



Date: March 20, 2015

Regarding: 2014 NICB Identified Cargo Thefts: NC, SC, VA

(External Dissemination: Member Companies and Law Enforcement)

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## SECTION 1: Executive Summary

The aim of this ForeCAST report is to identify the number, type, and locations of cargo thefts identified by the National Insurance Crime Bureau (NICB) in the states of North Carolina, South Carolina, and Virginia for 2014.

The NICB identified 83 cargo thefts in NC, SC, and VA for 2014. Analysis shows a concentration of cargo thefts in the metropolitan areas of Charlotte, NC, Columbia, SC and Richmond, VA. A clear pattern of thefts along interstate highways was also identified.

Personal Care & Beauty, Food & Beverage, and Building Materials were identified as the top commodity types for NC, SC, and VA cargo thefts in 2014. Theft of empty trailers actually ranked 2<sup>nd</sup> out of the 11 commodity types analyzed for this report.

## Cargo Theft: An Overview

### Scope of the Problem

The FBI defines cargo theft as any commercial good stolen between its origin and final destination. This includes thefts from trains, semi-tractors, boats, warehouses, and many other transportation and storage locations.

Although the total number and value of cargo thefts each year is hard to identify, the value is may be in the billions of dollars, representing a significant increase in economic costs to all areas of the US economy. The 2014 US Annual Cargo Theft Report, published by the Freight Watch International Supply Chain Intelligence Center (FWI SCIC), states that the average stolen shipment is valued at over \$230,000. (Freight Watch International Supply Chain Intelligence Center, 2014)

### Cargo Theft Methods

There is a higher likelihood of cargo theft occurring at truck stops, parking lots, warehouses, and port cities: all areas where large numbers of commercial vehicles can be found. Many cargo thefts occur shortly after the

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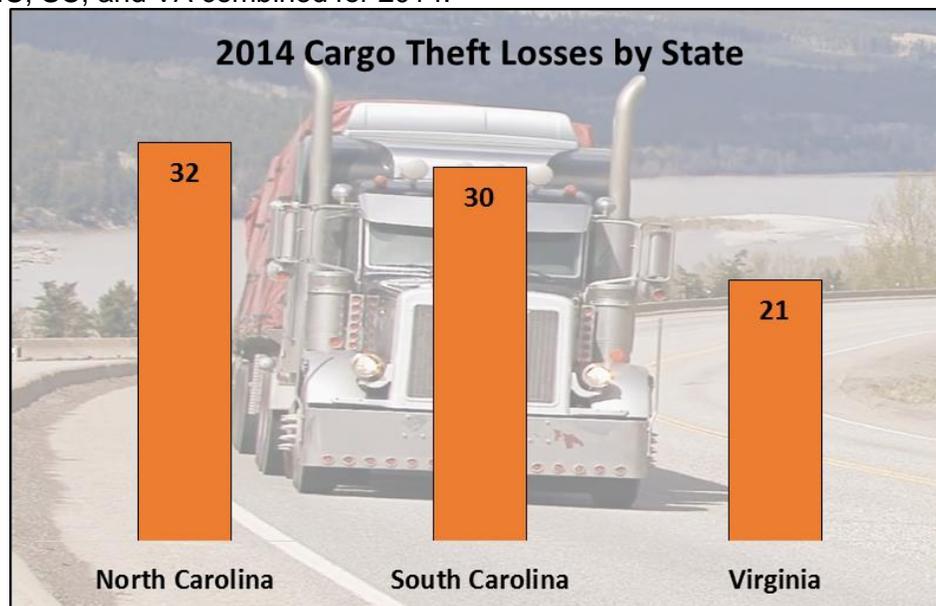
driver has left the warehouse usually within 200 miles or four hours. Thieves will follow drivers until they stop, at which time the cargo is stolen. Thieves are often able to steal the cargo in less than five minutes.

In addition to thefts of cargo while in transit, there is a trend of cargo thefts involving “fictitious pickups.” A fictitious pickup is where a driver or trucking company (often accessing cargo load information through online brokering sites) impersonates a legitimate carrier and secures a contract to transport cargo. The cargo is then stolen, often with no trace of the fraudulent driver or trucking company. According to the FWI SCIC, “While incident numbers grew between 2011 and 2013, the reported 2014 data shows a slight decline (18%) in this activity.” The FWI SCIC stated that this could be an anomaly based on the fact that these types of thefts are not always reported and are difficult to classify but the appearance of the trend does show the increased sophistication of the criminals involved. (Freight Watch International Supply Chain Intelligence Center, 2014)

## NICB Identified Cargo Thefts for NC, SC, and VA for 2014

Through the NICB’s participation in multiple cargo theft task forces, and liaison efforts with member insurance companies, law enforcement, regional security councils, and the trucking industry, information on 83 incidents of cargo theft that occurred in NC, SC, and VA was collected in 2014<sup>1</sup>.

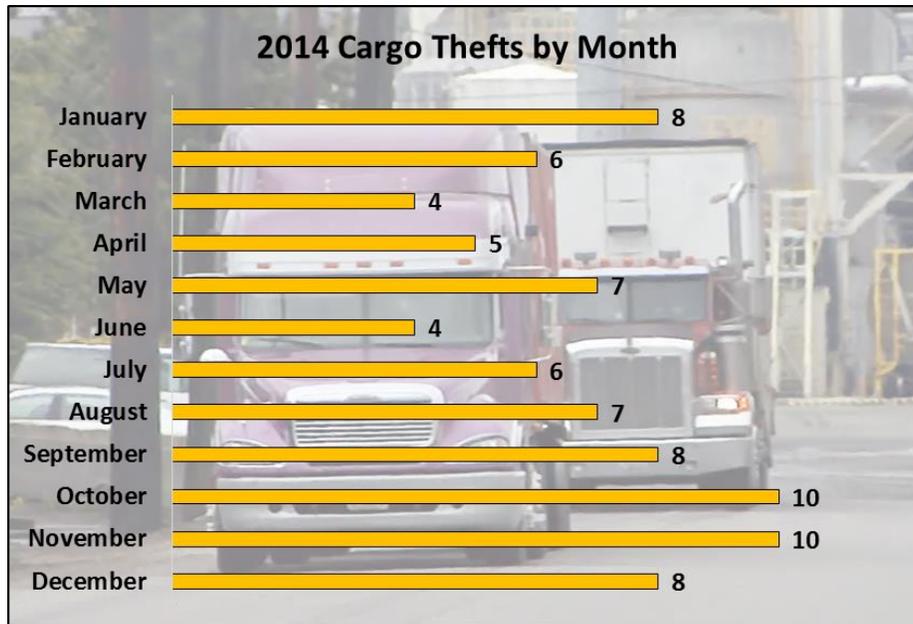
Shown below are tables, graphs, and maps identifying cargo thefts by location, month, day of the week, commodity type, and type of theft. This first graph below is state specific and the graphs following display information from NC, SC, and VA combined for 2014.



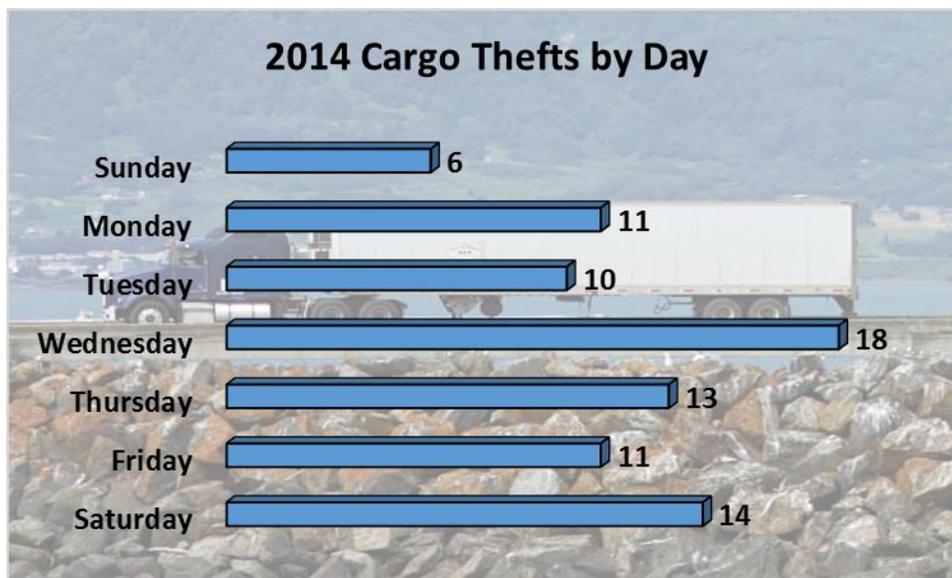
North Carolina was identified as the top state out of the three states analyzed in this study with 32 identified incidents. South Carolina had 2 fewer reported thefts with 30 while Virginia had 21. According to the FWI SCIC 2014 report, South Carolina ranked 10<sup>th</sup> in the percentage of total thefts while North Carolina ranked 15<sup>th</sup>. Virginia did not make the top 15 list.

<sup>1</sup> Only information obtained by NICB was included in this report.

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Throughout 2014 the number of incidents per month in NC, SC, and VA ranged from 4-10. October and November had the highest number with 10 reported thefts each. The lowest reported number of thefts was in March and June. Based on the data collected, the fall and winter months, September through January, had the highest number of incidents; where the spring and summer months, March through August, had the lowest number of reported thefts for NC, SC, and VA.



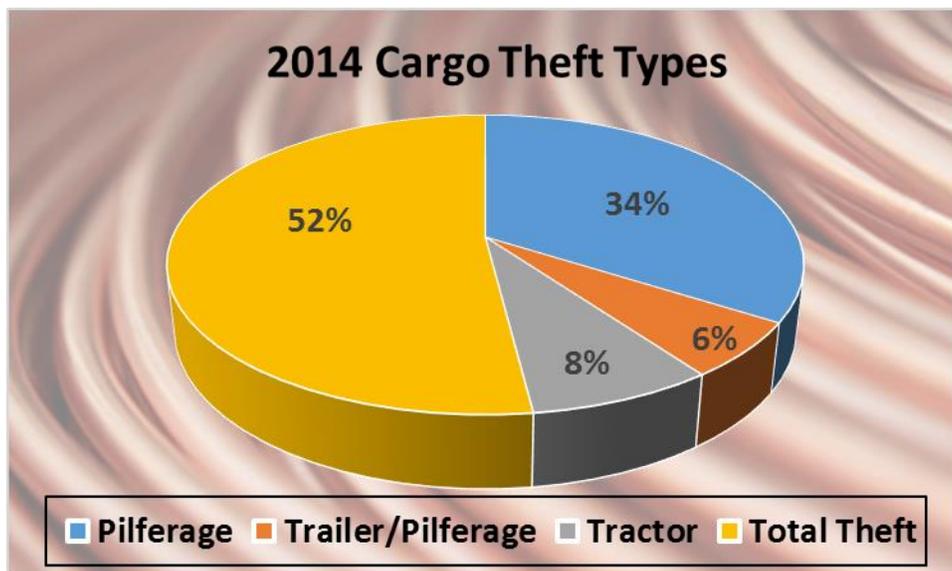
After analyzing the data from 83 reported cargo thefts in NC, SC, and VA, Wednesday was identified as the day of the week where the most incidents were reported with 18. Sunday was the day of the week with the least number of reported thefts at 6. Monday, Tuesday, and Friday reported 10-11 thefts. Saturday came in 2<sup>nd</sup> with 14.

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Commodity	Incidents
Personal Care & Beauty	15
Trailer/Empty	15
Food & Beverage	12
Building Materials	8
Household Items	7
Electronics	6
Apparel & Accessories	5
Metals	5
Other	5
Vehicles & Accessories	3
Unknown	2

A thorough analysis into the commodity type of the cargo thefts that took place in 2014 in NC, SC, and VA was performed. It was found that Personal Care & Beauty was the top ranked commodity type with 15. Surprisingly, Trailer/Empty had the same number of thefts for 2014. Food & Beverage had the next highest commodity type stolen with 12. Vehicles & Accessories was the least amount of commodity type stolen with 3, and it was found that this included mostly tire cargo.



The types of cargo theft regarding each incident was analyzed. There were 4 types for the purposes of this report: Pilferage, Trailer/Pilferage, Tractor, Total Theft of Tractor and Trailer. Total theft of the tractor and trailer accounted for 52% of the 83 reported cargo thefts in 2014 for NC, SC, and VA. It was found that 34% of reported cargo thefts were categorized as pilferage. Theft of the Tractor and theft of the Trailer/Pilferage together accounted for 14% of the 83 reported cargo thefts in 2014 for the 3 states.

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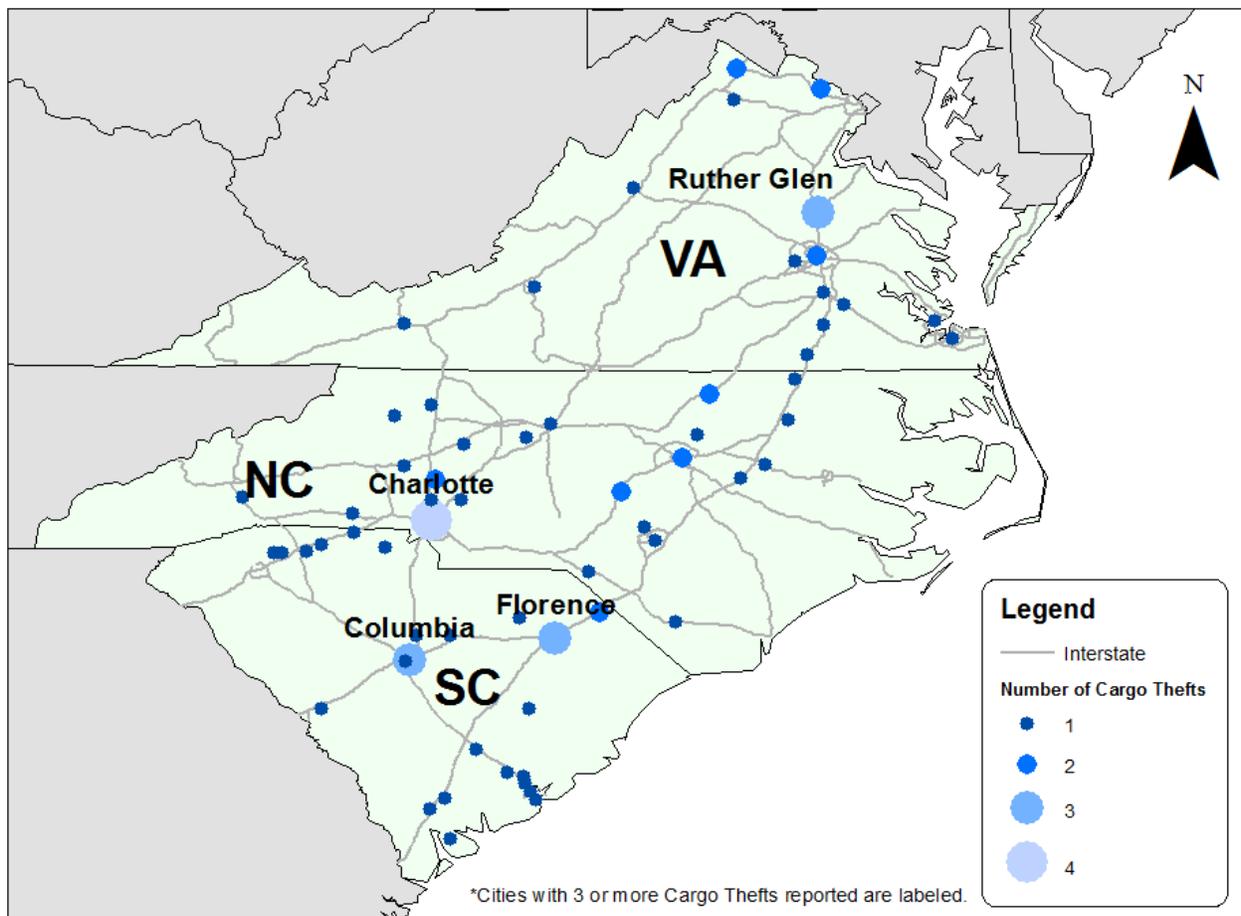


**2014 NICB Identified Cargo Thefts for NC, SC, and VA Geographic Analysis**

To aid in the identification of patterns and trends, the NICB completed a geographic analysis of the 2014 identified cargo thefts for NC, SC, and VA. There were 2 maps created for this analysis.

The map below shows the reported cargo theft incidents for the 3 states in 2014. The dots where the thefts occurred are graduated according to the number of incidents of cargo theft per city. Out of the 3 states, the location with the most reported cargo thefts was Charlotte, NC with 4 thefts. With 3 theft incidents each, Columbia, SC, Florence, SC, and Ruther Glen, VA came in 2<sup>nd</sup>. There were 8 cities out of the 3 states that had 2 cargo thefts reported while the remainder of the locations analyzed had only 1 incident. The map also shows a high concentration of thefts occurring in the Charleston, SC area.

**2014 NICB Identified Cargo Thefts in NC, SC, and VA, By City**



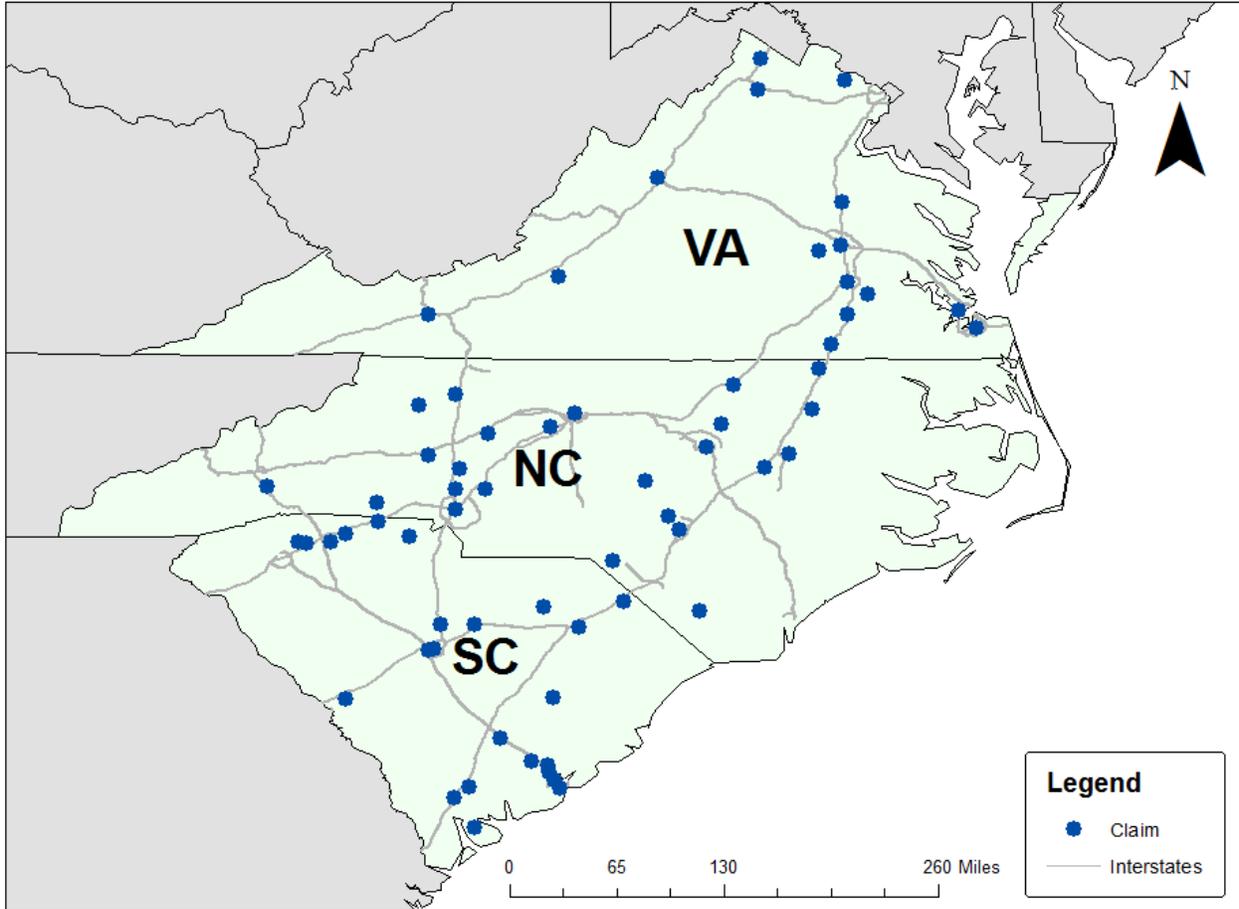
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The map below shows the locations of the NICB reported cargo thefts along the interstates that run through NC, SC, and VA. The map shows a clear pattern of thefts along the interstates. The identified cargo thefts seem to follow Interstate 95 from Richmond, VA down to the Charleston, SC area. Along Interstate 85 there also seems to be a high number of cargo theft incidents occurring.

## 2014 NICB Identified Cargo Thefts NC, SC, and VA, By City



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## Conclusion

Cargo theft is a serious crime affecting everyone in the US, including stores, consumers, transportation companies, and insurance companies. According to FWI SCIC, there were 794 reported cargo thefts throughout the United States in 2014, which was a 36% increase from 2013. The FWI SCIC is predicting the forecast for cargo risk in the US as a whole will increase slightly over the 2014 numbers. (Freight Watch International Supply Chain Intelligence Center, 2014)

The NICB is continuing to work in concert with member insurance companies, cargo theft task forces, law enforcement, regional security councils, and the trucking industry to investigate and reduce cargo theft throughout NC, SC, and VA. Utilizing their knowledge in the field, as well the information contained in this and other NICB reports, alerts, and brochures, cargo and insurance fraud professionals and law enforcement are also helping to insure a positive outcome.

For further information on NICB anti-cargo theft efforts please visit our website at [www.nicb.org](http://www.nicb.org).

## Works Cited

Freight Watch International Supply Chain Intelligence Center. (2014). United States Annual Cargo Theft Report. 1-5.

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