

Cargo Theft Trends

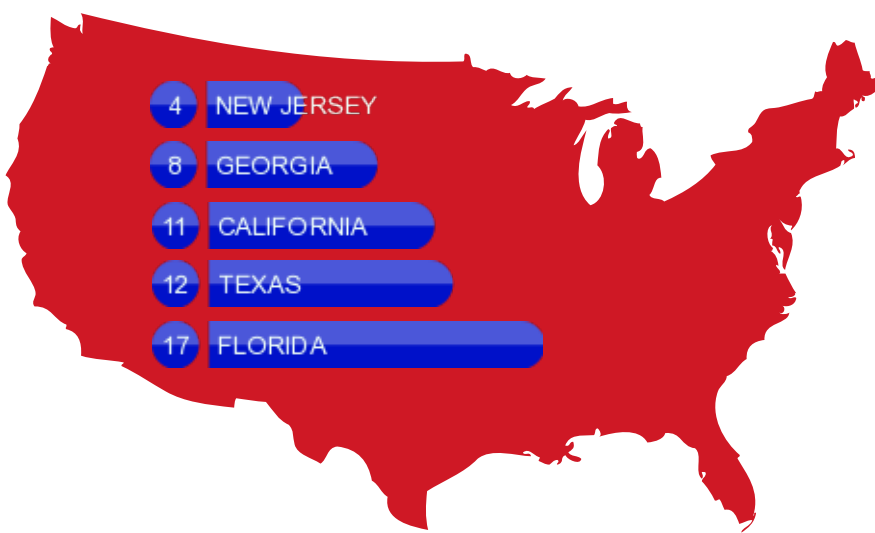
Over the last 3 years CargoNet® has reported a rise in reported theft incidents reported to our command center during the Memorial Day holiday weekend. We have provided a snapshot of the events including theft by state, day, commodity, location and theft type from the Wednesday prior to Memorial Day to the Wednesday after.



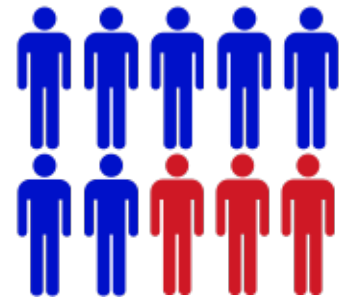
Noteworthy thefts from previous Memorial Day Weekends

- \$900,000 theft of electronics from a secured yard in Carson, CA
- \$600,000 theft of electronics from a parking lot in West Memphis, AR
- \$500,000 theft of commercial/industrial from a parking lot in Dallas, TX
- \$500,000 theft of metals from a truck stop in Colonial Heights, VA
- \$300,000 theft of pharmaceuticals from Weston, FL

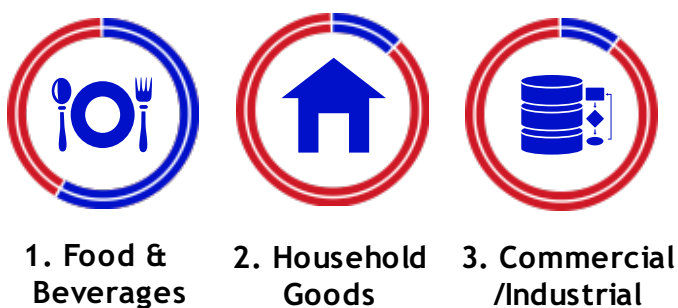
Top 5 Cargo Theft States



7 out of 10 Incidents Occurred in the Top 5 States



Top 3 Targeted Commodities



Top Targeted Theft Locations

Top 3 Theft Locations Represented 52%

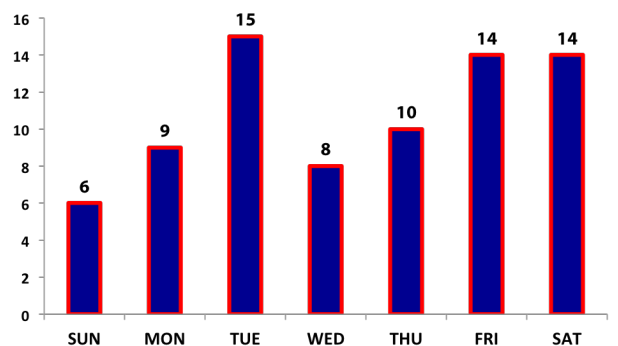


Cargo Theft Type

86% of reported incidents were of the traditional cargo theft variety



Day of the Week



Total Loss Value

\$6,407,111

Average Loss Value

\$152,397

Memorial Day Weekend

Security Tips & Best Practices



Based on available data, the number of cargo thefts is historically higher during the long weekends leading up to our national holidays. This is hardly a coincidence as criminals take advantage of the extended time especially since most businesses are closed during these periods.

Here are some measures you should consider (actually these are prudent any time when you will have goods at rest and at risk).

1. Ask the local police department to make additional patrols in the area and check on your premises. You can also talk with owners of adjacent properties to see if you can establish an informal “Neighborhood Watch” program.
2. Avoid having loaded trailers sit unattended over the weekend. Either unload inbound shipments prior to closing up for the weekend or schedule outbound shipments once you have returned to work.
3. If loaded trailers or ocean containers are a necessity, only park them in secure areas. There are a number of commercially available sites but you should look for facilities that offer at least the same level of physical and procedural security that you have. This should include adequate barriers to entry, access control, lighting, surveillance and monitoring. Have the drivers inform their home base/dispatcher as soon as they drop the load and when they come back to pick it up.
4. Ensure that you have accurate license plate numbers, VIN and descriptive data (color and markings) for tractors, trailers, ocean containers and chassis. Law enforcement agencies will need this information if they are stolen.
5. Consider deploying covert (embedded) tracking devices in the product packaging and/or in trailers or ocean containers and have them monitored. Geo-fencing the trailers and containers can quickly alert you to an attempted theft.

However, technology is only part of what should be a layered approach to cargo security. The best technology working in a system that includes inadequate procedures and flawed processes will not be effective.

6. Secure all tractors with high-security locking devices, such as, “glad hand”, brake and/or transmission locks and other vehicle immobilizers. Do not leave the keys inside the tractor or in a location where someone would look for them.
7. Secure all trailers (loaded and unloaded) with high-security ISO 17712 compliant barrier seals in combination with hardened padlocks. Utilize king pin (5th wheel) and landing gear locks for unattached (dropped) trailers.
8. Check to make sure that your lighting, back-up generators, alarm system(s) and surveillance (CCTV) equipment are all in good working order.
9. Other tips:
 - a. Treat all alarms seriously no matter what time, and how often, they are triggered. Cargo thieves will often trip an alarm several times before actually breaking into a facility to give the impression that the system is malfunctioning.
 - b. Make sure the phone numbers of your emergency response team are available 24 x 7 and that they are up-to-date. Require your team members to treat all alarms seriously and respond immediately to all calls.
 - c. Ensure your backup cellular alarm system is fully functional
 - d. Check the status of all battery operated security devices and replace the batteries as needed.
 - e. Ensure your exterior lighting is working; check it one night during the week. Consider leaving on more lights than usual.
 - f. Secure perimeter fencing as well as windows, doors and all other potential access points including roof skylights and vents.
10. Remember many of the thefts that take place over long weekends are warehouse break-ins. Therefore,
 - a. Remove keys from all cargo handling equipment (forklifts) and place them in a secure area.
 - b. Instruct all employees to place all sensitive or confidential documents in a secure location prior to leaving work for the weekend.
 - c. Document and report all suspicious activity around your facility. This information can be critical to law enforcement in the event of a cargo theft incident.

To report a cargo theft, call 1-888-595-CNET (2638).

From all of us at CargoNet & Chubb have a happy, safe and healthy holiday season!