there. You don’t compete solely on price, do you? You compete on features. Make security a feature of your facility. Just state the facts: ‘This lock has more key combinations, this cylinder lock has no shackle to cut,’ etc.”

Meyers of Supply Side (based in Independence, Ohio—a suburb of Cleveland) agrees.

“It’s very important that a facility carry a Good, Better, and Best option for their customers,” Meyers says. “They need a lock to secure their unit, and why have them leave your property to go and buy one from a big box discount store or their local hardware store? In most cases the customer is storing something or a lot of things of value, so why put a lock on that can be cut off with bolt cutters in a matter of seconds? The average thief will not spend more than a few minutes breaking in and a disc lock will require a grinder that makes noise and takes more than a few seconds to remove.”

“Lock security knowledge is power in our industry,” adds Martin of Chateau, which has been in the lock business for 20 years and is based in Bradenton Florida. “We should all be experts when it comes to recommending locks for our valued customers to use. We should have a counter lock demonstrator to explain how to lock and secure a unit. We should explain that our locks are designed for storage units to give our customers to best possible security.”

What To Use?

Understanding that each of our experts have locks of their own to promote, there is, nonetheless, a basic appreciation of the kind of locks that self storage owner/operators and managers should recommend to customers. At the most basic level, disc locks are a starting point. Meyers feels that the 23/4-inch stainless steel disc lock affords the best protection and Martin agrees.

“For properties that have standard slide bolt latches, we recommend using only the round stainless steel disc locks,” says Martin. “When the disc lock is used with the standard slide bolt door latch, it is very difficult to cut using bolt cutters. New properties and top security properties should use the cylinder locks that work with the BEZEL® latches. The cylinder locks fit right into the BEZEL® latches without leaving any exposed areas to cut with bolt cutters.”

“At a minimum, a medium-security disc lock has a dimple or tubular keyway that is much more pick and drill-resistant than a standard pin tumbler model,” says Morahan. “‘Use disc locks’ is the standard police department response. Use ‘pick and drill-resistant disc locks’ is the security industry response.”

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Vendor Spotlight!

eMove is an online marketplace for moving and self-storage products and services.

Designed to reduce the stress and cost of moving, emove.com is a convenient one-stop shop to reserve a rental truck, hire affordable moving helpers and rent a storage room throughout the U.S. and Canada. With unedited user reviews and prices listed, eMove makes it convenient for shoppers to select, plan and coordinate their move without stepping foot in a store or searching through the Yellow Pages.

Whether you are looking for part-time work or are a professional mover, you can get instant visibility across North America through eMove Moving Help. Most customers are looking for help with loading, unloading, driving a rental truck, packing and cleaning.

Vacant storage rooms? If you own or manage a self-storage facility, you can connect to the world's largest moving and storage reservation system by becoming an eMove Storage Affiliate. It's free to join the eMove network.

Source: www.emove.com

Self Storage = the Quality of Living

By Tim Dietz, SSA Sr. VP - Communications & Government Relations

Forbes Magazine has again unveiled its insightful and uplifting “Most Miserable Cities” index. Nothing stokes a much-needed economic recovery more than a review of trends in unemployment, foreclosures, violent crime and corruption among public officials.

Cleveland, which headed the index last year, relinquished its miserable crown to Stockton, California this year. Ironically, it turns out that basketball superstar LeBron James left last year’s most miserable city for this year’s second most miserable city, Miami. That’s eight spots worse than Cleveland this year, or better—depending on your perspective. This list of America’s most miserable cities also brings sweet exoneration for self storage. The industry has long battled an uphill public relations myth: portrayed as the dusty, drab, pseudo-real estate sector. The spin is often so negative that you’d think the country’s most miserable places were full of self storage. Not so! I went to the latest statistics from the SSA and compared the number of facilities (or to be more precise: storage sq. ft. per capita) with the Forbes index. It turns out that of the 20 most miserable places in the country, all but one (Flint, Michigan) have less than the average amount of storage space per person.

How could this be? Nothing screams blight and misery like storage units, right? The numbers say otherwise. Nationwide, by county, the average amount of storage for each person is 7.35 sq. ft. But look! Miami/Dade, the second most miserable place, has only 3.67 sq. ft. of storage per person. In fact the average of the top ten most miserable places in the country is 5.82 sq.ft., or almost two square feet of storage per person less than the national average. Meanwhile, the top ten best places to live have more self storage. Take Lincoln, Nebraska, the ninth best place to live according to Forbes magazine last year. The city has 13.25 sq. ft. of storage space for every man, woman and cornhusker in the county. Huntsville, Alabama, listed as the third best place, has 10.33 sq. ft. of storage per capita. The conclusion is unavoidable. The best places to live in the U.S. have more than the average amount of storage space (7.86 sq. ft. for the top ten best places).

Perhaps it’s an oversimplification to draw correlations between self storage density and quality of life. But if a brilliant publication such as Forbes, which failed to predict the housing collapse or Madoff scandal (West Palm, eighth most miserable place to live), can present itself as an expert, then the self storage industry should be justified in feeling proud for improving the living standard in every neighborhood it enters.

Source: The Globe Magazine, SSA

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“However, a disc lock is at best a medium security device. Any disc lock can be easily bypassed by cutting the slide bolt. For high security that matches the level of cameras, gates and door alarms, Lock America recommends a cylinder lock that inserts flush into a door and is secured with a back plate. As with disc locks, cylinder locks are only as secure as their keyways. An economy cylinder lock with a flat cut key gives only the dangerous illusion of security. A facility that invests in thousands of dollars of gates, keypads, cameras and alarms backed up by cheap padlocks or even cheap disc locks is wasting its investment.”

Where Are We Going?

All of which leads us to what direction the lock industry is headed. Among the hot topics are resettable combination locks, which allow the customer to share the combination with other family members who may need to use the facility, as well as combination locks that use letters instead of numbers.

“There is always talk about electronic locks, but they are still impractical because of price, retrofit issues and the varying conditions in self storage,” Morahan says.

“Our major new product in the last few years has been a disc lock based on our tubular keyway cylinder lock. This disc lock has 60,000 usable key codes, and the same ‘red dot’ lockout feature found on tubular cylinder locks. This packaged lock comes with a numbered key, so that a renter can order a replacement key through the facility. This feature eliminates drilling or cutting in a non-emergency situation. If a cylinder lock system is too costly to install or retrofit, this disc lock provides a higher level of security and convenience than an economy disc lock.”

“New properties and top security properties should use the E-Z® cylinder locks that work with the BEZEL® latches,” concludes Martin. “The E-Z® cylinder locks fit right into the BEZEL® latches without leaving any exposed areas to cut with bolt cutters. The E-Z® BEZEL® cylinder locks have a built-in overlock function that allows a site manager to overlock a past due customer without using another lock on the latch. This system is a great value, with the cost being almost identical to the current standard slide bolt latches.”

By John Dunlap—Editor, SSA Globe

*From the April 2011 Edition of the Globe Magazine, SSA

Notice can be as important as any contractual relationship.

Don't forget to support our valuable members!

Boyd & Boufford Insurance Agency, LLC	(603) 673-7228
Can-Am Building Systems Corp.	(508) 272-9724
Collin Box & Supply	(508) 230-5833
Cross Insurance	(603) 742-2552
eMove Inc. Web Self Storage	(866) 693-6683
Flexospan Steel Buildings, Inc.	(800) 245-0396
Marcus & Millichap	(203) 672-3326
Northeast Record Retention	(877) 603-3100
On the Move Inc.	(800) 645-9949
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Storage Business Owners Alliance	(508) 425-7111
Swisher Industries	(603) 622-1111
Syrasoft Management Software	(800) 817-7706
Trachte Bldg. System	(800) 356-5824
Syrasoft, LLC	(315) 708-0341

Privacy Rights in Self Storage: The Proper Disposal of Private Information

By Scott Zucker, Weissmann Zucker Euster Morochnik P.C

It remains a common question in the self storage industry as to what obligations a self storage operator has to protect information located in tenants' units after they are found abandoned. Although the answers may generally depend on particular Federal and State laws as they continue to develop, the ultimate answer may end up being based on the individual effort of the operator to protect the privacy interests of their tenants and the "actual knowledge" the operator has as to what personal information exists in the unit. Given the increased attention on identity theft, fraud and other privacy issues, self storage facilities need to review or develop policies to ensure the actual destruction of discarded records, particularly when the facility operator is aware of the existence of the records and when those records contain sensitive information. If a facility operator is left with a delinquent unit and there are personal records discovered in the unit, especially records associated with third parties (clients, patients, applicants, customers), it is probably a good idea for the operator to properly dispose of those records if they cannot otherwise be returned to the tenant. Given the risk of identity theft, it is always better to be safe than sorry.

In the past, the practice known as "dumpster diving" has provided identity thieves with a wealth of personal data. Irresponsible information disposal by businesses has been cited in numerous instances of fraud. The standard for proper disposal is that any person must dispose of such private information by taking reasonable measures to protect against the unauthorized access to or use of the information in connection with its disposal. A company may either perform such eradication measures itself or, "after due diligence," may enter into a contract with a third party already engaged in the business of record destruction to perform such services. In making a determination of whether a particular company is suitable to perform the record destruction, due diligence takes into consideration a variety of information. In most instances, properly disposing of private information means shredding or burning paper records or wiping computers clean of such data. As to paper shredding, the best way for companies to comply is to hire an outside shredding company to do the shredding. As for electronic data, there are numerous companies that now manage the proper and environmentally safe destruction of computer files.

Certain federal laws, as well as some recently enacted state self storage laws, impose liability on companies for the mishandling of information which leads to identity theft. If a situation arises, a company must be able to demonstrate what the company did to destroy the information. As long as the company made a good faith effort to dispose of the private information, there is unlikely to be any liability. However, liability for negligent violation can include actual damages of the affected individual plus costs of the action, including attorneys' fees. In addition, certain federal rules provide for administrative enforcement, which could include federal fines of up to \$2,500.00 per violation. Punitive damages are also available.

Privacy rights are increasingly becoming a significant concern to consumers and business operators and the self storage business is not immune from the liability risks that accompany access to personal data as part of that business. As such, it is up to operators to remain aware of the laws of their State that impact their businesses and use discretion when deciding how best to deal with the storage and disposal of records that may expose their customers and innocent third parties to the risk of identity theft.

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