



Statement of

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on behalf of

The American Trucking Associations

**Committee on the Judiciary
United States Senate**

Hearing on

**Beyond the Smash and Grab:
Criminal Networks and Organized Theft**

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Introduction:

Chairman Grassley, Ranking Member Durbin, and members of the Judiciary Committee, thank you for providing me with the opportunity to testify before you today on behalf of the American Trucking Associations (ATA).¹ My name is Donna Lemm, and I serve as the Chief Strategy Officer of IMC Logistics, based in Collierville, Tennessee. I am grateful for the invitation to share with this committee the growing challenges that IMC Logistics, the trucking industry, and our nation's supply chain are experiencing with organized cargo theft and related crimes.

ATA is a 90-year-old federation and the largest national trade organization representing the 8.5 million men and women working in the trucking industry. As a 50-state federation that encompasses 37,000 motor carriers and suppliers, ATA proudly represents every sector of the industry. From less-than-truckload to truckload carriers, from agriculture and livestock transporters to auto haulers and household goods movers, and from large fleets to mom-and-pop one-truck operators, ATA serves as the single unified voice of the trucking industry.

My company, IMC Logistics, is a leading intermodal logistics company in the United States, specializing in marine drayage services. With over 40 years of experience, IMC Logistics operates a large fleet of trucks and chassis and a national network of integrated terminals, providing a comprehensive range of transportation and logistics solutions for cargo moving to and from major seaports and rail hubs across the country. At IMC Logistics, we prioritize our national network, customer service, sustainability, and technological advancements to deliver efficient and cost-effective logistics solutions to America's supply chain.

IMC Logistics, and the trucking industry more broadly, have witnessed an exponential increase in both the frequency and sophistication of cargo theft incidents over the past several years. Our experiences, which I describe in great detail below, highlight the numerous and complex ways in which bad actors are infiltrating our nation's supply chain. Goods are vulnerable in every stage of transit. Organized theft groups are actively identifying vulnerabilities within the supply chain to glean information that allows them to strategically target cargo that is idle or moving on trucks, rail, and cargo ships. This threat continues to increase despite many industries across the supply chain making significant investments in the safety and security of our personnel, our operations and facilities, and the freight itself.

What has become clear from this growing threat is that more must be done. Greater coordination and information-sharing, not only across the supply chain, but also among local, state, and federal law enforcement agencies, is critical to connecting the dots, identifying the trends, determining the hot spots, and utilizing innovative approaches to tackle this evolving threat. For that reason, I am grateful for the leadership of Chairman Grassley, as well as many members of this committee, in championing S. 1404, the *Combating Organized Retail Crime Act (CORCA)*, legislation which will take an instrumental step in that direction. By empowering federal agencies to take a leading role in the coordination of enforcement activities and providing law enforcement agencies with the tools necessary to tackle the increasingly complex crimes targeting our interstate and international supply chains, the legislation effectively takes a stand against the growing threat of organized and sophisticated criminal networks.

¹ The American Trucking Associations is the largest national trade association for the trucking industry. Through a federation of 50 affiliated state trucking associations and industry-related conferences and councils, ATA is the voice of the industry America depends on most to move our nation's freight.

Thank you for convening today's hearing and providing the opportunity to discuss the challenges that cargo theft and related crimes pose to our nation's supply chain. I, along with the ATA, look forward to working with this committee to share information and support legislative solutions that will promote the safe and efficient movement of our nation's goods, including the wellbeing of the people who keep the wheels of our supply chains turning.

What is Cargo Theft?:

Cargo is any commercial shipment moving via truck, rail car, plane, ship, etc., from point of origin to final destination. If merchandise is stolen at any point when cargo is in transit—on a highway, at a truck stop, or in a storage facility, warehouse, terminal, wharf, etc.—then it is considered cargo theft.²

Thieves, Organized Theft Groups (OTGs), and Transnational Criminal Organizations (TCOs) are currently infiltrating and exploiting the nation's transportation and distribution networks because cargo theft schemes are considered low-risk and high-reward. In other words, there is significant money to be made and very little risk of criminal exposure. While it is difficult to quantify the full scope of this issue for a variety of reasons, several private sector groups have attempted to estimate the overall impact of cargo theft in the United States. In 2024, CargoNet reported 3,625 theft incidents, a 27% increase compared to the previous year. CargoNet estimated the total loss to industry at more than \$450 million. Per incident, the estimated average value stolen was \$202,364, up from \$187,895 in 2023.³ According to the National Insurance Crime Bureau (NICB), cargo theft in the United States is a \$15 to \$35 billion industry.⁴

The fraud and cargo theft plaguing the trucking industry, and our nation's supply chains more broadly, materialize in many ways. There are two main categories of cargo theft: straight theft and strategic theft.

Straight Theft

Straight theft is the most common form of theft and has been around for as long as trucks have been delivering freight. Straight theft refers to thieves physically stealing cargo from a shipment. Thieves typically target products that can be sold quickly on the market, and this type of theft can be very profitable. Examples include:

1. **Burglary-** Thieves steal goods directly from truck trailers, usually when truck drivers are stopped along their routes at truck stops, parking lots, roadside parking, terminals, drop lots, and other areas where cargo could be left unattended, especially in retail store parking lots or other empty parking lots on weekends.
2. **Pilferage-** Thieves only steal some of the freight off a single trailer. Criminals pilfer small amounts, often over long periods of time. By taking only small amounts of freight at a time, thieves are able to avoid detection for much longer and pocket hundreds or even thousands of dollars of merchandise without much effort or risk.
3. **Hijacking-** Thieves use force, deception, or intimidation to seize the truck and its contents. Thieves may trick drivers into pulling over by signaling that something may be wrong with the truck, which then allows them to steal the freight. OTGs may target entire trucks or containers by

² Federal Bureau of Investigation. (November 12, 2010). Inside Cargo Theft: A Growing Multi-Billion Dollar Problem. https://archives.fbi.gov/archives/news/stories/2010/november/cargo_111210/cargo_111210.

³ Verisk CargoNet. (2025, January 21). 2024 supply chain risk trends analysis. CargoNet. <https://www.cargonet.com/news-and-events/cargonet-in-the-media/2024-theft-trends/>.

⁴ National Insurance Crime Bureau. On the Rise: Cargo Theft, a Billion Dollar Industry. <https://www.nicb.org/news/blog/rise-cargo-theft-billion-dollar-industry>.

using violence or other tactics to overpower drivers and seize the cargo. This can be opportunistic, or a truck can be tracked from its departure point and robbed at its first stop.

Strategic Theft

Strategic theft involves the use of fraud and deception to trick shippers, brokers, and carriers into handing loads over to thieves instead of the legitimate carrier. This type of theft often involves identity theft and advanced cyber tactics to manipulate data. According to a 2025 report published by the specialty insurance company Munich Re, strategic cargo theft and organized crime now account for around 18% of all thefts in the United States.⁵ Strategic cargo theft is extremely profitable and lower risk relative to straight theft because strategic theft can be accomplished remotely and does not require thieves to physically touch the cargo. Examples include:

1. **Fictitious Pickups** - Thieves impersonate legitimate drivers and carriers by using altered paperwork, fake uniforms, and vehicle logos to steal shipments. The legitimate driver will often arrive to find that the shipment has already been released.
2. **Fraudulent Bills of Lading** - Thieves use the forged identity of a legitimate carrier to pick up a shipment, steal a portion of the freight, and re-create the bill of lading to disguise the theft. In this process, the unit count, weight, and seal numbers are altered on the bill of lading before the shipments are delivered to the final destination, where the unknowing receivers sign off. This type of theft can go undetected for months.
3. **Double Brokering Fraud** - A double brokering scam can take various forms in the trucking and logistics industry. Sometimes, the criminals pose as either legitimate brokers or motor carriers (i.e. owning trucks, trailers, equipment, or drivers), or both, but they, of course, have no intention of moving the freight to the destination requested by the shipper. Instead, the criminals steal cargo by subcontracting the work to unwitting carriers who transport the freight to a different delivery point than the location specified by the shipper. The criminals do this by either convincing the legitimate carrier to deliver to a different destination or changing the bill of lading. Often, criminals engaged in double brokering fraud are not located in the U.S. and conduct their crimes through cyber means without ever physically touching the freight. It is also common for criminals to steal the identity of an existing broker or motor carrier by creating and using website domain names and business names that are very similar to the existing business information of real companies. For example, a real trucking company might use the website domain ABCMotorCarrier.com, and the criminal may create a fraudulent company with a slightly different website domain such as ABCMotorCarrierLLC.com. There are multiple victims with double brokering scams: the owner of the double-brokered freight, the motor carrier that unknowingly delivered the freight for the criminal and won't receive payment for their service, and the legitimate broker whose operations and integrity are undermined by fraudulent actors.
4. **Hostage Freight** - Freight can be held hostage by a broker, carrier, or rogue driver. Hostage freight refers to scenarios where brokers, carriers, or rogue drivers refuse to complete a delivery until their demands are met. Drivers or service providers may hold loads hostage when they think they are not being paid fairly, or as a means to renegotiate the terms of the initial agreement. These situations can be complicated when associated with double brokering fraud. Hostage freight schemes are also fairly common in the moving and storage industry and occur when a moving entity holds a customer's belongings hostage by refusing to deliver them until the

⁵ Munich Re. (2025). Cargo Theft Tactics and Trends Report 2025. Munich Re Specialty – Global Markets UK. <https://www.munichre.com/specialty/global-markets-uk/en/insights/cargo-and-freight/cargo-theft-tactics-and-trends-report-2025.html>.

customer pays a significantly higher price than the original estimate. Thieves will use the customer's belongings as leverage to extort additional money. In many cases, the customer's goods are never returned even if the additional money is paid.⁶

Cargo Theft and the Intermodal Supply Chain:

For an intermodal motor carrier such as IMC Logistics, the issue of cargo theft is extremely complicated because our operations involve cargo movements between various modes of transportation. Typically, international intermodal freight arrives on an ocean carrier, is discharged through the port, and then moves onto railroads for transport to inland locations across the country. Motor carriers then pick up containers at these inland rail facilities for the final shipment to customers. Because containers take such complex paths to their final destinations, the potential for theft is heightened; all parties that touch the container in the intermodal supply chain must work together to deter and prevent theft.

Motor carriers are often the final leg of the journey for intermodal containers and thus are the party that must be the most vigilant about seal integrity. Motor carriers are also the first mile of the journey for U.S. exports. For both exports and imports, if a broken seal is not recorded when a container is loaded at the port or rail terminal, or if cargo has been pilfered from a container, the motor carrier is held responsible.

As thieves have become more sophisticated, so too have their theft tactics, which makes prevention and detection a more complex problem in the intermodal supply chain. New tactics are emerging constantly, and trucking, rail, ocean carriers, port authorities, marine terminal operators, and shippers must work together to be vigilant and apprised of shifting trends. While all those involved in the intermodal community have a strong stake in preventing cargo theft, the nature of this supply chain with its multiple transportation modes and international commerce nexus means that this freight is consistently vulnerable.

Organized Theft Groups and the Rise of Strategic Theft:

The COVID-19 pandemic precipitated the meteoric rise in frequency and sophistication of cargo theft. CargoNet logged 1,106 reported incidents of theft in 2019 and 1,181 reported incidents in 2018.⁷ During this time, the vast majority of reported thefts could be categorized as straight theft. These crimes were carried out by relatively unsophisticated thieves who would steal freight when the opportunity presented itself. These thieves would sell the stolen goods at a deep discount, usually pennies on the dollar, in the same area where the goods were stolen. The thieves would live off those proceeds until exhausting their resources, at which point they would strike again.

Beginning in 2021, however, the trucking industry saw a dramatic shift in the cargo theft landscape. Strategic theft has risen by over 1,500% since the first quarter of 2021.⁸ Unlike the thieves of the past who engaged predominantly in straight theft, those engaged in strategic theft utilize fraud and deception to maximize profit and maintain a safe, physical distance from the theft itself. These criminals are often members of OTGs that operate massive networks within and outside the United States. The shift from opportunistic thieves to large OTGs gave rise to more complex and convincing fraud operations. Less

⁶ WTW. (2024, December 18). High-value shipments at risk: The growing threat of strategic cargo theft. <https://www.wtwco.com/en-us/insights/2024/12/high-value-shipments-at-risk-the-growing-threat-of-strategic-cargo-theft>.

⁷ Wolf, C. D. (2021, June 10). Truck cargo thefts skyrocketed amid COVID-19. Transport Topics. <https://www.ttnews.com/articles/truck-cargo-thefts-skyrocketed-amid-covid-19>.

⁸ Wolf, C. D. (2024, October 4). Cargo theft experts warn of peak season fraud. Transport Topics. <https://www.ttnews.com/articles/cargo-theft-season>.

than a decade ago, when smaller and less sophisticated groups were apprehended by law enforcement, it would take around 6-7 months for them to restart theft operations. Currently, when law enforcement successfully disrupts a large criminal network, it takes 30 days or fewer for that group to resume their freight fraud operations because of the relative ease with which bad actors can reinvent operations online. The constant cycle of seemingly futile efforts to combat this type of crime resembles a game of "whack-a-mole."

Some OTGs are so vast and sophisticated that they have established their own call centers to manage their illegal supply chains. In many cases, these groups also operate seemingly legitimate warehouses and online marketplaces to store and sell stolen goods. In these scenarios, stolen goods are often exported out of the United States, repackaged, and then sold, sometimes for more than market value. A good example of this would be energy drinks. Certain energy drinks sold in the U.S. are banned in other countries, so thieves take advantage of the strong demand and sell the stolen drinks at an incredible mark-up in those foreign markets. Additionally, these types of products are usually seen as low-risk and high-value since they are easy to move and have high resale potential.

There are several factors and trends that are responsible for this uptick in frequency and sophistication of freight fraud. First, the COVID-19 global pandemic offered criminals a prime opportunity to exploit the vulnerabilities caused by a supply chain thrown into chaos by dramatic shifts in global supply and demand. Second, the digitization of domestic and international supply chains has created new vulnerabilities and thus opportunities for OTGs to exploit gaps using sophisticated and ever-evolving cyber capabilities. These groups can steal freight remotely by exploiting the technology that has been embedded into supply chains to move cargo more efficiently. Third, the erosion of traditional in-person direct business transactions—a past staple of traditional supply chain relationships—has created further opportunities for exploitation. Doing business with unknown companies and drivers has become normalized given that more shipments are now brokered via load boards and online platforms. This has made it relatively easy for the criminals to pose as legitimate brokers or carriers and fraudulently engage in business transactions with unwitting supply chain partners. Finally, the lack of coordinated investigations and prosecutions has emboldened these actions. Thieves have quickly realized that federal, state, and local law enforcement do not have the resources to stop them nor the interest to pursue sweeping investigations.

Many U.S. motor carriers are expending significant capital to protect themselves against these crimes, but obviously not all companies have the resources to do so. Several companies offer vetting services to motor carriers and brokers, but those services, while highly effective, come with an added cost. So, many in the trucking industry are often victims in one of two ways: either they lose significant sums of money through stolen freight, or they have to spend significant sums of money for services and advanced security measures to mitigate risk. With the speed at which our supply chain and cyber technologies are evolving, it costs more and more to fortify our businesses. Success in the transportation industry is no longer simply a matter of having the best drivers and the right equipment; motor carriers must now invest immense resources to have the strongest IT systems, the most diligent security personnel, and hardened physical infrastructure. In today's trucking environment, a strong defense is necessary for survival.

My Experience with Cargo Theft:

Prior to 2021, cargo theft barely registered on IMC Logistics' radar screen. The rare cases that we encountered were isolated incidents involving lone perpetrators stealing small amounts of goods.

Fast forward to the present, and the landscape has shifted radically. Crime rings are running rampant in every corner of the country, robbing every link in our supply chain with impunity. Today's criminals are exceedingly well organized, employ highly sophisticated techniques, and steal high volumes of product at an alarming rate.

IMC Logistics' cargo theft is largely related to intermodal shipments, which move by rail into and out of the interior of the United States. Motor carriers pick up these containers from our intermodal rail hubs, as well as deliver export cargo and domestic cargo at sourcing locations and deliver to major rail hubs. As you can see in the chart below, our statistics on rail theft incidents largely mirror the national statistics of hot bed areas of rising cargo theft in key locations like Chicago, Memphis, Dallas and Los Angeles.

THEFT BY STATE					
States	2021	2022	2023	2024	Grand Total
AL				9	9
AR			2	12	14
AZ			10	1	11
CA	2	4	35	290	331
GA	1		3	13	17
IL		1	85	132	218
IN		3	25	5	33
KS			46	60	106
MD			1		1
MO		1	4	1	6
MS			1		1
NJ		3	1	6	10
NM			23	14	37
OH		1	10	75	86
OR				2	2
TN	2	55	213	111	381
TX			77	143	220
VA				1	1
WA			1	1	2
Grand Total	5	68	537	876	1486

IMC Logistics has seen cargo theft of intermodal volumes rise from five incidents in 2021 to 876 incidents in 2024. That is a 17,520% increase in just three years.

Virtually every single one of my counterparts across the trucking industry has told me they are experiencing the same challenges. I do not know a single motor carrier that has not been impacted. Many are understandably reluctant to speak up and put a larger target on their back. Others are concerned that publicizing these crimes will cause reputational damage. But these criminal enterprises thrive in the darkness. They count on their victims' silence to continue to operate freely.

IMC Logistics and other motor carriers go above and beyond to protect our employees—our most important asset—as well as our customers' products. We invest millions of dollars in multilayered security, including technology, surveillance equipment, lighting, fencing, barriers, and guards. Many in the trucking industry also utilize asset tags to locate and recover stolen goods, GPS jamming detection to

provide drivers and fleet managers visibility into pre-theft threats, engine immobilizers to disable the vehicle and make the movement of stolen goods more difficult, and SOS buttons for driver safety. The trucking industry is doing everything right, but we are still vulnerable because OTGs know that cargo theft schemes that cross state lines and span multiple law enforcement jurisdictions are unlikely to be investigated or prosecuted in a meaningful way. We need government and law enforcement to step up and help. This is a nationwide problem, and it requires a national solution.

That is why IMC Logistics is appreciative of the attention that Chairman Grassley, Ranking Member Durbin, and members of the Senate Judiciary Committee are devoting to this issue. As you pursue legislation, I would like to offer a few examples that illustrate the variety of cargo theft schemes that logistics companies like mine are up against.

Incident 1

The first incident underscores the astonishing level of coordination and premeditation that typically goes into these heists. In the dead of night, just outside our Memphis terminal (which stores loaded containers for major shippers moving ocean containers intermodally by rail and destined to Memphis proper, Nashville, North Mississippi, and Western Arkansas), multiple masked criminals emerged from a row of pre-staged vehicles. Using high-powered cutting tools, they sliced through the gate, startling our security guard stationed in a booth nearby. Our employee immediately called the police while seven automobiles simultaneously stormed the breached fence.

Once inside, the drivers followed what was evidently a pre-mapped route that took them to the farthest corner of our depot. While one group of criminals forced open containers belonging to a high-value customer, another group outside the perimeter cut another hole in the fence to create an escape route.

Fortunately, the criminals were soon interrupted. An IMC Logistics guard patrolling along the fence began to approach with flashing lights. The spooked criminals jumped in their vehicles and scattered in various directions. The entire ordeal lasted just three and a half minutes, yet even in that limited timespan, the criminals absconded with tens of thousands of dollars' worth of goods.

Incident 2

A second incident demonstrates that it is not just terminals with stockpiled goods that are at risk; trucks operating on the road are a prime target too.

One of our drivers was recently stopped at a red light in Memphis when he felt the trailer begin to shake. When he looked in his mirror, he saw half a dozen men pulling boxes out of the back of the truck and piling them into a pickup. This brazen burglary occurred in broad daylight at a busy intersection. The thieves took mere seconds to break into the trailer to steal 116 boxes and did not even bother to conceal their identities.

Incident 3

A third set of incidents offer a warning about supply chain vulnerabilities that extend beyond physical infrastructure and equipment and into the cyber realm.

At least once a week, IMC Logistics receives questionable business solicitations. Fortunately, our company has a large and highly capable team of technology professionals and follows stringent vetting procedures to weed out malevolent or outright fraudulent requests. Yet even with these robust safeguards in place, bad actors can occasionally slip through.

Last year, fraudsters sent work order information using a spoofed email address that appeared to be from a real customer. Our team fulfilled the instructions and completed three loads. We did not learn that the customer's identity had been stolen until we attempted to send them an invoice. Ultimately, IMC Logistics was on the hook for the value of the lost cargo.

In another case the year prior, five full cargo loads were stolen by fraudsters through an elaborate plot to impersonate a real motor carrier. The scheme involved outfitting a truck with fake placards and printing counterfeit IDs for the drivers. IMC Logistics' chassis were equipped with GPS units, but the criminals were savvy enough to disable them within 20 minutes of leaving our lot. The total value of the lost cargo was substantial.

Incident 4

Finally, a fourth incident highlights how cargo theft is both fueled by organized crime and financially sustains organized crime in a vicious cycle. It also showcases the obstacles that motor carriers face when trying to report these crimes.

In a carefully orchestrated operation, thieves stole a truck and used it to pull off a heist at our secure facility in St. Louis, where they targeted two containers holding high-end refrigerators. We alerted the local police, who informed us that the only action they would take would be to fill out a report for insurance purposes. When we inquired about possible next steps, we were told that this was not a priority, and they would only look into it if a detective had time.

Several months later, out of the blue, IMC Logistics was contacted by an agent with the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). The agency had just raided a warehouse in a St. Louis suburb and had unexpectedly uncovered our refrigerators with their back cavities removed and cash stuffed inside. It turned out that they were being used to smuggle money across the southern border, likely by a TCO. Although ATF was entirely unaware of the earlier theft at our facility in St. Louis, their intervention prevented the appliances from being transported to Mexico under the guise of "scratch and dent" returns.

This case is a prime example of the disjointed law enforcement response that allows OTGs to slip through the cracks. Local police departments routinely classify cargo theft cases as vandalism. As long as no one is hurt, they view stolen goods as a civil issue—an insurance matter. Similarly, cargo theft often escapes the focus of federal law enforcement, who tend to view it as an ancillary crime. The lack of coordination between law enforcement agencies pales in comparison to their criminal adversaries.

Given the dearth of time and resources that law enforcement devotes to the recovery of stolen cargo, motor carriers often bear the burden of doing the investigative leg work themselves. Even when we identify the culprits, it can be a frustratingly slow process to obtain a resolution.

When eight containers were pilfered at one of our secure yards near Chicago, IMC Logistics sought to expedite the efforts to track down those responsible by hiring a private investigator. We scored a few lucky breaks: we had an image of the license plate number of the van that was used in the theft, and we recovered a wallet that one of the thieves had dropped. Using this information, we were able to single out several suspects and pinpoint their residence. We even found the merchandise they stole on an online platform for resale.

All of this data was passed along to law enforcement. Yet, despite IMC Logistics delivering a smoking gun, no arrests have been made.

I know that our experience with cargo theft is a microcosm of what is happening in the broader trucking industry. The tactics employed by these sophisticated criminals reflect the careful planning OTGs engage in to attack our supply chain. By sharing these examples and speaking up on behalf of our entire industry, I hope to provide the committee with a picture of the devious, resourceful, and relentless nature of the criminals we are up against.

Cargo Theft is a Threat to Public Safety:

Without the deterrence of reliable investigations and prosecutions, the trucking industry is constantly vulnerable to cargo theft and the violence often associated with it, and legitimate carriers must expend significant human capital and financial resources to protect themselves and their employees.

Unfortunately, many smaller carriers and brokers lack the means, staffing, and financial resources to make such robust investments needed to protect themselves and their customers' cargo in today's evolving threat environment. This Committee plays a key role in safeguarding our nation's transportation networks and supply chains from organized crime, and we urge you to consider how the prevalence of cargo theft and absence of any real deterrent undercuts the trucking industry's ability to ensure the safe and efficient movement of our nation's goods.

Employee Safety

Cargo theft – whether through direct hijackings or sophisticated, nonviolent schemes – continues to pose a growing threat to the safety and wellbeing of drivers and other supply chain professionals. While most cargo theft incidents in the U.S. involve the calculated exploitation of technological and operational vulnerabilities rather than physical force or violence, criminal networks are becoming increasingly organized and bold. Globally, hijackings, vehicle theft, and theft from facilities or vehicles (both attended and unattended) ranked among the most common forms of straight theft in 2023.⁹ These incidents not only disrupt freight movement but also endanger drivers – potentially leaving them stranded in remote or unsafe areas or putting them at risk of direct encounters with perpetrators. In some cases of straight theft, including hijackings and facility break-ins, drivers and employees may face physical assault, intimidation, or other threats of violence if they seek to protect the targeted load.

Strategic theft carried out through deceptive practices poses less obvious but undoubtedly serious safety risks for drivers and other supply chain employees. For instance, drivers may unknowingly interact with fraudulent entities posing as legitimate carriers, brokers, or warehouse workers—situations that can quickly escalate if a driver questions or challenges the fraudulent individual(s). In cases where criminals hold freight hostage or use coercion to steal loads or extort payment, trucking employees may be subjected to threats, intimidation, or manipulation—including threats of physical harm to themselves, their families, or coworkers—in an effort to force compliance or silence.

Food and Agriculture Supply Chains are Vulnerable

The threats of cargo theft to public safety also extend to our food and agriculture supply chains. Strategic theft schemes orchestrated by organized criminal groups risk the adulteration or loss of perishable goods, with potentially devastating financial results for agricultural shippers and

⁹ Munich Re. (2025). Cargo Theft Tactics and Trends Report 2025. Munich Re Specialty – Global Markets UK. <https://www.munichre.com/specialty/global-markets-uk/en/insights/cargo-and-freight/cargo-theft-tactics-and-trends-report-2025.html>.

transportation providers that ultimately result in higher prices for consumers. A single broken seal on a load of perishable goods caused by pilferage can result in rejection of the freight by the shipper or consignee. Agriculture shippers are often not able to salvage goods once seals are breached. If salvage is possible, the cost to reinspect agricultural cargo is typically thousands of dollars. Often, the agriculture shippers that we serve are the victims of random crimes on the rail as thieves search for higher-value cargo. The number of agriculture shipments with broken seals is rising rapidly, and agriculture shippers are on the hook to cover the costs to replace these seals. Loads of poultry, meat, and other refrigerated products have been a frequent target of intermodal rail theft, vehicle and trailer theft,¹⁰ fraudulent pick-up schemes,¹¹ and other nefarious strategies.

In general, thieves and fraudsters target goods that they can steal and sell quickly. Partly due to the diversity of opportunities in this space, food and beverage items are targeted frequently and were the most commonly stolen type of freight in 2024.¹² Thieves prefer food and beverage products because there is consistently high demand, law enforcement typically does not initiate investigations of perishable goods quickly, and it is nearly impossible to track these items after they have been stolen.

Thieves and fraudsters are also very perceptive to market conditions and constantly adjust strategic theft schemes to capitalize on consumer demand. For example, during outbreaks of highly pathogenic avian influenza (HPAI) and related egg shortages, approximately 100,000 eggs were stolen from a semi-trailer in Pennsylvania.¹³ Another public health-driven cargo theft scheme occurred during the COVID-19 pandemic, as thieves more frequently targeted shipments of medical supplies and household supplies.¹⁴

As soon as the trucking industry, our supply chain partners, and law enforcement agencies identify theft trends and patterns, the criminals have already pivoted to new tactics and new targets. As a motor carrier that moves both import and export containers, we are very concerned about theft of agriculture, food, and beverage products because such schemes can compromise the integrity of our nation's food supply. These concerns were recently echoed in the Trump Administration's *National Farm Security Action Plan*, which prioritizes the assessment of vulnerabilities associated with the storage and transportation of agricultural products.¹⁵ Cargo theft schemes targeting food and agriculture supply chains not only hurt the bottom lines of farmers, shippers, carriers, and retailers, they also introduce considerable uncertainty and risk into our nation's food security. When stolen agriculture, food, and beverage products are reintroduced into the legitimate marketplace, businesses and consumers that are deceived into purchasing those items may unknowingly consume adulterated goods, which is a considerable threat to public health and safety.

¹⁰ Shike, J. "New Suspect in \$100K Chicken Heist May Be Linked to \$400K Meat Theft." Farm Journal, 17 October 2024, <https://www.porkbusiness.com/news/industry/new-suspect-100k-chicken-heist-may-be-linked-400k-meat-theft>.

¹¹ Kuntz, A. "What is Cargo Theft & How Can I Avoid It?" Trackonomy, 14 April 2025, <https://trackonomy.ai/newsroom/cargo-theft/>.

¹² Verisk CargoNet. (2025, January 21). 2024 supply chain risk trends analysis. <https://www.cargonet.com/news-and-events/cargonet-in-the-media/2024-theft-trends/>.

¹³ Hume, J. (2025, February 14). 100,000 eggs stolen: Breaking news or an old cargo theft trend? FleetOwner. <https://www.fleetowner.com/safety/article/55267606/egg-heist-highlights-food-and-beverage-cargo-theft-risks-but-is-it-a-trend>.

¹⁴ Wolf, C. D. (2021, June 10). Truck cargo thefts skyrocketed amid COVID-19. Transport Topics. <https://www.ttnews.com/articles/truck-cargo-thefts-skyrocketed-amid-covid-19>.

¹⁵ United States Department of Agriculture. (2025, July 8). National Farm Security Action Plan. <https://www.usda.gov/sites/default/files/documents/farm-security-nat-sec.pdf>

Cargo Theft Proceeds Fund Other Heinous Crimes

According to the NICB, “Most high-value thefts are not committed by lone actors or small groups of opportunistic thieves. Rather, these crimes are committed by well-funded, sophisticated criminal organizations. These groups operate across state and country borders, especially in the U.S., Mexico, and South America, and often use cargo theft profits to fund other illicit ventures, including drugs, weapons, and terrorism.”¹⁶ The proceeds from stolen goods that are resold—whether that be through online marketplaces, overseas, or via underground networks—also fund other illicit activities that pose a direct threat to public safety. The Federal Bureau of Investigation (FBI) went as far as to call cargo theft a “gateway” crime, noting that “in many instances, a cargo theft investigation will turn into a case involving organized crime, public corruption, health care fraud, insurance fraud, drug trafficking, money laundering, or possibly even terrorism. Criminal groups use the illegal proceeds they gain from stealing cargo to fund their criminal operations. And the fear is that terrorists could use their proceeds to launch attacks or fund training.”¹⁷

Cargo Theft is Happening Everywhere:

Cargo theft in the United States continues to show higher incidence near freight hubs and large cities, but recent reports suggest a broadening geographic spread of cargo theft risks across the United States. According to Overhaul’s Q1 2025 Cargo Theft Report, California, Texas, Tennessee, Pennsylvania, and Illinois are the five states with the highest volumes of cargo thefts, accounting for 39%, 21%, 11%, 8%, and 7% of total cargo thefts, respectively.¹⁸ Unfortunately, no state or region is immune from the threat of cargo theft. And virtually all American communities are affected because they depend on the supply chain to meet their basic freight needs. Trucks move 72% of all freight in the United States, and 80% of communities depend exclusively on trucks to receive their goods. Please find recent examples of cargo theft categorized by state below:

California

- The Tulare County Sheriff’s Office in Central California linked Mexican cartels to a \$2.25 million theft of heavy agricultural equipment and machinery. The individuals arrested face charges of grand theft, conspiracy, and receiving stolen property. A deputy district attorney says the maximum sentence would be three years behind bars.¹⁹
- The California Highway Patrol (CHP) announced that a monthslong multi-agency investigation into a cargo and vehicle theft operation in southern California yielded more than 50 arrests, hundreds of thousands in U.S. currency, and over \$8 million in stolen cargo. During the investigation, investigators also recovered 425 pounds of methamphetamine, 48 gallons of liquid methamphetamine, a clandestine methamphetamine lab, 20 rifles and handguns, and 20 stolen vehicles.²⁰
- CHP’s Organized Retail Crime Task Force and Cargo Theft Interdiction Program conducted a statewide enforcement operation called “Operation Overloaded,” which targeted individuals

¹⁶ National Insurance Crime Bureau. Cargo Theft. <https://www.nicb.org/prevent-fraud-theft/cargo-theft>.

¹⁷ Federal Bureau of Investigation. (November 12, 2010). Inside Cargo Theft: A Growing Multi-Billion Dollar Problem. https://archives.fbi.gov/archives/news/stories/2010/november/cargo_111210/cargo_111210.

¹⁸ Overhaul. (2025). United States: Q1-2025 Cargo Theft Report. https://over-haul.com/wp-content/uploads/2025/05/US-Q1-2025-Cargo-Theft-Report.pdf?utm_campaign=7655967-Growth%20-%20Email%3A%20Intelligence%20Reports%202025&utm_source=email&utm_medium=Report%20Landing%20Page.

¹⁹ Rodriguez, Rich. (2024, October 29). Sheriff links Mexican cartels to \$2.25 million theft of Central California farm equipment. abc3340. <https://abc3340.com/news/nation-world/sheriff-links-mexican-cartels-to-225-million-theft-of-central-california-farm-equipment>.

²⁰ DuBose, Josh. (2024, June 27). Cargo theft sting nets \$325K in cash, \$8M in stolen goods and 51 arrests. KTLA5. <https://ktla.com/news/local-news/cargo-theft-sting-nets-325k-in-cash-8m-in-stolen-goods-and-51-arrests/>.

involved in a cargo theft scheme believed to have stolen over \$150 million worth of goods from more than 200 cargo loads. CHP arrested 40 people during the operation and seized over \$50 million worth of stolen merchandise and 20 stolen cargo trailers. The authorities also confiscated several vehicles, multiple firearms (including ghost guns), over \$550,000 in cash, and 13 gold bars. The suspects involved in the theft scheme face several felony charges, including conspiracy to commit grand theft, grand theft of cargo, vehicle theft, and identity theft.²¹

- The U.S. District Court for the Central District of California issued a final judgment against a moving company for repeated unauthorized transportation of household goods, in violation of FMCSA's registration requirements, and ordered to pay \$25,000 in fines.²²
- The U.S. Department of Justice (USDOJ) charged associates of an Armenian organized crime ring with stealing more than \$83 million worth of cargo from Amazon by posing as legitimate truck drivers and siphoning off goods destined for the company's warehouses. Since at least 2021, at least four people linked to the crime ring carried out a scheme across California to steal truckloads of merchandise, ranging from smart TVs and GE icemakers to SharkNinja vacuums and air fryers. USDOJ officials linked the defendants to a litany of other alleged crimes, including attempted murder, kidnapping, illegal firearm possession, and health-care fraud.²³
- The Los Angeles Police Department arrested two members of the "South American Theft Group" and recovered \$4 million worth of goods. The men arrested were involved in the theft, movement, and sale of the stolen cargo. The Cargo Theft Unit recovered \$1.2 million in tequila, speakers, coffee, clothing, shoes, body wash, and pet food. They also recovered a stolen shipment of bitcoin-mining computers worth \$2.7 million from Los Angeles International Airport as the shipment was about to be loaded onto a plane bound for Hong Kong.²⁴
- 140,000 pounds of walnuts worth \$400,000 were stolen in Escalon, California. Investigators said it was one of the biggest thefts to hit the booming industry. The month prior, another walnut theft worth \$50,000 occurred in Sacramento, where the thief stole the walnuts from a trailer parked off Highway 99.²⁵
- The Chino Police Department served multiple search warrants in an investigation of an organized burglary and cargo theft ring responsible for thefts totaling more than \$250,000. Truckloads of stolen property were found, including clothes, car parts, electric scooters, and electric bicycles. Three men were arrested in connection with the burglaries and thefts.²⁶

²¹ FCCR (2023, May 8). 40 Individuals Linked to \$150 Million Cargo Theft Scheme Arrested. https://fcr.co/40-individuals-linked-to-150-million-cargo-theft-scheme-arrested/?srsltid=AfmBOon6CFDIDj0SvU-QR5A5c8VLS0Mq-pjEZgqOYJG3_PKvopVrzdL.

²² Federal Motor Carrier Safety Administration (2024, December 6). FMCSA Wins Landmark Judgement Against Moving Company. <https://www.fmcsa.dot.gov/newsroom/fmcsa-wins-landmark-judgement-against-moving-company>.

²³ Palmer, Annie. (2025, May 21). Armenian organized crime rings charged with stealing \$83 million in Amazon cargo. NBC News. <https://www.nbcnews.com/business/business-news/armenian-organized-crime-rings-charged-stealing-83-million-amazon-carg-rcna208222>.

²⁴ Overdrive Staff. (2025, April 24). Cargo thieves busted in L.A., \$4M in goods recovered. Overdrive. <https://www.overdriveonline.com/life/article/15743994/lapd-arrests-cargo-thieves-recovers-4m-in-goods>.

²⁵ AP. (2013, November 8). Thief squirrels away 140,000 pounds of nuts. USA Today. <https://www.usatoday.com/story/news/nation/2013/11/08/nut-thief/3473125/>

²⁶ (2022, August 22). Suspects Arrested in Organized Burglary and Cargo Theft Ring. The City of Chino. <https://www.cityofchino.org/CivicAlerts.aspx?AID=80&ARC=128>.

Colorado

- Over \$1 million worth of Nintendo Switch 2 consoles were stolen in eastern Colorado. The driver was on his way to Texas when he reported the missing consoles. Someone broke into the truck and stole nearly 3,000 consoles.²⁷

Florida

- The U.S. Attorney's Office for the Southern District of Florida announced that the final member of a cargo theft ring had been convicted of stealing 19,000 pounds of Perry Ellis perfume worth over \$230,000. The shipment was destined for Laredo, Texas, but 22 of the 24 pallets of perfume never left Hialeah, Florida, because of the theft.²⁸
- The U.S. Attorney's Office for the Middle District of Florida announced that four men have pleaded guilty to charges involving cargo theft of an interstate shipment of goods and receipt and possession of stolen goods. The men stole a tractor trailer containing \$500,000 worth of Patron tequila that was parked near U.S. Route 301 in Tampa. The tequila was an interstate shipment from Texas that was enroute to a business in Lakeland, Florida.²⁹
- The Florida Highway Patrol arrested a man driving a stolen tractor trailer containing \$75,000 worth of soup. When troopers pulled the driver over, a man got out the passenger seat and fled. The driver said he had met the passenger a week earlier and was paid by him to drive. The tractor trailer was stolen from Polk County, Florida. The total value of the tractor trailer and soup amounted to \$350,000.³⁰

Georgia

- The U.S. Attorney's Office for the Northern District of Georgia announced that four men have been sentenced to prison for multiple cargo thefts of electronics, copper, and apparel throughout the southeastern United States totaling more than \$1.7 million. The stolen goods were then taken to Florida and sold. The case was investigated by the FBI with assistance from the Miami-Dade County Police Department, Economic Crime Bureau, and the FBI Miami Field Office.³¹
- The Effingham County Sheriff's Office discovered an estimated \$1 million worth of stolen cargo, including cellphones, food and Peloton exercise equipment, inside a warehouse in Rincon, roughly 10 miles from the main terminal gate at the Port of Savannah.³²

Illinois

- The U.S. Attorney's Office for the Northern District of Illinois announced the indictment of a Lithuanian national for stealing over \$9.5 million in goods in the Chicago area. He allegedly exploited vulnerabilities in a federal motor carrier registration system to obtain fictitious names,

²⁷ Sarles, Jesse. (2025, June 17). More than \$1 million worth of Nintendo Switch 2 consoles stolen in Colorado semi truck break-in. CBS News. <https://www.cbsnews.com/colorado/news/nintendo-switch-consoles-stolen-colorado-semi-truck-break-in/>.

²⁸ U.S. Attorney's Office, Southern District of Florida. (2024, January 31). Final Member of Cargo Theft Ring Convicted of Stealing 19,000 Pounds of Perry Ellis Perfume Worth Over \$230,000. <https://www.justice.gov/usao-sdfl/pr/final-member-cargo-theft-ring-convicted-stealing-19000-pounds-perry-ellis-perfume>.

²⁹ U.S. Attorney's Office, Middle District of Florida. (2020, October 29). Four Individuals Plead Guilty In Tequila Cargo Theft Ring. <https://www.justice.gov/usao-mdfl/pr/four-individuals-plead-guilty-tequila-cargo-theft-ring>.

³⁰ (2018, April 8). Police: Man drove stolen tractor trailer full of soup. Local 10. <https://www.local10.com/news/2013/04/08/police-man-drove-stolen-tractor-trailer-full-of-soup/>.

³¹ U.S. Attorney's Office, Northern District of Georgia. (2024, June 26). Members of a Cargo Theft Ring Sentenced to Prison. <https://www.justice.gov/usao-ndga/pr/members-cargo-theft-ring-sentenced-prison>.

³² The Associated Press. (2024, February 28). \$1 million in stolen cargo discovered in warehouse near Georgia port. <https://www.fox5atlanta.com/news/1-million-in-stolen-cargo-discovered-in-warehouse-near-georgia-port>.

truck carriers, and brokers. He would then use these aliases to divert freight deliveries to alternate warehouses where he would then steal them.³³

Indiana

- In Evansville, Indiana, PFL Logistics had a \$60,000 shipment of macaroni fall victim to freight fraud. A trusted carrier was supposed to deliver the shipment, but without warning refused to deliver the load and then stopped all communications. After filing a police report, the company learned this was not the first time the carrier has used this scam on businesses.³⁴

Kentucky

- The Kentucky State Police announced that its Vehicle Investigations Branch ended a year-and-a-half-long investigation into an organized theft ring allegedly responsible for around \$10 million in stolen freight. During the investigation, the Kentucky State Police opened 16 cargo theft investigations, resulting in 10 federal indictments and seven arrests. Investigators had noted a rise in stolen freight throughout the state that specifically targeted the food and beverage industry, as well as an increase in incidents of copper theft.³⁵

Maryland

- A shipment of 280,000 eggs worth around \$100,000 heading from Cal-Maine Farms in Maryland to Florida was hijacked and re-routed to Staten Island. The cargo thief posed as a legitimate broker and stole the identity of a real trucking company to appear credible. The driver delivering the eggs had no idea he was bringing the shipment to the wrong location. Once the delivery was dropped off at an unknown facility in Staten Island, the thief sent a ransom note demanding \$7,500 for the return of the eggs.³⁶

Nevada

- Thieves stole 12,600 Smart Sketchers, a toy that retails for \$108, in a complex double-brokering scam that diverted three truckloads of the toy—worth over \$1 million—from a warehouse in North Las Vegas. Two of the truck shipments were diverted to Los Angeles, and the fate of the third shipment is still unknown. Flycatcher, the manufacturer of Smart Sketchers, filed a lawsuit in US federal court in Manhattan against 14 online retailers allegedly selling stolen Smart Sketchers despite receiving cease-and-desist letters. Four of the sellers are in New York City, with the rest in California, Oregon, and New Jersey.³⁷

³³ U.S. Attorney's Office, Northern District of Illinois. (2024, June 7). Suburban Chicago Man Charged in Federal Court With Stealing More Than \$9.5 Million in Interstate Shipments.

<https://www.justice.gov/usao-ndil/pr/suburban-chicago-man-charged-federal-court-stealing-more-95-million-interstate#:~:text=The%20indictment%20alleges%20that%20Zigmantas,of%20theft%20of%20interstate%20shipments.>

³⁴ Whalen, Jordan (2024, October 30). PFL Logistics loses \$60k from a shipment of macaroni to a growing scam. 44 News. https://www.wvnn.com/news/pfl-logistics-loses-60k-from-a-shipment-of-macaroni-to-a-growing-scam/article_f46e527e-972f-11ef-b8c3-b7f0d7b5f140.html.

³⁵ Witkowski, Ryan. (2023, December 22). Cargo theft investigators recover over \$5M in stolen property. Landline. <https://landline.media/cargo-theft-investigators-recover-over-5-million-in-stolen-property/>.

³⁶ (2025, June 20). Crack in the case: 280,000 eggs vanish from top US producer — then a bizarre ransom note shocks investigators. MSN. <https://www.msn.com/en-in/entertainment/bollywood/crack-in-the-case-280000-eggs-vanish-from-top-us-producer-then-a-bizarre-ransom-note-shocks-investigators/ar-AA1H70Ge>.

³⁷ Fickenscher, Lisa. (2024, December 16). Holiday heist diverts \$1M in toys on 3 different trucks — in new type of scam that threatens US businesses. NY Post. <https://nypost.com/2024/12/16/business/holiday-heist-diverts-1m-in-toys-on-3-different-trucks-in-new-type-of-scam/>.

New Jersey

- The New Jersey State Police arrested four men from Philadelphia in a sting called “Operation Beef Bandit.” The organized cargo theft ring broke into parked trailers at service areas while drivers were sleeping and stole “high-value goods” such as meat, alcohol, and seafood. The men are facing numerous charges, including receiving stolen property, possession of burglary tools, conspiracy to commit cargo theft, and criminal mischief.³⁸
- The U.S. Attorney's Office for the District of New Jersey announced that three men pleaded guilty to their roles in a conspiracy to burglarize approximately 55 United Parcel Service warehouses across the United States, resulting in the theft of over \$1.6 million worth of merchandise. The men sought parcels marked with “lithium-ion battery” warnings, which indicated that the packages contained high-value electronic devices such as cell phones.³⁹
- \$100,000 worth of burgers were stolen from a New Jersey shipping yard. Surveillance footage showed a tractor trailer towing a 40-foot container holding 3,000 burgers.⁴⁰

Tennessee

- An Eads, Tennessee, man was accused of stealing nearly \$500,000 worth of ethernet switches from a tractor-trailer. He allegedly targeted a truck that was parked at a warehouse while the driver was in the cab sleeping. The stolen switches were found for sale on Ebay.⁴¹
- A man in Memphis was arrested in connection with the theft of a tractor-trailer carrying \$68,000 worth of cereal. The truck was parked in a lot in North Memphis, and the thieves allegedly caused \$10,000 worth of property damage while committing the crime. Law enforcement found the truck and trailer the next day, and the suspect was discovered in the truck cab with six boxes of cereal.⁴²
- In Memphis, Tennessee, two local delivery truck drivers were held up at gunpoint in separate incidents on the same day. A group of masked men brandished a firearm and stole packages from the back of the trucks.⁴³

Texas

- The Grapevine Police Department uncovered a multimillion-dollar cargo theft ring and charged seven suspects with engaging in organized criminal activity. The theft ring was responsible for burglaries of electronics and high-value merchandise totaling more than \$10 million in five cities: Grapevine, Plano, Fort Worth, Coppell, and Dallas.⁴⁴

³⁸ Hartman, Trish. (2024, September 17). 4 Philadelphia men arrested in 'Operation Beef Bandit' in connection to organized cargo theft ring. 6abc. <https://6abc.com/post/4-men-philadelphia-arrested-operation-beef-bandit-connection-organized-cargo-theft-ring-tri-state/15314427/>.

³⁹ U.S. Attorney's Office, District of New Jersey. (2024, March 28). Three Philadelphia Men Admit Roles in Conspiracy to Burglarize United Parcel Service Warehouses Across United States, Stealing over \$1.6 Million in Packages. <https://www.justice.gov/usao-nj/pr/three-philadelphia-men-admit-roles-conspiracy-burglarize-united-parcel-service>.

⁴⁰ Greene, David. (2013, April 11). \$100,000 Worth Of Burger Patties Stolen In New Jersey. NPR. <https://www.npr.org/2013/04/11/176889004/-100-000-worth-of-burger-patties-stolen-in-new-jersey>.

⁴¹ Suriani, Mike. (2024, August 2). “Eads man accused of stealing \$468K in electronics, selling them on eBay.” WREG Memphis. <https://wreg.com/news/eads-man-accused-of-stealing-468k-in-electronics-selling-them-on-ebay/>

⁴² (2025, June 11). “Man steals truck with \$68K worth of cereal inside, police say.” Fox13 Memphis. https://www.fox13memphis.com/news/man-steals-truck-with-68k-worth-of-cereal-inside-police-say/article_cab94161-4a07-4f05-be7f-6c05daba666a.html

⁴³ Williams, Imani. (2024, January 2). “‘It’s a shame and it is scary’: Truck driver speaks out after continued robberies.” <https://www.actionnews5.com/2024/01/03/its-shame-it-is-scary-truck-driver-speaks-out-after-continued-robberies/>

⁴⁴ Myers, Doug and J.D. Miles, S.E. Jenkins. (2024, November 19). 7 charged with organized criminal activity in multimillion-dollar North Texas cargo theft ring. CBS News. <https://www.cbsnews.com/texas/news/seven-charged-in-north-texas-multimillion-dollar-cargo-theft-ring-bust/>.

- A truckload of \$1.6 million in electronics was stolen from Dallas Fort Worth International Airport. The shipment, which was originally bound for Childress, Texas, was taken into New Mexico then headed west. Troopers stopped the tractor in Flagstaff, Arizona. Three subjects, two identified as drivers, were arrested. The \$1.6 million worth of cargo was returned to the owner.⁴⁵

Wisconsin

- An Illinois man was accused of stealing 42,000 pounds of cheese from a Wisconsin cheese company. He was arrested at a New Jersey Turnpike rest area where he allegedly attempted to sell the cheese. The retail value of the cheese was around \$200,000.⁴⁶

Why We Need the *Combating Organized Retail Crime Act*:

Economic security is national security, and the unfortunate reality is that our national security has been compromised because OTGs and TCOs have successfully infiltrated our domestic supply chains and exploited enforcement gaps in the stream of interstate commerce. The trucking industry and U.S. supply chains are both interstate and international by nature—goods cross state lines and move through ports of entry nearly every second of every day—which is why ATA and our supply chain partners are urging a federal response to the alarming rise of cargo theft across the country. OTGs have identified the glaring gaps between local, state, and federal law enforcement regimes as low-risk, high-reward opportunities to execute sophisticated fraud and theft schemes and remain undetected. OTGs are exploiting U.S. transportation and distribution networks with impunity because there is no concerted effort from the federal government to investigate and prosecute. And without those critical deterrence factors, criminals will continue to infiltrate our supply chains, profit off the vulnerability of American businesses, and fund other illicit enterprises with the money generated from fraud and theft schemes. The costs of inaction are enormous, both in terms of financial losses and the denigration of national security.

Therefore, we urge Congress to embrace its responsibilities pursuant to the Commerce Clause of the U.S. Constitution and leverage the cross-cutting enforcement capabilities of the federal government to help combat rampant supply chain fraud and theft. We are grateful to Senators Grassley and Cortez Masto for their leadership in introducing S. 1404, the *Combating Organized Retail Crime Act*, legislation that will enhance legal frameworks, improve enforcement capabilities, and improve law enforcement coordination to combat the unrelenting surge of cargo theft and related crimes across the nation.

The robust coalition of stakeholder support for *CORCA* is a testament to the breadth and scope of U.S. industries that are impacted by supply chain fraud and theft. No industry wants to be seen as the target of criminal activity, but the situation has become so dire that the American Trucking Associations, along with the Association of American Railroads, the Federal Law Enforcement Officers Association, the Intermodal Association of North America, the International Council of Shopping Centers, the National Association of Manufacturers, the National Milk Producers Federation, the National Retail Federation, NATSO, the Protect America's Small Sellers Coalition, the Retail Industry Leaders Association, the Reusable Packaging Association, the Transportation Intermediaries Association, the U.S. Chamber of Commerce, the U.S. Dairy Export Council, and the World Shipping Council have all joined together in advocating for federal assistance through *CORCA*.

⁴⁵ Truckers News Staff. (2025, June 13). Theft of \$1.6 million in electronics interrupted; 3 thieves arrested. Truckers News. <https://www.truckersnews.com/news/article/15748296/theft-of-16-million-in-electronics-interrupted-3-thieves-arrested>.

⁴⁶ Valiente, Alexa. (2013, March 28). Illinois Man Charged In 21-Ton Cheese Heist. ABC News. <https://abcnews.go.com/blogs/headlines/2013/03/illinois-man-charged-in-21-ton-cheese-heist/>.

The trucking industry supports *CORCA* for the following reasons:

1. CORCA Will Facilitate Better Reporting of Cargo Theft

The way in which cargo theft is reported varies across jurisdictions and even varies by law enforcement officer, leading to difficulties in accurate data collection and underreporting of regional and national trends in cargo theft. A prominent factor contributing to industry underreporting is general confusion about appropriate reporting protocols. Motor carriers and brokers may not know the correct jurisdiction to which the crime should be reported because they may not know where or when exactly the theft took place. There are also situations when victims may reach out to law enforcement to report a crime and seek assistance for cases of fraud or theft, but rather than assistance, they are met with confusion and dismissiveness.

Often, when trucking companies attempt to file a report with local and state law enforcement agencies, law enforcement officers will note jurisdictional issues given the interstate nature of the crime and direct motor carriers to report elsewhere. Inconsistencies in reporting protocols leave industry with more questions than answers: should motor carriers contact law enforcement in the area in which the cargo is stolen, in the area where the cargo is supposed to go, or the area in which the stolen goods are headed? Alternatively, when trucking companies attempt to file reports with law enforcement agencies, they are told to file a claim with their insurance company instead. This happens usually because local and state law enforcement officers often do not have the necessary training to recognize that cargo theft is not simply a property crime.

CORCA resolves the disparate and disintegrated reporting of cargo theft through the creation of the Organized Retail and Supply Chain Crime Coordination Center (ORSCCCC) within Homeland Security Investigations (HSI) at the Department of Homeland Security. The ORSCCCC will serve as a centralized reporting repository for the trucking industry and our supply chain partners, ensuring that the right information is shared with the appropriate law enforcement jurisdictions across the nation in a timely manner. The ORSCCCC will simplify reporting protocols and give both industry and law enforcement a clear direction regarding crimes that span multiple states.

2. CORCA Will Enhance Enforcement of Cargo Theft Laws

Although anecdotal responses from all segments of the intermodal transportation and cargo insurance industries indicate a widespread surge in cargo theft beginning with the onset of the COVID-19 pandemic, investigations and prosecutions of cargo theft and related crimes have not kept pace, and theft schemes have become increasingly sophisticated over time. 18 U.S.C. §659 establishes the ability to prosecute cargo theft, but the federal government's jurisdiction does not apply until an interstate nexus is achieved. As a result, the majority of cargo thefts in the U.S. are investigated by local and state law enforcement.⁴⁷ Unfortunately, state laws on cargo theft are not uniform, lending to difficulties establishing an interstate nexus even though these crimes typically involve actors that cross state lines or utilize the internet to facilitate their crimes.

One of the major reasons why it can be difficult for law enforcement agencies to connect individual theft cases is due to the inconsistency in the statutory definition of cargo theft across jurisdictions. The law that criminalizes cargo theft at the federal level never mentions or defines the term “cargo theft,”⁴⁸ and

⁴⁷ Federal Bureau of Investigation. (November 12, 2010). Inside Cargo Theft: A Growing Multi-Billion Dollar Problem. https://archives.fbi.gov/archives/news/stories/2010/november/cargo_111210/cargo_111210.

⁴⁸ 18 U.S.C. § 659

the statutes defining and criminalizing cargo theft are different for each state. Definitional differences often result in a struggle to form and utilize a unified assessment of offenses to coordinate law enforcement response.⁴⁹ Additionally, jurisdictional confusion leads to ineffective enforcement of applicable cargo theft laws, and the resulting absence of criminal investigations emboldens criminals to continue their illegal activities.

CORCA will help federal, state, and local law enforcement investigate organized cargo theft schemes by directing the Department of Homeland Security to take a leading role in enforcing 18 U.S.C. §659 and strengthening legal tools for law enforcement to dismantle OTGs and TCOs who utilize interstate (and international) commerce to facilitate crimes. Given HSI's unique cross-border authorities and trade expertise, the FBI's crucial prosecutorial role regarding 18 U.S.C. §659, and FMCSA's exclusive authority to challenge fraudulent broker licensing, the trucking industry welcomes the harmonization of the federal government's disparate functions to address the gaps in our supply chain that are currently being exploited.

3. CORCA Will Ensure the Safety of the People and Goods That Fuel Our Economy

In trucking, our best assets are our people, and the safety of our workforce is paramount. Unfortunately, the escalation of violence associated with organized crime has made it increasingly difficult for the industry and our supply chain partners to ensure the safety and security of our colleagues. IMC Logistics has invested millions of dollars into equipment, technology, and personnel to prevent and detect cargo theft, but sophisticated thieves are always one step ahead and often willing to resort to violence to achieve their goals. Moreover, while larger companies have the capital to invest in these safety features, smaller companies may not have the resources to procure these expensive products and services. Despite our steadfast dedication to the safety of our people and willingness to invest in risk mitigation measures, we cannot overcome the brazen attitudes of sophisticated criminals who are undeterred by the lack of consequences for their actions.

CORCA will reinforce that there are consequences for individuals, OTGs, and TCOs who jeopardize the safety and wellbeing of the essential workers who keep the wheels of our supply chains turning. Cargo theft is not a victimless crime, and *CORCA* will ensure that the federal government takes a leading role in coordinating effective enforcement of cargo theft laws. The trucking industry and our supply chain partners are united in our conviction that this is about more than curbing financial losses—it's about ensuring the safety of our workforces, consumers, and local communities.

4. CORCA Will Create a Cohesive Strategy to Combat Cargo Theft

The convergence of criminals exploiting gaps in law enforcement jurisdictions along major freight routes and the increasing capabilities of new technologies to facilitate sophisticated criminal activities have drastically increased the frequency of organized supply chain crime. Trucking, rail, retail, small businesses, communities, and consumers are all paying the price for this rampant criminal activity and are pleading for government and law enforcement to recognize that a new national strategy is needed to address this evolving threat environment.

CORCA will establish the ORSCCCC, which will collect and analyze data related to fraud and theft at all stages of the supply chain and identify regions in the United States, modes of transportation,

⁴⁹ Bentzel, C. W. (2024, December). Cargo theft: Evaluation of the challenge of combatting cargo theft with recommendations on how to reduce the impact of cargo theft. Federal Maritime Commission. <https://news.tianet.org/wp-content/uploads/sites/3/2024/12/2024.12-FMC-Bentzel-Cargo-Theft-Report.pdf>.

distribution networks, and retail stores that are experiencing high volumes of organized crime. The intelligence generated by the coordination center will inform personnel and resource allocations to ensure a dynamic and efficient response to evolving criminal tactics. The legislation responds to the limitations of state-level efforts, which struggle with resource constraints and the interstate and international nature of organized supply chain crime.

5. *CORCA Will Promote Multi-Modal Coordination*

Preventing cargo theft is a team sport: everyone who touches the container should be involved, and industry should have clear lines of communication with law enforcement partners to ensure proper reporting and information-sharing takes place. Establishment of the ORSCCCC will ensure that all participants in the supply chain—from railroads and motor carriers to third-party logistics companies and beneficial cargo owners—are able to collaborate with law enforcement and better ensure timely, effective responses that will disrupt and discourage organized crime schemes. Data collected through these systems will improve the tracking of trends, which will then help to better inform best practices for supply chain security and planning, as well as prepare law enforcement to meet future threats.

6. *CORCA Will Boost Consumer Confidence in Supply Chain Security and Resiliency*

In addition to the growing number of thefts that turn violent, consumers, local communities and businesses bear the costs of rising prices. These thefts are detrimental to small and large businesses alike, as well as the overall economy, as they pose both societal and health risks to the community. They significantly undermine supply chain resiliency by causing delays, disruptions, and increased costs. Criminals exploit vulnerabilities in the supply chain, targeting goods in transit or storage, which can halt production, increase prices, and create shortages.

While the economic cost is substantial and impacts all Americans, truck drivers, train engineers, and warehouse workers face increased safety risks as the incident rate continues climbing. This threat acts as a disincentive to those considering a career in logistics, which is particularly troubling at a time when these industries are struggling to fill open positions. The trucking industry alone will need to hire an estimated one million new drivers over the next decade to replace retiring drivers and those leaving the industry for other reasons, as well as to meet anticipated freight demands.

By facilitating great coordination and providing law enforcement agencies with the tools necessary to identify and confront these thefts, *CORCA* will bolster integrity and resiliency throughout the supply chain, ensuring the uninterrupted flow of goods and providing a greater sense of safety and security to the most valued component of our supply chain: our workforce.

7. *CORCA Will Deter Organized Crime Involvement in Cargo Theft*

The absence of criminal investigations and prosecutions emboldens criminals to continue their illegal activities. Low rates of repercussions create high-reward, low-risk scenarios for criminals who have the potential to make upwards of \$25,000 a week on cargo theft. In some cases, individuals have been arrested multiple times but have not faced prosecution.

The creation of the ORSCCCC will help reframe investigations of cargo theft to reinforce that these crimes are not simply property crimes or mere crimes of opportunity. The ORSCCCC will create the necessary reporting frameworks to enable the trucking industry and our supply chain partners to provide the crucial details to federal law enforcement that demonstrate the complex, sophisticated, interconnected, and conspiratorial nature of these supply chain crimes. By providing law enforcement with the tools and improved legal frameworks to connect the dots, we are hopeful that subsequent

investigations will yield the prosecutions, justice, and accountability that are conspicuously absent today.

8. *CORCA Will Strengthen Public-Private Partnerships*

Victims of cargo theft and related crimes often do not report their experiences to law enforcement for a variety of reasons, including concerns that reporting could damage their reputation and deter customers, a lack of confidence that reporting will improve the likelihood of recovery of stolen goods, general misunderstandings about reporting protocols, and frustrations based on previous attempts to file reports and a perceived lack of follow-up. When industry lacks the means or initiative to report crime to the appropriate law enforcement authorities, it fosters conditions that allow crimes to flourish.

CORCA will strengthen industry's confidence in law enforcement to both collect reports and pursue the necessary investigations into reported cargo theft incidents. The reporting framework established through the ORSCCCC will incentivize the trucking industry and our supply chain partners to share information more consistently with law enforcement, effectively addressing existing issues with underreporting of supply chain crimes.

9. *CORCA Will Reduce Inflationary Pressures on the Economy*

Thieves targeting freight shipments are costing the supply chain up to \$35 billion annually and fueling price inflation for consumers. Strategic theft has risen 1,500% since the first quarter of 2021, and the average value per theft is over \$200,000.⁵⁰ Cargo theft increases the overall cost to ship goods from point A to point B, and those costs are felt directly by consumers across the United States. Carriers face soaring insurance premiums and costly disruptions that delay deliveries and destabilize supply chains. Businesses then absorb the financial fallout through lost inventory and the costs associated with technology, equipment, personnel, and processes to mitigate risk. At the end of the day, the consumer is ultimately left paying the price through higher costs at checkout, longer wait times, and reduced product availability. This cascading effect fuels inflation and undermines confidence in the reliability of the goods being moved via domestic supply chains.

If left unchecked, cargo theft will continue to erode the efficiency and resilience of the U.S. economy. *CORCA* will provide law enforcement with the tools, resources, and legal frameworks needed to dismantle cargo theft rings and safeguard the nation's freight network.

This is not just about protecting freight — it is about protecting the economic backbone of the country and stopping criminal activity that drives up prices for every American. Enacting *CORCA* is a critical step toward protecting America's supply chain and reducing inflationary pressures that are ultimately passed on to, and felt directly by, the American consumer.

10. *CORCA Will Strengthen National Security*

The rise of organized, sophisticated cargo theft has significantly impacted our national security by disrupting the supply chain, potentially funding criminal and terrorist organizations, and creating vulnerabilities within the transportation network. These activities being undertaken by sophisticated criminal networks are increasingly using technology to steal goods, often diverting them for illegal activities or selling them on the black market. The proceeds from stolen goods finance other criminal activities, including drug trafficking, organized crime, and even potentially terrorism. Furthermore, theft

⁵⁰ Verisk CargoNet. (2025, January 21). 2024 supply chain risk trends analysis. CargoNet. <https://www.cargonet.com/news-and-events/cargonet-in-the-media/2024-theft-trends/>.

of high-value goods, such as electronics, pharmaceuticals, and weapons components can have serious implications for national security.

CORCA will help bolster our national security by identifying, connecting the dots and finding patterns in organized theft activities across the supply chain. By confronting organized theft groups supporting criminal enterprises, transnational organizations, and even terrorist entities, *CORCA* will strengthen and reinforce our national security.

In Conclusion:

Chairman Grassley, Ranking Member Durbin and members of the Judiciary Committee, thank you again for the opportunity to testify before you today on behalf of the American Trucking Associations. Organized criminal activity targeting the supply chain is an increasing threat confronting the trucking and logistics industry. As I outlined in my testimony, IMC Logistics has experienced these threats first-hand, and we have been forced to navigate a complex and often challenging enforcement response. And we are not alone. Across the supply chain, small and large businesses alike are confronting these same challenges every day.

It is imperative that action is taken at the federal, state, and local levels to confront and neutralize this growing threat. The trucking industry and our supply chain partners need more cooperation and interagency information-sharing, as well as a more robust investigative and prosecutorial posture, to tackle these challenges head-on. For those reasons, we are proud to support and endorse the *Combating Organized Retail Crime Act*, a bill that will provide the tools and resources necessary to facilitate that unified response.

The trucking and supply chain logistics industry stands ready to collaborate hand-in-glove with the members of this committee, Congress, and the Administration to confront the rise of organized and strategic supply chain fraud and cargo theft. Thank you for your attention and leadership in holding today's hearing. We look forward to working together to stop these criminals that are hurting our supply chains and threatening our national security.