October 20, 2025

The Honorable Sean Duffy
Secretary
Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

RE: Protecting America's Supply Chain From Cargo Theft Request for Information (Docket No. DOT-OST-2025-1326)

Dear Secretary Duffy,

On behalf of the National Retail Federation, we would like to submit the following comments in response to the request for information regarding Protecting America's Supply Chain From Cargo Theft-Request for Information (Docket No. DOT-OST-2025-1326). We applaud the Department of Transportation for engaging in this process to learn from stakeholders about the ongoing challenge of cargo theft impacting the supply chain and seeking ways to partner to address the issue.

NRF's members have witnessed a significant increase in cargo theft throughout the supply chain over the past couple of years. Cargo theft not only disrupts the supply chain but also imposes significant financial burdens on businesses, consumers and the overall economy. We see cargo theft as part of a larger trend of increases in organized theft groups involving product and merchandise that has resulted in attacks on the entire retail enterprise — in stores, online, at distribution centers and within the supply chain. More concerning has been the increase in violence tied to these illegal activities impacting workers and consumers.

NRF, the world's largest retail trade association, passionately advocates for the people, brands, policies and ideas that help retail succeed. NRF empowers the industry that powers the economy. Retail is the nation's largest private-sector employer, contributing $5.3 trillion to annual GDP and supporting one in four U.S. jobs — 55 million working Americans. For over a century, NRF has been a voice for every retailer and every retail job, educating, inspiring and communicating the powerful impact retail has on local communities and global economies.

Impact of Cargo Theft on the Retail Industry

The retail industry, as well as other industries, has seen a significant increase in supply chain theft in recent years, especially during and after the pandemic. Organized theft groups, including those committing cargo theft, have evolved into sophisticated and highly coordinated criminal enterprises. These criminal activities target goods in transit, exploiting vulnerabilities in transportation and logistics systems. The repercussions are manifold: interrupted supply chains,

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increased insurance premiums and higher operational costs, all of which ultimately translate into higher prices for consumers.

CargoNet, a database of reported incidents in the United States, reported a 27% increase in cargo theft incidents in 2024 compared with the previous year. During the same period, the average value per theft rose to $202,000[1]. For the second quarter of 2025, CargoNet reported a 13% increase[2] in supply chain theft events compared with the same period in 2024 and a 10% increase from the first quarter of 2025. The estimated total loss value exceeded $128 million when applying average loss values to incidents where specific values were not reported. In addition, the American Transportation Research Institute released a study[3] indicating that the annualized cargo theft cost to the industry is as high as $6.6 billion, or more than $18 million per day.

These cargo thefts range from large-scale physical theft of goods from containers and warehouses/distribution centers to sophisticated cybercriminal methods that divert shipments to illicit receivers, which causes significant financial losses and operational supply chain disruptions.

Strategic cargo theft[4] has become a pervasive issue that disrupts the nation's supply chain, causing considerable financial losses and operational challenges for retailers. At NRF's 2024 PROTECT conference, a session[5] focused on the issue of strategic cargo theft provided firsthand insights from law enforcement, transportation providers and retailers about ongoing trends, impacts and efforts to combat cargo theft.

We also continue to hear about significant rail theft issues across the country. Recent press stories have highlighted significant cases in California, Arizona[6] and Tennessee.[7] With regard to rail thefts in Memphis, Tenn., NRF members have reported that the thefts have occurred in specific areas where trains need to slow down through a neighborhood. The actions are highly organized as the thieves know exactly which box cars to steal specific products from. They also note that the groups and individuals are heavily armed and have connections to criminal cartels.

In general, cargo theft impacts a wide variety of retail goods. Goods stolen today range from common everyday items including apparel and consumer goods to high-value items such as electronics, luxury goods and appliances — all which are essential components of retail inventory. The financial repercussions are twofold: direct losses from the stolen cargo and the subsequent costs associated with replenishing inventory, insurance claims and increased security measures.

Of great concern to consumers is that this type of criminal activity can put their health and safety at risk. For example, consumers are at risk when consumable products such as food,

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[1] CargoNet – 2024 Supply Chain Risk Trends Analysis
[2] CargoNet - 2025 Second Quarter Supply Chain Risk Trends Analysis
[3] New ATRI Research Confirms the High Costs of Cargo Theft to Industry (10/8/25)
[4] Strategic Cargo Theft: What It Is, How It Started, and What You Can Do to Stop It, Loss Prevention Magazine (12/2/24)
[5] Cargo theft trends and lessons learned – 2024 NRF Protect Conference Blog Post (7/8/24)
[6] Inside the Mojave Desert train heists targeting Nike sneakers, Los Angeles Times (2/23/25)
[7] Boxcar Bandits: FOX13 Investigates trouble on the tracks and what can be done to slow down the stealing, Fox13 Memphis (2/12/25)

agricultural or refrigerated items are stolen and not stored properly. This may also include consumer goods like over-the-counter medications and infant formula. Pilfered products may not be kept under ideal or required storage conditions, which threatens product integrity. Organized criminal enterprises will re-package and re-label stolen products to falsely extend the product's expiration date or disguise the fact that the merchandise has been stolen. There have been numerous cases involving consumable products that were found not to have been properly stored.

Beyond the immediate financial impact, cargo theft undermines the reliability of the supply chain, leading to delays in product availability and potential stock shortages. Retailers are forced to navigate the complexities of disrupted logistics, which in turn affects their ability to meet consumer demand and maintain customer satisfaction. The cumulative effect is a strain on the industry's overall efficiency and profitability.

Cargo Theft as Part of Organized Retail Crime

Organized theft groups involving sophisticated and structured groups of individuals continue to increase their criminal activities against the retail industry and the nation's supply chain. These activities involve theft and fraud of both physical and digital goods at unprecedented levels, leading to escalating financial losses and violence in the workplace, all impacting the national economy, security and communities.

Retailers face mounting thefts and fraud in stores, online and throughout the retail system. According to the National Retail Federation, shoplifting incidents increased by 93% in 2023[8] compared with 2019, with a 90% rise in average dollar loss. These thefts are orchestrated by organized theft groups reselling and redistributing the stolen goods back into the economy or overseas to gain illicit profit to finance other criminal activity. The rise in rail cargo theft is intricately linked to organized retail crime. ORC involves criminal networks that systematically target retail operations with the intent to steal and resell goods. The connection between cargo theft and ORC exacerbates the problem as these criminal networks leverage stolen cargo to fuel their illegal activities.

Organized theft groups vary in scope and scale, operate across state jurisdictions and build hierarchies to easily re-distribute stolen goods and illicit profits back into the economy. They exist and operate at a local, regional and transnational level, targeting goods that are easily re-sellable within the country or outside its borders. These groups are often "polycriminals," using profit from the reselling of stolen goods to support crimes involving drugs and weapons trafficking. They engage in human smuggling and use migrants to commit crimes to support their organizations.

Not a Victimless Crime

Organized theft, including both retail and cargo theft, is not a victimless crime. It impacts jobs, consumers and communities in several ways. Increased violence involving theft has caused injury to employees and consumers, the unfortunate death of some retail associates, and a fear of

[8] Shoplifting Incidents Jump 93% Since Pre-COVID, According to New Industry Study, National Retail Federation (12/17/24

working or shopping in high-crime locations. This makes it difficult for retailers to retain or find labor to support consumers.

Each item stolen and resold represents lost sales tax revenue to support communities and states where retailers typically generate the most tax revenue for local governments and the second-most for states. Lost tax revenue impacts a community's ability to fund services including law enforcement, health care, or parks and roads.

The Need for Legislative Action

Organized retail crime groups work across state, local and tribal jurisdictions and use the profits from their crimes to support other criminal activities. Transnational criminal groups also exploit our national borders, traveling into the United States to conduct retail theft and illicitly exporting stolen goods. The harmful economic and public safety impacts of ORC are witnessed daily by Americans on Main Street and at shopping centers and affect small and large businesses alike.

The federal government has a clear role in supporting a nationwide effort to detect, disrupt and dismantle these groups. Retail plays a crucial role in the national economy, providing essential goods and 55 million American jobs to local communities. It is important to protect the retail economy and, more importantly, uphold the trust and integrity of the retail sector through a safe and secure nation.

The National Retail Federation strongly supports the Combating Organized Retail Crime Act (S. 1404/H.R. 2853) introduced earlier this year.. This bipartisan legislation would create an interagency Organized Retail and Supply Chain Crime Coordination Center that would be located within Homeland Security Investigations and include participation by other federal law enforcement agencies. The center would align counter-ORC activities by developing national-level ORC intelligence, facilitating information sharing across federal, state, local and tribal agencies, and supporting multi-agency investigations. It would serve as a hub of expertise for training and technical assistance for state, local and tribal law enforcement agencies. The legislation has almost 200 bipartisan cosponsors in the House and Senate.

We believe the bill appropriately places emphasis on all retail and product-related crimes, including cargo theft, and differentiates them from shoplifting or thefts for personal use. The bill focuses on the collection of intelligence to better identify and detect the criminal organizations behind the various thefts and frauds, so that state and federal law enforcement can support investigations that bring organized criminal activities to prosecution.

Homeland Security Investigations has significant experience in assisting law enforcement in bringing cases against some of the biggest organized theft groups. They have developed Operation Boiling Point[9] to target domestic and transnational criminal groups profiting from ORC, cargo theft and similar crimes. This experience ensures that HSI can lead an interagency taskforce and bring to bear greater investigatory and intelligence-gathering assets of the federal government.

[9] Department of Homeland Security, Operation Boiling Point: https://www.ice.gov/features/op-boiling-point

State and local police departments throughout the United States are under-staffed and sometimes have trouble dedicating resources to thefts and burglaries tied to complicated organized theft gangs. Federal intelligence sharing and investigation support will make a tremendous difference on the frontlines of ORC.

RFI Questions

With this as background to the overall supply chain theft and ORC issue, NRF members have provided some additional feedback on some of the specific questions in the RFI.

1. *What are the most significant cargo theft risks facing the U.S. supply chain today (e.g., opportunistic thefts, organized theft rings, insider threats, cyber-enabled diversion)?*

   Organized Theft Rings: These pose the most significant threat. One retail member has documented incidents involving transnational criminal organizations (TCOs) that orchestrate large-scale cargo theft operations. These groups often operate across borders and use sophisticated tactics to target high-value shipments.

   Insider Threats: TCOs actively recruit individuals to infiltrate transportation and logistics companies. These insiders may work within shipping, air freight, rail or trucking operations, providing access to sensitive information, and facilitating theft.

2. *How do these risks vary across different types of goods movement: truck borne freight, rail borne freight, water borne freight, air borne freight, and freight located at multimodal exchange points, including airports, marine ports, and truck-rail intermodal facilities?*

   Rail-Borne Freight: Rail shipments are particularly vulnerable due to long dwell times in yards, limited in-transit supervision and the high value of goods transported. At least one retailer has experienced incidents where rail facilities were broken into or targeted by organized groups.

   Truck-Rail Intermodal Facilities: These multimodal exchange points are complex and often lack unified security protocols. The convergence of different carriers and handoff points creates opportunities for theft, especially when visibility is low.

   Truck-Borne Freight: While generally more supervised than rail, trucking still faces risks from hijackings, fictitious pickups and insider collusion.

3. *For each of the following modes of transportation, please indicate how much of a challenge cargo theft is for shippers and carriers.*

   Rail cargo theft — 5 (very serious) Challenges include:
   - Extended idle times in unsecured yards
   - High-value goods attracting organized crime

- Limited real-time monitoring and response along with inconsistent enforcement and lack of data sharing across jurisdictions
- Criminals adapting quickly to new security measures

Truck Freight — – 4 (Serious) Trucking is slightly less vulnerable than rail but still faces:

- Fictitious pickups and identity fraud
- Theft during rest stops or unsecured parking
- Insider collusion and route manipulation

Multimodal Exchange Points – 4 (Serious)

- These facilities are complex and often lack integrated security systems. Coordination gaps between carriers and facility operators can be exploited by organized theft rings.

4. *What barriers prevent timely detection, reporting, and response to cargo theft incidents? How can DOT reduce these barriers?*

Cargo theft is often treated as a low-priority property crime, resulting in minimal penalties and limited law enforcement engagement. This perception undermines the urgency of response and deters proactive investigation. There are also inconsistencies with penalties from state to state.

Additional barriers that prevent timely detection, reporting and response include a lack of infrastructure for aggregating cases and a lack of police resources to mitigate and intervene when these thefts occur. DOT can help to reduce these barriers by advocating for centralized collaboration amongst agencies and the business community.

Recommendations for DOT:

- Advocate for cargo theft to be classified as a serious economic and organized crime.
- Establish a dedicated federal cargo theft enforcement unit to support and augment railroad police and local law enforcement.
- Promote uniform reporting standards and centralized data collection to improve visibility and response times.
- DOT probably plays a significant role in the response aspect through linked data systems (weigh stations, license plate reader cameras, etc.). Installation of additional technology (CCTV/RFID/GPS) at key points in the US supply chain could drastically assist efforts.

5. *How can Federal, State, and local law enforcement better coordinate to address both opportunistic thefts and multi-jurisdictional organized cargo theft cases?*

Retailers have successfully established Organized Retail Crime Associations across the country to help combat retail theft. Cargo theft should be included within the ORCAs as a key issue. Law enforcement should work with existing ORCAs to create cargo theft-focused branches. Develop a fusion center model, like LA HIDTA (High Intensity Drug Trafficking Area) or LA CLEAR, to deconflict investigations and prevent jurisdictional overlap.

One retailer noted that a centralized repository of company and law enforcement contacts and theft events does not exist. Many agencies at all levels have responsibility for and focus on supply chain crime, but there is a wide gap in dissemination of information. Likewise, reporting from the private sector is extremely low as most companies are only reporting for claims purposes, and often times doing so long after the theft event has occurred. Once a federal clearinghouse is established, it would still need a community outreach arm similar to that in other spaces to be effective at breaking down the lack of reporting culture that tends to exist in the private sector. This is where the clearinghouse under CORCA could come into play.

Another retailer said that law enforcement should increase involvement in regional cargo security councils and international cargo security groups such as the Transported Asset Protection Association to help promote best practices and law enforcement coordination. Law enforcement agencies should increase investment in their own cargo theft task force development and expansion. Finally, law enforcement should increase interdepartmental communication on known cargo theft hot spots and target them for increased law enforcement presence and monitoring.

6. *What role should Federal intelligence functions play in identifying and mitigating theft risks across this spectrum?*

Federal intelligence agencies should share actionable intelligence with retailers, ORCAs and insurance investigators. They should monitor transnational criminal activity and disseminate alerts to industry stakeholders. They should also support predictive analytics to identify emerging theft hotspots and tactics.

Fundamentally, the focus on supply chain crime should be looked at as a threat to the U.S. economy despite the level of offense. Similar patterning should take place as is common with other crimes, where dissemination or a vast network of information exchange is encouraged and managed. Federal intelligence functions should tie into the interagency Organized Retail and Supply Chain Crime Coordination Center created under CORCA to help share key threat and intelligence information with federal, state and local authorities as well as key stakeholders such as retail and transportation providers.

7. *How should DOT Operating Administrations (FMCSA, FHWA, FRA, MARAD, FAA, and PHMSA) contribute to addressing cargo theft while avoiding duplication of FBI/DHS roles?*

Each relevant DOT agency can contribute by:

- Facilitating data sharing and security standards across their respective transportation modes
- Supporting industry partnerships and technology adoption (e.g., electronic seals, GPS tracking)
- Coordinating with FBI/DHS to avoid redundancy and focus on infrastructure-level vulnerabilities

8. *What data collection improvements (e.g., reporting platforms, integrations with FMCSA inspections or CBP data) should DOT pursue to enhance cargo theft visibility?*

   DOT should integrate with platforms already used by retailers and logistics providers to support real-time incident reporting and analytics. DOT should also partner with vendors and insurance companies to create a unified cargo theft reporting ecosystem.

9. *Are there regulations that cause or contribute to vulnerabilities that lead to cargo theft?*

   Yes. Insufficient infrastructure is an example. Some states or cities may lack adequate surveillance infrastructure in critical transportation hubs, leaving cargo vulnerable at stops.

   Overall, enforcement and prosecution of those engaged in ORC and supply chain theft continues to be a major challenge. When there are fewer repercussions for such criminal activity, it creates an environment for theft.

   One retailer noted that there is currently a reporting gap in the transfer of DOT unique identifiers assigned to commercial trucking companies. This delay creates an opportunity for bad actors to acquire these identifiers, engage in fraudulent or non-compliant activities and then resell the identifier — often before DOT is even aware that a transfer has occurred.

10. *What industry best practices or technologies (e.g., GPS tracking, electronic seals, AI-driven monitoring, secure parking, etc.) have proven most effective in reducing both opportunistic thefts and organized thefts?*

    - **Electronic Seals**: These act as tamper-evident barriers and are effective deterrents, though not foolproof if cargo remains stationary for extended periods.
    - **GPS Tracking**: Enables real-time monitoring and geofencing alerts. One retailer noted that once a theft has occurred, GPS remains the most effective, but also the easiest technology to defeat.

    In addition, DOT should look to groups like the Transported Asset Protection Association, which provides industry supply chain security best practices and standards. These include:
    - TAPA Trucking Security Standards[10]
    - TAPA Facility Security Standards[11]
    - TAPA Freight Broker Security Requirements[12]

    One retailer said another best practice is limiting the use of brokers on high-value loads. Reputable companies that are vetted should be used. Data availability should be improved so that bad actors are unable to get on the load boards. Industry modernization is also needed.

[10] 2023 Trucking Security Requirements (TSR) Standard
[11] 2023 Facility Security Requirements (FSR) Standard
[12] 2025 Freight Broker Security Requirements

11. *How should DOT measure success in reducing cargo theft, and what performance metrics would be most valuable to track?*

    NRF members have identified the following measures and performance measures to track:
    - Year-over-year reduction in reported thefts
    - Increase in arrests and prosecutions
    - Improved recovery rates of stolen goods
    - Retailer and carrier satisfaction scores
    - Reduction in insurance claims related to cargo theft

12. *To what agency or jurisdiction does industry currently report cargo theft? What barriers prevent industry from reporting theft incidents to Federal agencies? How can DOT reduce these barriers?*

    An NRF member noted that the biggest barrier they run into is venue. Who works the case depends on where the load is stolen and often is not the same entity. Two opportunities for DOT to assist in reducing barriers are to help streamline who is handling the crime and how it is being tracked.

    Another retailer noted that they experience most of their supply chain theft on rail. They report the majority of the thefts to railroad police. Rail police use all levels of law enforcement for assistance from a response perspective, but there is no single point aggregating their total exposure to theft from the government. Groups such as CargoNet are often cited as the best sources of aggregated data but not all companies report to them, and those that do may not report all incidents for myriad reasons. This partial reporting and lack of good metrics has led to an underscore of the seriousness of the problem.

    Another member noted that the reporting must be done state-by-state. In California, incidents are reported to the California Highway Patrol. The barriers include:
    - Lack of centralized federal reporting system
    - Inconsistent definitions and thresholds for cargo theft
    - Limited awareness of federal reporting options

    DOT Recommendations:
    - Create a national cargo theft reporting portal or partner with an organization that already has the reporting infrastructure.
    - Standardize definitions and thresholds across states.
    - Promote awareness and training for industry stakeholders.

13. *Which commodities face the highest risks and do those risks vary contingent on whether the commodity is domestic, imported, or exported?*

    One member provided the following information:

High-Risk Commodities: Examples include electronics, pharmaceuticals, apparel and footwear. The risks vary based on:

- **Origin/Destination**: Imported goods may face higher risk at ports while domestic goods face higher risk during inland transit.
- **Visibility and Value**: High-value, branded items are more likely to be targeted.

Another retailer stated that imported goods inbound to the country are at the highest risk. Thieves who target their brand are known to target international shipping containers as goods on them tend to be higher value (newness to market/desirability and easy to fence).

14. *What potential practices, technologies, or focal points for investigation could DOT initiate over the next year to test innovative approaches to cargo theft prevention, reporting, and enforcement partnerships?*

Despite the large numbers being reported, supply chain and cargo theft is under reported. Reporting by the private sector should be encouraged and promoted to provide more accurate data on cargo theft trends. Anonymous reporting options should be considered to alleviate concerns of potential reputational damage to brands, retailers and transportation providers.

NRF believes that DOT should consider the following activities to initiate:

- Pilot programs with ORCAs to test cargo theft task forces
- Technology grants for GPS, artificial intelligence monitoring and electronic seals
- Public-private intelligence sharing initiatives
- Real-time reporting platform integrated with DOT and law enforcement
- Mobile enforcement units for high-risk intermodal zones

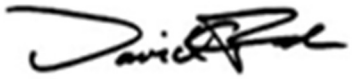
Conclusion

Preventing organized retail crime, including cargo theft, and protecting their employees and customers remains the top priority for all retailers nationwide. The continuing growth of organized retail crime and the damage it causes to communities dictates that something needs to be done to control the theft and resale market for stolen goods. Partnerships with all stakeholders, including law enforcement and transportation providers, are critical.

Cargo theft poses a significant threat to the retail industry and is a critical element of the larger ORC landscape. While retailers will continue to invest billions of dollars in protecting their people, customers and assets from ORC, the problem cannot be solved by fighting these cases one by one at the local level. It is difficult for retail investigators and law enforcement to bring an ORC case to a successful prosecution. Criminals understand this and are threatening our workers, exploiting our businesses and supply chains and flouting our laws. Today in the U.S., organized retail crime pays, and it pays well. It is viewed as less dangerous for its perpetrators than more illicit crimes. We must change this equation. By taking decisive legislative action, we can enhance the security of our supply chains, protect businesses from financial losses, and ensure the continued availability of goods for consumers. We ask Congress to immediately pass the Combating Organized Retail Crime Act, along with appropriate resources.

The National Retail Federation deeply appreciates the opportunity to submit these written comments. We stand ready to work together to help address the issue of cargo theft and the larger organized retail crime issues.

Sincerely,



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