



United States Fall 2023 Cargo Theft Report



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Executive Summary

Overhaul's US Q3-2023 Cargo Theft Report is meant to highlight the ways in which cargo theft events in the United States are evolving. This understanding is critical to help shippers and drivers prepare for and avoid risks.

To that end, Overhaul actively compiles data regarding cargo theft activity, categorizing stolen loads by product type, and tracking by date, location, Modus Operandi (M.O.), value, and specific product. This report summarizes the United States theft data collected in Q3-2023 and analyzes trends derived from database content, law enforcement information, and industry personnel. It also draws on observations by personnel in the field to provide an overview of national cargo theft activity as well as a deep dive into specific focus areas based on our findings. Specifically, we homed in on cargo theft activity related to Theft of Full Truckload.

Cargo theft in the United States continues to show higher incidence near freight hubs and large cities, leading to hot spots in states such as California (46%) and Texas (16%), which ranked 1st and 2nd in terms of cargo theft risk. Electronics (23%) were especially at risk, followed by Food & Drinks (20%), Home & Garden (15%), Clothing & Shoes (11%), and Miscellaneous (8%).

These numbers show definitively that cargo theft is an ongoing risk that must be taken seriously, and the range of affected industries and times in which an attack may occur highlight how important it is to have the right tools and technology to keep your shipments safe.

We hope this report helps you better understand the cargo theft patterns observed in the United States during Q3-2023 so you can effectively plan your shipping routes and outfit your carriers with the electronic security and real-time monitoring solutions to best protect your cargo.

United States: Q3-2023 Cargo Theft Trends

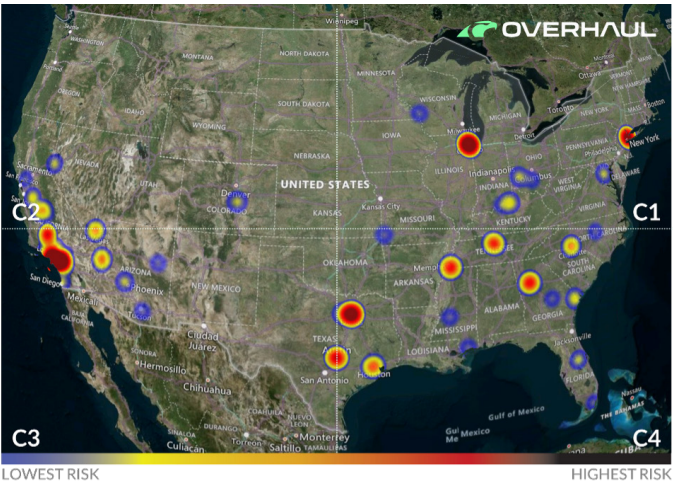
In Q3-2023, Overhaul gained access to the Crime Reports Databases of different Law enforcement dependencies all over the country. Thanks to these data sources, Overhaul recorded a total of 436 cargo thefts in the United States during Q3. When comparing only similar sources across quarters, cargo theft volumes show an increase of 36 percentage points versus Q2-2023 and an increase of 41 percentage points versus Q3-2022. During Q3-2023, 36% of incidents occurred in July, 30% occurred in August, and 34% occurred in September. The average loss value per incident during this time was \$496,954, a value 16% higher than that recorded in Q2-2023 and 7% lower than in Q3-2022.





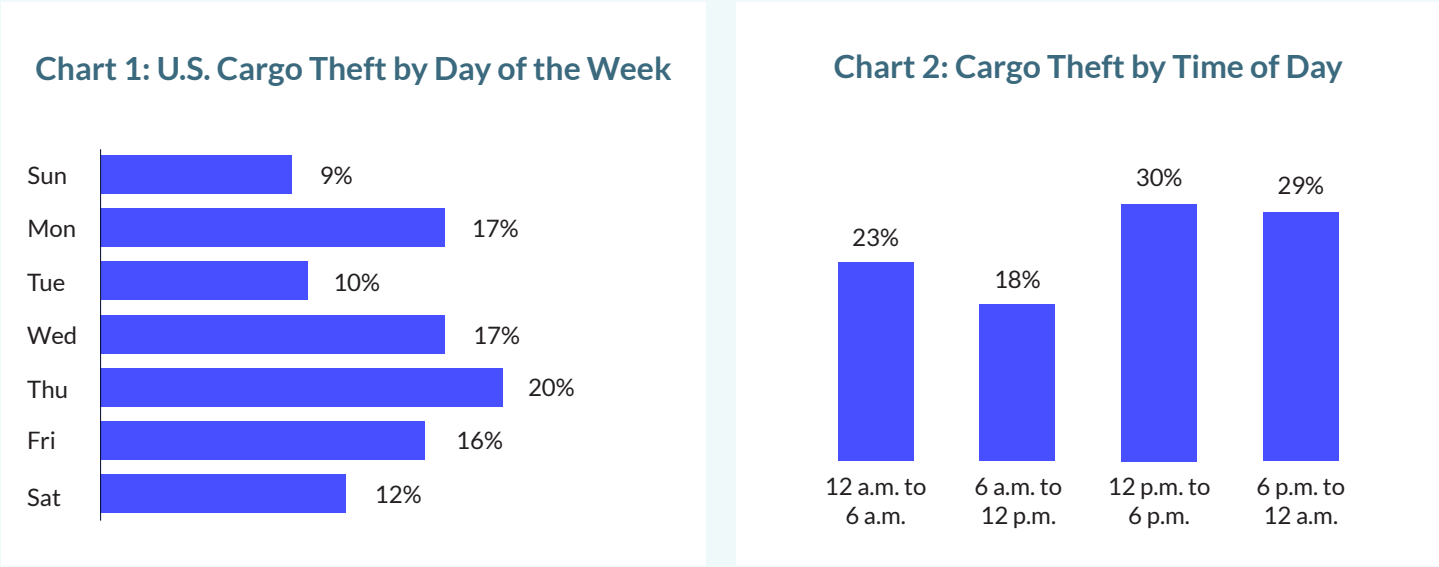
Spatial and Temporal Analysis of Cargo Theft in the United States

By dividing the country into quadrants as seen in the map below, it was identified that 46% of recorded cargo thefts occurred in Quadrant 3 (C3), in which the primary cargo theft hot spot was in southern California. Quadrant 4 (C4) recorded the second highest concentration of cargo theft incidents in the quarter at 25%, with Dallas representing the highest risk in the quadrant. In the third spot we have Quadrant 1 (C1) which recorded 24% of all incidents, with Chicago as the main hotspot. Finally, Quadrant 2 (C2) experienced 5% of events, in which the primary cargo theft hot spot was in northern California.



Thefts Per Day & Hour

In Q3-2023, Mondays, Wednesdays, and Thursdays showed the highest concentration of cargo crime with a combined 54% of incidents.



30% of all cargo theft events took place between 12 p.m. and 6 p.m., with most events occurring when it was getting dark. This represents an increase of thirteen percentage points versus Q2-2023. Conversely, events between the hours of 6 a.m. and noon decreased from 26% in Q2-2023 to 18% in Q3-2023. Texas and New York were the primary contributors to the increased volume of thefts between 12 p.m. – 6 p.m. with *Pilferage* and *Theft of Full Truckload* accounting for most thefts, in very similar proportions.



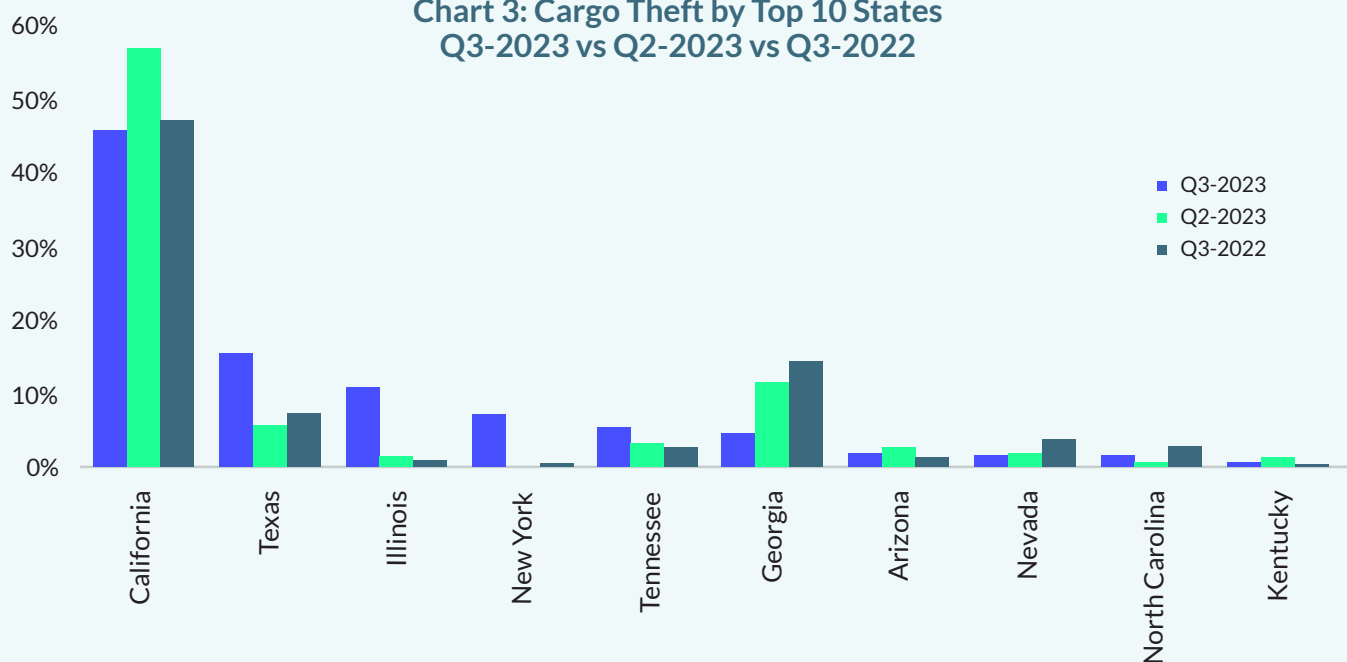
Analysis of the 10 States with the Highest Volume of Cargo Thefts

In Q3-2023, California remained at the top of the list of cargo theft by state with 46% of the total, decreasing eleven percentage points in proportion versus Q2-2023. Meanwhile, states like Texas and Illinois were more representative. Thefts in the state of California were primarily comprised of *Electronics* (25%), followed by *Food & Drinks* (21%), *Home & Garden* (15%), *Clothing & Shoes* (13%), and *Miscellaneous* (12%). These top five product categories represented a combined 85% of thefts in the state.

Texas accounted for 16% of total thefts this quarter, making it the state with the second highest concentration of incidents in the US. When compared to the previous period, Texas experienced an increase of 8 percentage points in cargo theft volume. *Home & Garden* and *Pharmaceuticals* each accounted for 33% of thefts in the state, ranking first in terms of product targeting. This was in contrast to Q2-2023, during which cargo criminals focused primarily on *Building & Industrial* (38%) loads.

Illinois climbed all the way to third place with an increase of 10 percentage points from Q2-2023. *Home & Garden* and *Pharmaceuticals* each accounted for 50% of thefts in the state. Another state with a significant increase of thefts in Q3-2023 was New York, which experienced an increase of 7 percentage points from Q2-2023. Georgia was also noteworthy; in Q3-2023, it reported 5% of the country's total thefts, decreasing seven percentage points in proportion versus Q2-2023.

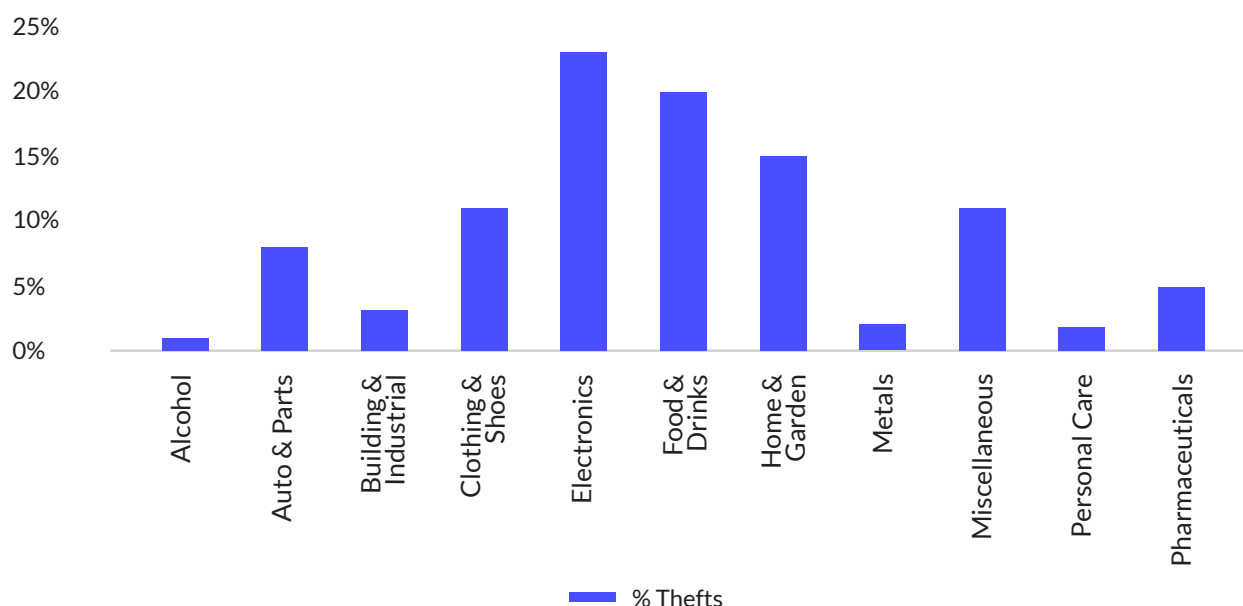
Chart 3: Cargo Theft by Top 10 States
Q3-2023 vs Q2-2023 vs Q3-2022





Cargo Theft by Product Type & Value

Chart 4: Cargo Theft by Product Type - Q3-2023



In Q3-2023, *Electronics* were the most targeted type of products, representing 23% of all thefts. Within this product category, Software, Components & Peripherals represented the highest volume with 21% of thefts, followed by Cell Phones & Accessories at 16%.

Food & Drinks, which ranked 7th in Q2-2023, rose to second place (20%) in Q3-2023. Thefts in this category were led by Coffee, Energy & Sports Drinks (17%).

In third place, *Home & Garden* represented 15% of thefts, comprised primarily of Appliances (58%). Totaled together, these top three product types concentrated 59% of total thefts.

| Product Type | Q3-2023 | % Change Q2-2023 | % Change Q3-2022 |
|-----------------------|---------|---------------------|---------------------|
| Alcohol | 1% | -80% | -69% |
| Auto & Parts | 8% | 7% | -21% |
| Building & Industrial | 3% | -70% | -78% |
| Clothing & Shoes | 11% | 96% | 41% |
| Electronics | 23% | -35% | -14% |
| Food & Drinks | 20% | 131% | 185% |
| Home & Garden | 15% | 21% | 49% |
| Metals | 2% | 2% | 25% |
| Miscellaneous | 11% | 230% | -19% |
| Personal Care | 2% | -49% | 150% |
| Pharmaceuticals | 5% | 32% | 36% |

In Q3-2023 five product types experienced an increase in theft rate over both comparative quarters, Q2-2023 and Q3-2022 (highlighted in red). Among these, *Food & Drinks* had the highest proportion, which increased 131% and 185% over the respective comparative quarters. This was driven primarily by California, which concentrated 74% of thefts within the product category. *Home & Garden* had the next highest percentage at 15%, with an increased incidence proportion, which was also attributed to California theft rates.



Four product types recorded lower theft rates in Q3-2023 than in both comparative quarters (highlighted in yellow). Among these product types the one with the most substantial decrease was *Electronics*. *Building & Industrial* thefts also decreased, driven primarily by fewer incidents in California, which dropped from 50% of thefts in the product category in Q2-2023 to only 14% in Q3-2023.

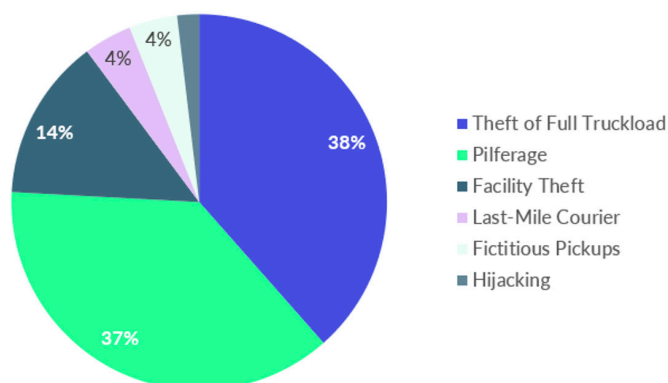
Average Loss Value

The average loss value across all incidents was \$496,954, which is 16% higher than the Q2-2023 average and 7% lower than Q3-2022. One product category, *Clothing & Shoes*, recorded incidents in which the loss value exceeded US \$1 million. Most of the incidents regarding this product type occurred in California, Georgia, and Tennessee. Overall, California recorded the highest average loss value at US \$888,297. This is largely attributed to *Facility Thefts*, in which the product stolen was valued at over US \$1 million. Nevada followed with an average loss value of \$500,000. *Home & Garden* topped the list in terms of product targeting as well as average loss value in the state.

Cargo Theft by Event Type & Location

Theft of Full Truckload (38%) was the most prevalent method of theft, representing an increase of 4% versus Q2-2023. *Pilferage* followed closely behind with 37%, also representing an increase from Q2-2023.

**Chart 5: US Cargo Theft by Type of Event
Q3-2023**



Theft of Full Truckload events saw a 43% decrease in the average loss value when compared to Q2-2023. The average value of *Pilferage* thefts also decreased from Q2-2023 by 69%, although large-scale pilferage incidents are on the rise.

While *Theft of Full Truckload* and *Pilferage* continue to represent most cargo theft incidents, *Facility Theft* rates are starting to significantly grow. They now represent 14% of incidents, up from just 4% in Q2-2023. In addition to the increase in volume of thefts, the category also recorded an increase of 44% in average loss value when compared to the previous quarter.

Another important type of event to mention is *Hijacking*. Although it only represents 2% of all events reported in Q3-2023, it is a significant change from Q2-2023, during which there were no reports of this type of event. This shows that it is getting more common to see criminals taking more risks in order to get hold of the load.

The most prevalent location for large-scale cargo thefts during Q3-2023 was *Company Yards/Premises*. Events in this location jumped from 21% in Q2-2023 to 37% in Q3-2023. *Warehouse/DC* now ranks second with 21% of all events in Q3-2023, up from just 10% in Q2-2023.

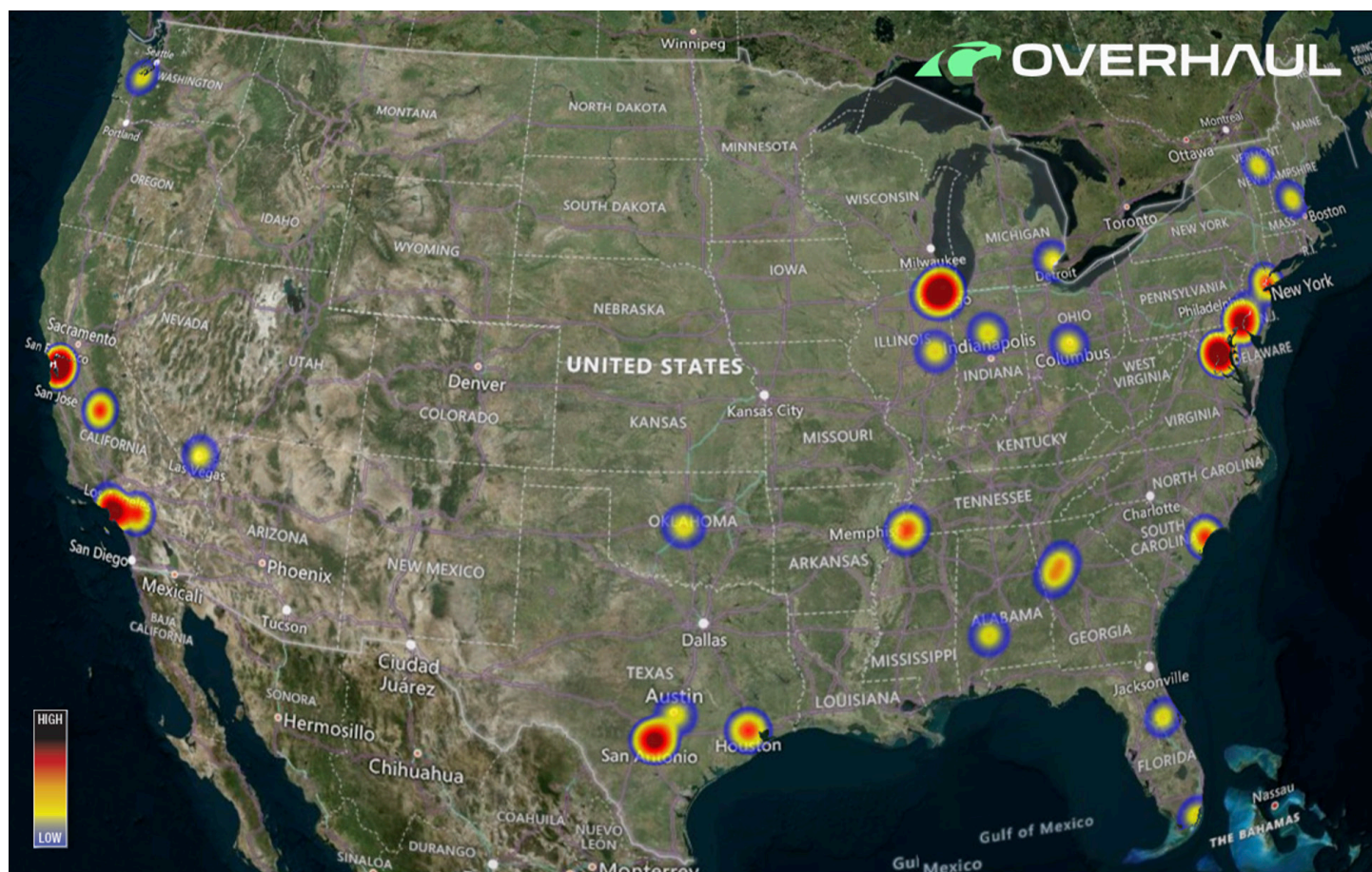


Quarterly Spotlight

To better serve the security-minded logistics community, Overhaul spotlights one product category, theft type, geographical area, or trend in each US cargo theft report. This quarter's spotlight focuses on cargo thefts with violence. Unless otherwise specified, all data and analysis in this section will be from US thefts recorded between October 2021 and September 2023 (24 months).

Thefts with Violence

Violent cargo theft may involve physical harm or the threat of physical harm to the drivers, facility personnel, or others involved in the logistics process. Although thefts with violence only represented 3% of the total events during Q3-2023, when compared to the previous quarter, it can be noted that the number of violent thefts increased by 13 percentage point.



In terms of spatial distribution, the primary hot spot for violent thefts is California with 25% of events, Illinois is at second place with 13%, and Texas takes the third spot with 11%. These top three states represented a combined 49% of violent thefts in the country. When broken down by event type, 35% of thefts in the state were Last-Mile Courier incidents, while Hijacking events accounted for 33%. These events were primarily carried out at Unsecured Parking (69%), and In-Transit (16%).

Among recorded violent thefts, the main product types targeted were Miscellaneous (50%), Cash in transit (24%), and Tobacco and Pharmaceuticals (10% each).



Recommendations

Overhaul considers the threat of cargo theft in the United States to be HIGH and on the rise due to the continued increase in the level of organization and sophistication of criminal groups focusing on high-value cargo, as evidenced by the ongoing upward trend observed in atypical theft types such as *Hijacking* and *Facility Theft* and the increase in average loss values.

To safeguard shipments from hijacking and pilferage during stops, carriers and drivers should adopt a multi-faceted approach. Overhaul recommends prioritizing rest stops in well-lit areas where the driver can always have visibility of the load, ideally at secure areas with visible surveillance. Maintain situational awareness during breaks and rest periods and stay vigilant against any suspicious activities. Communicate regularly with dispatchers, updating them on location and reporting any concerns promptly. Train drivers on security best practices, emphasizing the importance of secure parking and situational awareness. An immediate escalation with a path to effective law enforcement engagement is critical to recovering stolen cargo.

In all cases, tracking technology should be used to its fullest extent on the conveyance power unit, the cargo area (when separate), and within the cargo itself. This will allow shippers to maintain visibility of the shipment to identify suspicious route deviations, unauthorized stops, and separation of the cargo from the conveyance.

Overhaul Q3-2023 Cargo Recoveries

July 2023, Gulfport, MS, Energy Drinks

Overhaul LE Connect assisted state and local law enforcement in the recovery of one shipment in Mississippi. The shipment contained Energy Drinks.

The shipment was stopped at a LOVES Truck Stop on I-10 Biloxi, MS, when an unknown number of suspects unhooked the trailer and stole it. The driver contacted the police and Overhaul's GSOC, who activated the LE Connect Team. They then contacted Harrison County Sheriff and provided him location data and more information about the shipment to assist with investigations and recovery.

The Overhaul LE Connect team located the shipment stopped 13 miles away from the hijack location on Gulfport, MS., at a Flying J Truck Stop. With this information Harrison County Sheriff was able to locate and secure the trailer.

Moments later, the shipment's driver arrived to the trailer's location and stated that, although there was no seal on the trailer's door, all the cargo was intact. After some paper work, the driver was able to finish that delivery.

August 2023, Frankfort, OH, Electronics

Overhaul LE Connect assisted state law enforcement in the recovery of one load full of consumer electronics in Ohio. This shipment had a total of 15 pallets and a total value of over USD\$200,000.

The driver was taking a break at a restaurant on US-35. When he got back to the truck, he noticed that the trailer was unhooked and stolen. He immediately contacted the police and Overhaul's GSOC who activated the LE Connect Team.

The Overhaul LE Connect team provided equipment photos, location data, inventory details, and more to law enforcement to assist with investigations and recovery.



The GPS device located the trailer 25 miles away from the hijack location in Jeffersonville, OH, at a TA Travel Center where it appeared to be stopped. After sharing this information with the Ohio PD, they arrived at the truck stop and located the trailer. They informed the team that the seal was broken and the doors were forced open. After a few minutes, the customer's security personnel arrived at the location to confirm that all 15 pallets were intact.

The shipment resumed the route to the delivery location and was successfully completed.



Disclaimer

It is inherent that the reader understands that any cargo theft report is an indirect representation of the overall cargo theft footprint; it is not a direct reflection. Overhaul records only those cargo thefts reported by reliable sources, such as transportation security councils, insurance companies, and law enforcement organizations. While this does not result in the 100% capture of incidents, it provides a sufficient cross section of cargo thefts and allows Overhaul to identify trends and deliver in-depth, accurate analysis of the scope of cargo theft in the United States. Additionally, Overhaul only records incidents involving the theft of cargo, not standalone conveyances such as trailers, containers, or bobtail tractors.

It should be noted that delays in incident reporting typically cause measurable increases in theft volumes in the weeks following publication of Overhaul reports. As such, the most recent totals for the year are expected to rise above those recorded thus far. It is Overhaul's practice to use updated theft numbers for past timeframes when comparing them to current totals.