



# The state of cargo theft

How 2022's theft landscape was shaped by COVID-19, the supply chain crisis, and sophisticated criminal operations



## Cargo theft: A rapidly evolving threat

Over the last three years, it has become increasingly difficult for transportation professionals to predict their organizational vulnerabilities.

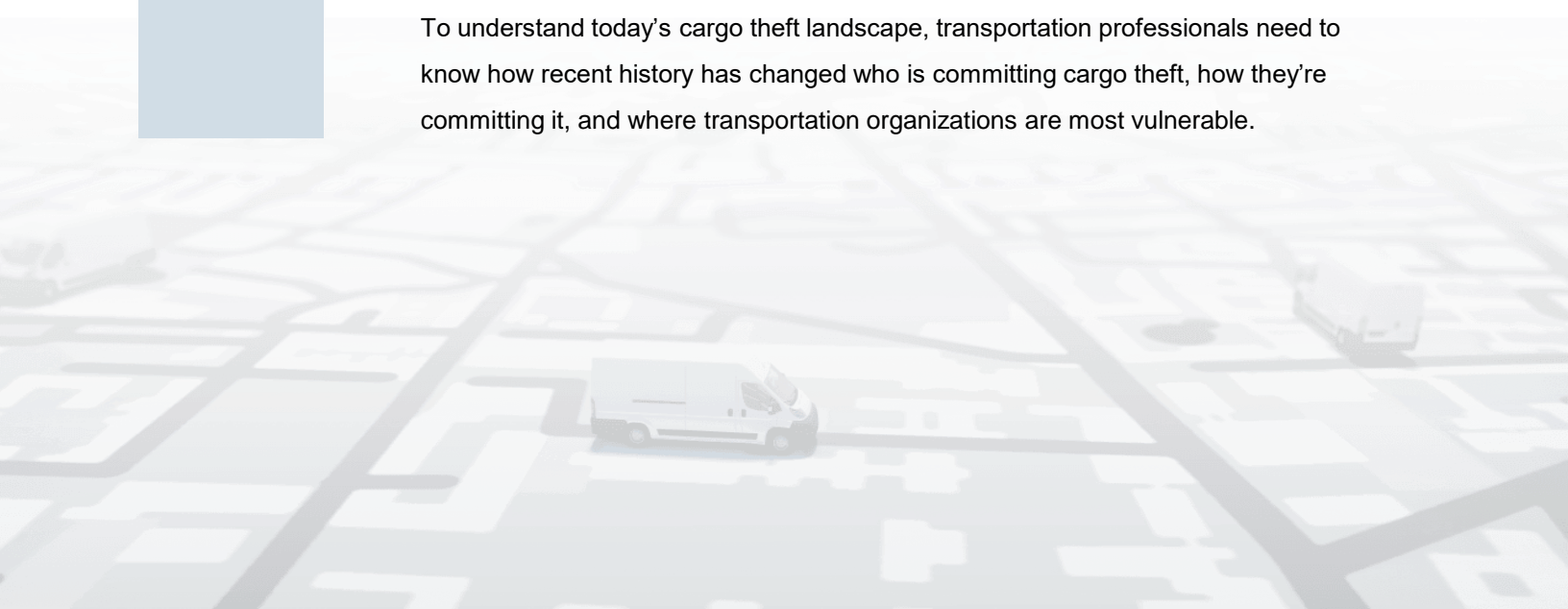
In 2019, most fleets had a locked-in risk strategy that had worked for years. They knew where and when theft was most likely to happen, they knew about how often they could expect it to happen, and they had insurance policies that almost always protected them from the cost of the thefts that did occur.

In 2020, COVID-19, quarantine, and the supply chain crisis threw this established system into crisis. As every part of the supply chain slowed down, some coming to a grinding halt, new choke points appeared faster than organizations could track them. Opportunistic thieves were able to take advantage of the confusion and strike before security could stop them.

Because of the rising rate of theft, insurance stopped being a dependable risk-prevention tool. Insurers only covered theft up to a certain cost – after theft skyrocketed, transportation businesses were forced to eat the costs themselves. In an industry with thin margins, this meant the difference between profits and losses, growth and bankruptcy.

In 2022, supply chain pressures have started to ease. But even as the year-over-year theft rate has dipped, long-term rates are still elevated and long-term threats have grown.

To understand today's cargo theft landscape, transportation professionals need to know how recent history has changed who is committing cargo theft, how they're committing it, and where transportation organizations are most vulnerable.



**2019****Pre-COVID-19**

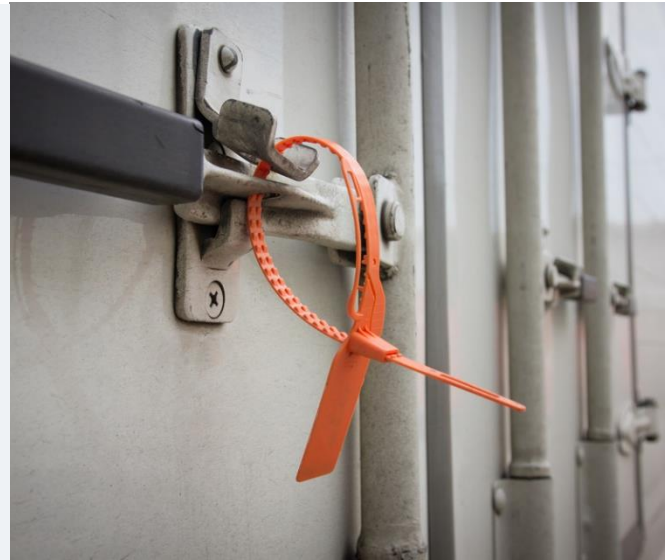
Under the radar, increasingly sophisticated thieves posed a growing threat

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Before 2020, theft wasn't a top-of-mind issue for most transportation businesses. Other issues, for example the rising number of multi-million dollar verdicts against trucking companies involved in accidents, were a larger concern.

**Adam Ayers,**  
*FleetUp Director of Sales*

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In 2019, the transportation industry had, for the most part, solved the problem of theft. Their operations were relatively secure and what few thefts penetrated their security were covered by affordable insurance plans. A few medium-sized thefts now and then might have slowed processes down, but those rare incidents were priced into the standard business model.

At the same time, scientific advances had made advanced technologies easy for non-experts to obtain and use. In most cases, this was welcome progress – more people had more access to better tools. But in some cases, it was risky – potentially dangerous machines could end up in the hands of criminals.

3D printing was one of those technologies. Until the late 2010s, it was too expensive and technically

difficult for laypeople to use. But as it developed, it became so simple that toy companies developed guides to [3D printing for kids](#).

Sharp-eyed criminals saw this technology's potential and began [putting it to use](#). With 3D printers they bought for a few hundred dollars online, they were able to copy container seals and print out duplicates in under ten minutes. By replacing original seals with identical 3D printouts, they were able to break into containers, take what they wanted, and leave without anyone even knowing they had been there.

But before this slowly growing problem became severe enough for the industry to take notice, a much larger problem made an immediate and devastating impact.

**2020**

## Worldwide quarantine

Opportunistic thieves struck where strained operations couldn't respond

No one was prepared for the chaos that COVID-19 caused. Thieves took advantage of the confusion and stole a significant portion of transportation companies' profits.

**Ranier Kim,**  
*FleetUp Director of Customer Operations*



Coronavirus surprised every industry, closing restaurants, sending white collar workers to home offices, forcing grocery stores to invent improvisatory safety methods to protect their staffs, and more.

But the transportation industry quickly became one of the most affected industries. Truckers, port officials, and loading bay managers didn't have the option to work from home. Shortages made crucial assets like chassis and even engines difficult to buy and repair. And suddenly, a [dramatic shift](#) in consumer purchasing habits caused huge disruptions in traditional supply chain routes and processes.

Any one of these issues would have made the industry miss a step. The combination of all four hitting simultaneously made the supply chain grind to a standstill. With containers piled high all [over the US](#), not just in warehouses and ports but out on [residential streets](#) and in unused lots, even the least sophisticated thieves were able to easily break in and take what they wanted.

Cargo theft hit [historic highs](#) and created [viral images](#). A year before, the only people who spent any time thinking about the issues were insurers and security professionals. Suddenly, it was making headlines in national newspapers and being discussed on cable news.

This was a very different kind of theft than what companies had previously tried to prevent. It wasn't planned, it was impulsive. It wasn't committed by criminal organizations or double-dealing insiders, it was committed by random passerby who saw an opportunity and took it. With strained resources and a larger number of weak points than ever before, transportation businesses had no way to respond. Those that used insurance to protect against theft suddenly found that their policies couldn't cover the high cost of their multiplying losses. Those without theft insurance were in an even worse situation.

2022

## Supply chain pressures ease

The changing landscape of risk

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Cargo theft is still a substantial problem. Today's thieves are both opportunistic amateurs and knowledgeable professional criminals. The challenge transportation companies have is fighting both simultaneously.

**Jackson Huynh,**  
*FleetUp VP Global Strategy & Operations*

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As supply chain pressures have started to ease, cargo theft rates have fallen from their 2020 peak - but [remain high](#) compared to historical rates.

While faster-moving shipments and fewer choke points mean that opportunistic thieves are causing less damage than they did at the height of the supply chain crisis, many locations are still more vulnerable than they used to be. Now that amateur thieves have a better understanding of where they're most likely to find weak points, they'll be more likely to case those locations, keeping an eye out for any future opportunities.

The criminals who simply walk up and steal what's easy to take aren't picky – they'll grab whatever they can carry or throw in the back of their truck. What's increasingly clear is that other, more sophisticated criminals, are contributing to a larger share of cargo theft.

Although electronic and electrical equipment is only the [fourth](#) most commonly shipped good, it's by far the [most commonly](#) stolen type of cargo. This shows that many goods aren't stolen just because they're available – they're stolen because sophisticated thieves know what they want, know where they are, and design plans to target and take them.

Criminals who target valuable goods have industry-specific knowledge. They creatively solve problems, impersonate legitimate carriers, post false loads to identify sensitive carrier information, trade in insider info, destroy installed tracking devices, and [more](#).

Today, the theft picture is mixed. Theft trends haven't returned to their relatively stable pre-COVID-19 normal. But they aren't as bad as they were during the peak of the supply chain crisis. In order to shield operations from cargo theft, businesses need to adopt nimble, multi-pronged strategies.

## How to prevent cargo theft in 2022

Fight all types of theft with cargo security software

While cargo theft rates are falling, they're still higher than they were pre-COVID-19. Today, fleets have to battle theft on two fronts – opportunistic thieves who now know where cargo is most vulnerable and career criminals who use advanced tools and sophisticated strategies to steal the most valuable cargo they can find.

These two threats demand two very different kind of solutions. The first can be stopped by replacing out-of-date container seals for SmartLocks that send automatic break-in alerts via text and email. The moment cargo is in danger, security will be notified.

The second needs a more complex solution. Criminals familiar with the transportation industry know how to find and dismantle installed tracking devices. They know how to steal cargo without breaking into anything by impersonating staff. Traditional anti-theft systems won't stop them.

That's why it's important to use small, concealable tracking devices to protect high-value shipments. Even the canniest criminal won't have time to search every inch of a container, looking into every crevice until they luck upon the tiny tracker that's updating their location every ten seconds.

It's also why it's important to have a shipment tracking system that automatically sorts cargo into delivered and missing categories. If a container was accidentally given to a disguised criminal, it's not going to make it to its destination – these systems will tell you that they didn't arrive and where they're currently located.

Only one cargo and fleet software provider offers all of these theft-prevention features – FleetUp. Get an all-in-one anti-theft system designed to counter 2022's biggest threats. Contact FleetUp today.

**Contact us**

