



TT Club Loss Prevention

March 2024

# Supply chain security bulletin

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- Preventing a new type of shipping theft
- The importance of security culture
- Secure truck parking standards

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# Supply chain security bulletin

**This bulletin considers all aspects of supply chain security, highlighting TT Club claims statistics along with a range of other industry data providing an invaluable insight into the current risks facing those tasked with managing security through the supply chain. The Club has produced a number of reports and guidance documents related to this area of risk across numerous media platforms.**

This bulletin will gather a selection of TT content and publications as well as highlighting collaborative work undertaken with other like-minded organisations in this space.

The entire library of TT's loss prevention guidance can be found at [www.ttclub.com/loss-prevention](http://www.ttclub.com/loss-prevention) and you are invited to email us at [riskmanagement@ttclub.com](mailto:riskmanagement@ttclub.com) or get in touch with your usual contact should you have any queries, ideas or suggestions.



## Foreword

In recent months cargo theft has attracted positive attention from an ever greater sphere of influencers, which is pleasing on a number of levels. The seriousness of these crimes has been elevated in a number of countries, duly recognising that the criminal organisations behind cargo theft and freight crime are typically the same groups involved in other illicit crimes and activities, including counterfeiting and smuggling.

Correlations between general economic conditions and cargo theft trends were increasingly identified, witnessing market conditions influencing frequency and the type of cargo targeted. This helps to understand the risk landscape and for operators to be more agile in their approach to supply chain security.

In recognising the challenges for the industry and linking directly to the impact such crimes have on the workforce, the Department for Transport in the UK has established a Task and Finish Group to focus on secure truck parking locations, inviting TT Club to chair

one of the working groups. In particular this group will be focusing on the standards that underpin the sector in terms of security and driver welfare, and the planning aspect of new or expanded facilities.

The close of 2023 provided an opportunity for us to look back on TT's claims experience over the last 12 months, analysis of which is included in this edition. It will be of no surprise that the road mode continues to be the most frequently targeted with food and beverage remaining the most commonly stolen cargo type. Interestingly approximately 13% of recorded incidents involve fraudulent activity, which is a continuation of a worrying trend. 8% of claims by frequency had apparent insider involvement.

This area of risk is not diminishing for the industry however, collaboration, sharing of insight and data, and raising awareness of identified trends will assist in supply chain operators understanding and managing the risks.

# Tratix – Preventing cargo theft, intelligently

In the dynamic world of logistics and transportation, the escalating threat of cargo theft remains a pervasive issue, with criminals constantly evolving their tactics. An innovative solution is desperately needed to prevent these incidents. Tratix, a Tel-Aviv based startup, has unveiled a cutting-edge system designed to preemptively detect thieves before they strike.

## How it works:

Tratix created a sophisticated intelligence system that analyzes the surroundings of a truck to detect any potential threats. The solution capitalizes on existing hardware on trucks. By using data from cameras and GPS movements, it's able to detect criminals in the truck's vicinity as they plot to steal cargo.

## Data-driven detection:

The heart of Tratix's solution lies in its ability to interpret data in real-time. By applying a counter-surveillance AI algorithm, the system can discern between regular drivers and thieves with criminal intent. The moment a potential threat is identified, an automated alert is triggered.

## Automated alerts:

Tratix goes beyond mere detection; it empowers existing security strategies with data-driven prevention. The system initiates a series of prevention protocols to thwart the impending theft. These include rerouting the truck to a secure location, notifying law enforcement, security teams, and headquarters in real-time.

## Why Tratix?

### Proactive approach:

Tratix doesn't just respond to threats; it anticipates them. It shifts the paradigm from reactive to proactive security, safeguarding precious cargo before criminals can strike.

## Early detection and prevention:

Timely identification and proactive prevention are paramount when addressing cargo theft. Detecting potential threats before any harm befalls the cargo provides valuable time to strategize and implement preventive measures.

## Data-Driven intelligence:

Tratix's solution acts as an intelligent system, constantly learning and adapting to new threats. The data collected provides actionable insights, allowing fleets to refine security strategies based on real-world scenarios.

## Domain experts:

Tratix's founders bring extensive experience from Israeli intelligence services, while our advisors offer firsthand insights from elite British units and private sector expertise in combating cargo theft.

## Prioritising cargo security

Amidst dynamic criminal tactics, Tratix emerges as a beacon of innovation, with the Tailing Detection System representing more than just a solution – it embodies a steadfast commitment to securing cargo and fortifying supply chains. Adopted by industry leaders, Tratix ensures that cargo receives unparalleled protection.

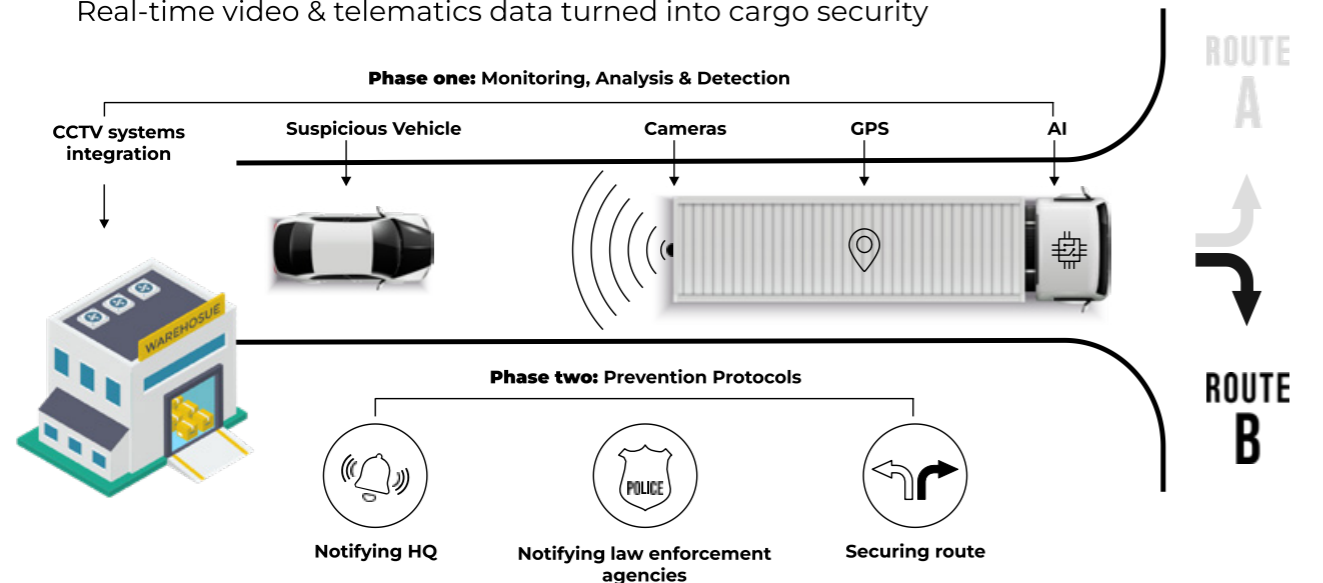
For more information contact: [info@tratix.com](mailto:info@tratix.com)

# TRATIX

Tratix – where prevention meets intelligence.

## Solution Diagram:

Real-time video & telematics data turned into cargo security



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Timely identification and proactive prevention are paramount when addressing cargo theft.”

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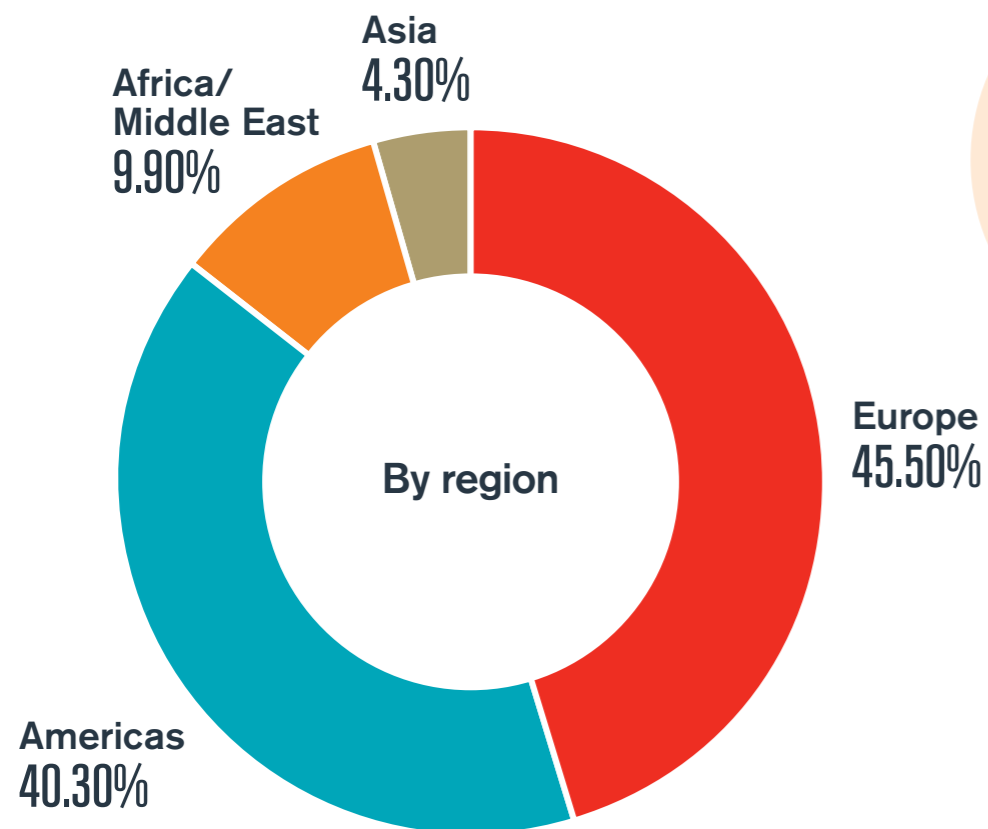
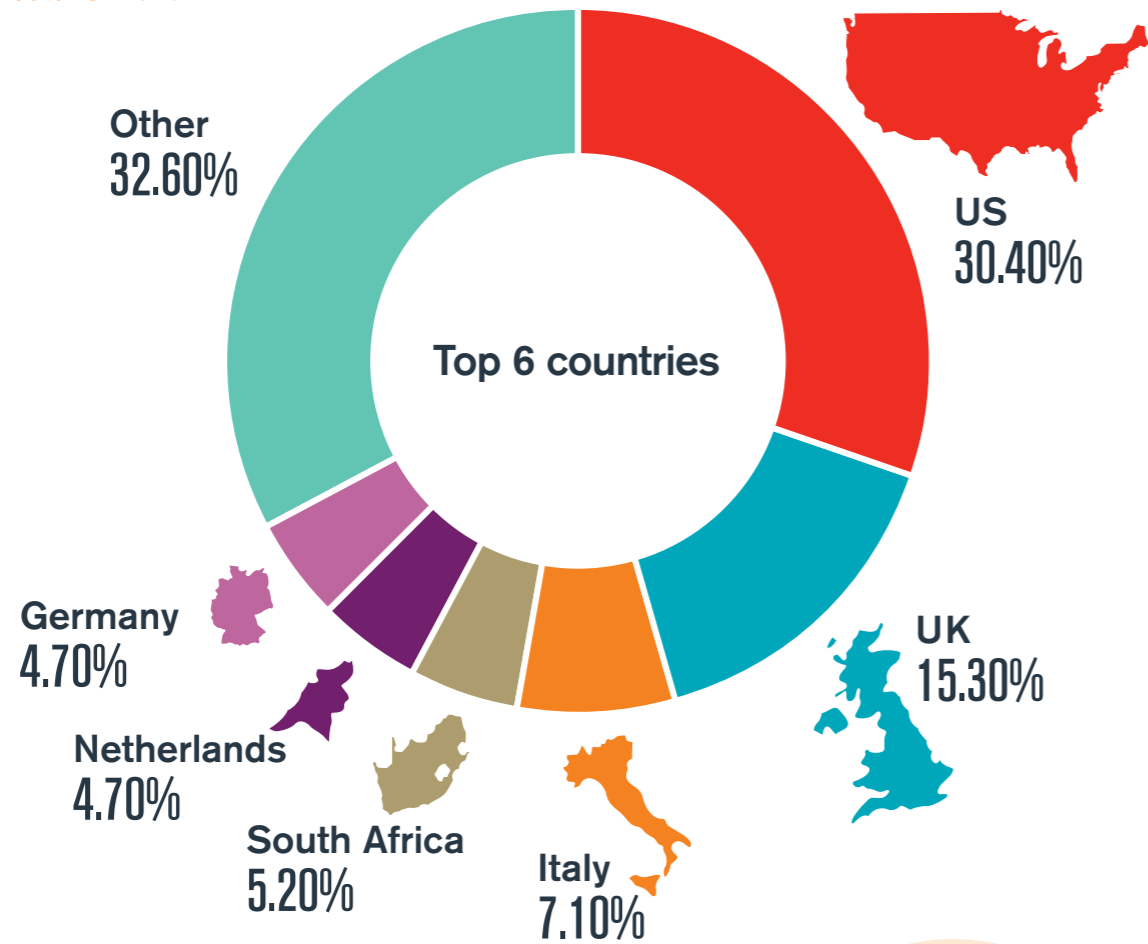


**Sharon Rashty**  
Founder & CEO, Tratix Intelligence

Sharon is a seasoned entrepreneur specialising in early-stage startups. With expertise in tailing detection, counter-surveillance, and criminal behaviour profiling, she drives innovation in security solutions and leverages this experience to safeguard supply chains and protect valuable assets.

# Cargo theft claims analysis 2023

These infographics depict TT Club's global cargo theft claims frequency data for 2023.



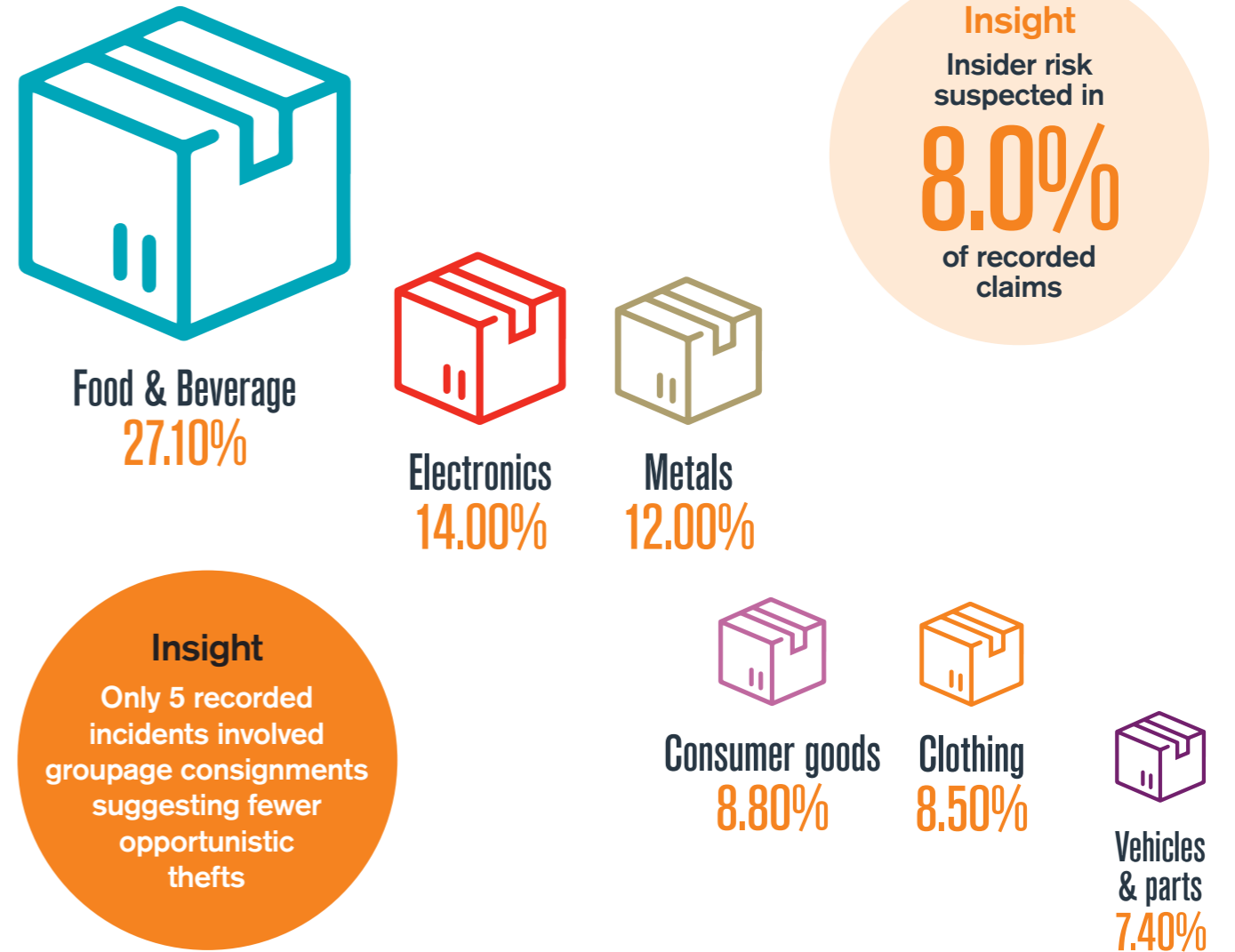
## Mode



## Modus operandi



## Top commodities



# The importance of security culture

Supply chain security is an ongoing concern for all stakeholders in the supply chain. Incidents of theft continue to rise year-on-year. Warehouse operators, terminal operators and the haulage firms that connect them rightly focus on preventing theft through the adoption of new technology, avoiding theft hotspots and, not least, high fences to deter criminals. Equally important in the fight against criminality, however, attention must be paid to the culture of security within which sites and businesses operate. The ways in which employees perceive and respond to incidents of theft is often a defining factor in determining whether an organisation is effective in combatting theft in the supply chain.

## Security culture defined

Defining and influencing the security culture of a site goes beyond fences and CCTV cameras. Although attitudes towards site security may be influenced by physical infrastructure, there are many other influences to consider. Despite having robust fencing and pervasive CCTV coverage, sites that appear neglected may give the impression that no one cares enough to enforce security. Where weeds are allowed to grow unchecked or security doors are allowed to remain propped open, the conditions for theft emerge.

Notably, thefts tend to occur in the forgotten corners of the warehouse or the yard. Poorly enforced standards are similarly a concern for conscientious site managers. In order to encourage a culture of security to flourish, it is first necessary that employees feel a sense of pride and ownership of the site where they work. Employees who are fully invested in their workplace are much more likely to defend it from thieves and others who work to harm the operation. Dark corners may always be present but a vigilant workforce will make it difficult for thieves to take advantage of them.

## Operational standards

The following are operational standards that can have an impact on the culture of a site:

- 1. General housekeeping** – It is difficult for employees to feel a sense of pride in an untidy site. Furthermore, general untidiness creates many opportunities for thieves to cover their tracks as they seek to spirit goods out of the warehouse or yard.
- 2. Inventory control** – Maintaining control of the inventory is of paramount importance. Storage locations that are not managed

correctly, returns that are not processed promptly and poor inventory practices such as failure to adhere to counting practices, all create conditions for theft to occur.

- 3. Incident investigation and response** – The way that a site responds to incidents of theft or missing stock sends a strong message. There can be a temptation to limit the time spent investigating such issues; after all, many go unresolved, even after thorough investigations. However, doing so can send the wrong message to the site.

## Reinforce good behaviour

Encouraging beneficial employee behaviour is as important as eradicating opportunities for theft to occur. Often, employees are on the front line of prevention and it is important to encourage a sense that individual employees can make a big difference. When employees raise concerns, it is important to acknowledge them and to take action.

## Summary

There is a tendency to think of theft in terms of large incidents or the impact to the balance sheet. This view tends to obscure the conditions that make theft possible. It is important that businesses do not neglect small incidents. Often, the same individuals who are involved in small incidents will also be responsible for larger incidents as they grow bolder. By focusing on the small incidents and the way that site standards contribute to the security culture of the site, it may be possible to prevent larger incidents from occurring.

## Further reading

[TT Talk – Developing a safety culture](#)



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**Josh Finch**  
Logistics Risk Manager

Josh is a Logistics Risk Manager for TT Club's Loss Prevention department. Josh joined TT Club in 2023 having 15 years of experience in the logistics industry in various operational and project management roles. He has extensive experience managing warehouses and running road freight transport operations. He is an International CPC qualified Transport Manager.

# Preventing a new type of shipping theft

Since the last edition of the Supply Chain Security Bulletin (Nov 23) on Carrier Fraud, we've seen a continuing rise of thefts involving stolen identities of carriers. In the past, we've seen cases where the actual driver is in on the theft. In a new twist, we are now seeing cases where the drivers "appear" to be innocent parties being directed by a fraudulent dispatcher.

One recent case provides an illustration. A Transport Operator Member in California engaged in cargo brokering, warehousing, transloading and consolidation/deconsolidation of cargo. It did not own any trucks. A customer appointed the Member to transport 15 pallets of laptop computers from one destination in California to another within California (about 165 miles). The Member double brokered the load and Arm Transportation ("Arm") was appointed by the Member to transport the goods. Arm, using open source means, posted the job on a DAT Board (an on-line listing of trucking jobs). An individual claiming to be "Samuel" from the trucking company Rose Logistics ("Rose") contacted Arm to take the job. Arm investigated Rose on-line and found it to be in good standing.

The load was booked. Arm then called Rose to verify that the person who booked the load was a dispatcher at Rose. The Rose employee who answered advised Arm that "Samuel" was the owner of Rose. Nothing further was done by Arm to verify the people it was dealing with in the initial call were from Rose.

Arm advised the Member that the trucking company Rose would complete the shipment. A truck driver claiming he was there for Rose showed up at the Member's warehouse to pick up the cargo. He presented his driver's license and filled out the warehouse load form with the correct load information. The trucker driver departed with the cargo and it was never seen again.

When asked by the police, the trucker claimed that once he obtained the cargo, he had been instructed over the phone to deliver the cargo to a location other than the one listed on the B/L, and he did so claiming total innocence. The location where the trucker delivered the cargo had a history of being used by bad actors for cross-dock operations. It's not altogether clear whether or not the trucker was an innocent actor, but he was not arrested.

The customer claimed against the Member for US\$627k in stolen laptops. Due to contractual terms of the Member's contract with the customer, defense counsel determined the Member was likely liable for the loss. The Member had no contact with Arm, which claimed it was only acting as a broker and could not be held responsible for the loss. Defense counsel determined a recovery could be difficult. Rose claimed it knew nothing about the incident.

## Practical Loss Prevention Guidance

As noted in the Nov. 2023 Bulletin, the ingenuity of thieves should not be underestimated. To supplement the guidance given in that Bulletin, the Club recommends that Transport Operator Members take the following steps when brokering a load:

1. Never double broker a load – if you do, you lose all control regarding who the appointed trucker may be
2. Never broker a load without a contract creating contractual liability for the trucker
3. By contract, absolutely forbid the trucker from brokering the load itself
4. Do not rely on open source trucking databases for information
5. Verify open source information by using google and using background check information
6. Verify the age of phone numbers, IP addresses of incoming emails, avoid working with truckers who use "yahoo" or "gmail" addresses
7. Check to make sure the trucker has insurance with NO COVERAGE EXCLUSIONS for the types of moves you are doing (high value electronics, refrigerated products, and that driver must be listed on policy)
8. Ask for the actual insurance policy of the trucker to review it for coverage exclusions
9. Be suspicious of insurance entering into force shortly before the job
10. Include language on the Bill of Lading that there should be no deviation from the listed destination absent written confirmation from the broker (Member)
11. To be safe, do not list the commodity on the DAT Board

Preventing cargo theft is an ongoing struggle, but with strong contracts and due diligence, Members can certainly reduce the number of theft incidents and improve their loss records.



**Markus McMillin**  
VP & Senior Claims Executive  
Thomas Miller

Markus has a Juris Doctorate from the University of San Francisco and is licensed to practice law in both California and Hawaii. He litigated at two maritime law firms in San Francisco before starting at Thomas Miller's San Francisco office in 2006. Markus specializes in U.S. based high value maritime, personal injury and cargo damage cases.

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# Safer Parking extends to truck stops and lorry parks with the launch of Park Mark® Freight

**Park Mark® Freight is a new and comprehensive assessment managed by Police Crime Prevention Initiatives and the British Parking Association that seeks to enhance the highest quality of today's lorry parks and facilities in services and operations.**

Park Mark® Freight builds upon the Safer Parking Scheme's Park Mark® Award by introducing essential criteria. The Park Mark® is primarily aimed at the prevention of criminal behaviour within the parking environment and requires owners/operators to adopt an active management strategy to ensure that there is minimal occurrence of crime. The freight industry experiences a high volume of cargo theft and the main Safer Parking Scheme Assessment Guidelines do not explicitly cover this type of business – until now!




Facilities awarded the Park Mark® Freight award are subject to an annual in-person assessment, by both Police Designing Out Crime Officers and the BPA Audit team to ensure the high standards required by the award are maintained. To be granted Park Mark® Freight, a parking facility must demonstrate a wide range of responsibilities, which includes low crime, measures in place to enhance the safety of people and vehicles, good facilities management and operations, and exemplary customer service.

Park Mark® Freight is the only Police supported standard of its kind in the world. Both Police CPI and the BPA are not-for-profit organisations which enables the Safer Parking Scheme to be delivered at an attainable price point. Further, the advice of the BPA Audit Team and DOCO's is free and the benchmarks set by the scheme are especially helpful during the planning application process.

Sara Fisher, Head of Operations and Business Development said, "There is an increased expectation for efficient, well managed and high quality lorry parks and truck stops in order to combat vehicle and cargo crime. We are delighted to launch Park Mark® Freight with Police Crime Prevention Initiatives and look forward to awarding the Park Mark® to facilities that can demonstrate the highest standards across their facilities management."

**BPA** BRITISH PARKING ASSOCIATION  
 For more information visit [www.britishparking.co.uk/park-mark-freight](http://www.britishparking.co.uk/park-mark-freight)

To find Park Mark awarded car parks visit [www.parkmark.co.uk](http://www.parkmark.co.uk)



**Sara Fisher**  
 Head of Operations and Business Development  
 British Parking Association  
[Sara Fisher | LinkedIn](#)



“ There is an increased expectation for efficient, well managed and high quality lorry parks and truck stops in order to combat vehicle and cargo crime. ”





## The complete freight crime solution

The Motorwaybuddy system is a suite of products recognised by UK trade organisations as the go-to truck-stop locator for the UK and European driver.

An application that has evolved from truckstop locator to complete freight crime solution, Motorwaybuddy takes cleansed data from UK police forces to assist UK and European hauliers remain vigilant and make educated decisions when considering their overnight parking.



# Help prevent cargo crime

**TT**  
 Discounts  
 for TT Club  
 Members

## NaVCIS Freight | Membership

**NaVCIS Freight members receive:**

- 26 fortnightly bulletins
- 12 monthly reports
- Four quarterly reports
- Our annual freight crime bulletin

**Annual fees\* based on size of your organisation:**

- Small business £700
- Medium business £2,500
- Large business £4,500

\*Size of organisation determined according to published annual revenue. Fees correct as of September 2021. NaVCIS hopes to reduce the cost of fees in the future, as membership numbers increase.

For further details, contact us: [freight@navcis.pnn.police.uk](mailto:freight@navcis.pnn.police.uk) | 07388 859423

NATIONAL VEHICLE CRIME  
INTELLIGENCE SERVICE

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