

The Record Keeper

CFS. Safeguarding your future – Securing your past.

One of the most important aspects of any decision that is made regarding the disposal of your important business records is whether to do it “in-house” or if you should contract it out.

It is important to remember that contracting out the destruction of your business records does not effectively transfer the responsibility to maintain the confidentiality of the materials to the contractor. If private information surfaces after the vendor accepts it, the court is bound to question the process by which the particular contractor was selected. Any company not showing due diligence in their selection of a contractor that is capable of providing the necessary security could be found negligent. And, from a practical standpoint, if proprietary or private information is lost or leaked by the fraud or negligence of a vendor, the obligations of that vendor are irrelevant. The firm whose information falls into the wrong hands stands to lose the most, either from loss of business, prosecution or unfavourable publicity. Since a business cannot transfer its responsibility to maintain confidentiality, it must be certain that it is dealing with a reputable company with superior security procedures. Unfortunately, there are those information destruction services that do not take the necessary security precautions.

Furthermore, most Records Management companies do not have the equipment to provide shredding /destruction services. Many commercial records storage facilities offer records destruction as a service to their customers. However, in a survey conducted by the National Association for Information Destruction, a majority of the commercial storage firms were found lacking the equipment necessary to provide the service themselves. It is common practice in that industry to subcontract the destruction of the records. In some cases, disreputable storage firms were found



Choosing a Destruction Contractor:

Choosing a destruction company is an important business decision that could have far reaching implications on your business. Choose the right one and the destruction process should be seamless and painless. Choose the wrong one and you could damage your reputation and expose yourself to prosecution.

Several things should be kept in mind when choosing your destruction contractor:

Does the contractor have restricted access to confidential materials?

Has the contractor implemented appropriate security measures and systems?

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misleading their customers by charging for secure records destruction, while the materials were being sold to a recycling company for scrap. Any business using a commercial records storage firm should inquire as to the nature of the destruction services available. It is an unacceptable risk to permit a storage firm to select a subcontractor to provide the records destruction service. The owner of the records is ultimately responsible for their security and, therefore, should be selecting the vendor directly.

The information presented in this newsletter was provided by the National Association for Information Destruction (NAID) through “The Risk Management Series” from an article on Information Disposal.



Choosing a Destruction Contractor:

Do the employees of the contractor sign confidentiality agreements?

Are background/criminal checks performed on the contractor's employees?

Does the contractor use closed trucks to transport materials?

Does the contractor own their own shredding equipment?

If the answer is “NO” to any of the above questions, the contractor being considered may not be the right choice.

*For **Canada FileSafe Inc.** the answer to all of the above questions is “YES” – no one will handle your documents more securely, or more confidentially.*

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