

Cargo theft remains a persistent exposure for the Canadian trucking industry and the broader supply chain. Industry data indicates that theft activity continues to represent a significant financial concern, with hundreds of millions of dollars in cargo and equipment losses reported in recent years. As supply chains become more complex, the nature of cargo theft continues to evolve, requiring carriers to remain aware of how these exposures may present within their operations.

This guide is intended to provide a high-level overview of cargo theft and outline practical considerations to help carriers better understand and manage their exposure.

Did you know?

Despite being concentrated within a much smaller geographic footprint, cargo theft volumes in the Greater Toronto Area (GTA) rival those seen across entire states, including Texas, California, and Illinois. As a result, the GTA consistently ranks among the highest-risk cargo theft regions in North America. Other high-risk cargo theft regions within Canada include Montreal, Calgary, Edmonton, and Vancouver.

Understanding the Risk

For carriers, cargo theft exposure is directly tied to how shipments are managed, transferred, and controlled throughout the transportation process. This exposure exists regardless of cargo ownership, as control over transportation and delivery creates responsibility for the security of the shipment. As a result, theft events can impact operations in several ways, including:

- **Financial loss:** Potential liability for stolen cargo, along with deductibles, increased insurance costs, and other related expenses.
- **Operational disruption:** Delays in delivery, re-routing challenges, and increased operational effort to manage and respond to the event.
- **Reputational impact:** Service failures and repeated incidents can erode trust, impacting future business opportunities and carrier relationships.

Cargo Theft Methods

Cargo theft impacting carriers can generally be grouped into two categories: straight theft and strategic theft.

Straight theft: Involves the unauthorized taking of cargo from trailers, yards, or parked vehicles. These events are typically associated with unattended equipment and unsecured locations, such as truck stops and terminals where loaded trailers may be left unattended.

Strategic theft: Involves the improper release of cargo through misrepresentation rather than force. This may include fraudulent pickups, identity misrepresentation, or altered shipment information, where loads are transferred to unauthorized parties.

While straight theft remains common, industry trends indicate a shift toward strategic theft, where losses are increasingly driven by breakdowns in process and verification. The use of software, digital tools, and artificial intelligence has further enabled these schemes by allowing shipment information to be analyzed, documentation to be replicated, and processes to be automated.

FAQ: What commodities are being targeted?

Loads are often targeted in advance based on resale value, market demand, and ease of distribution. Modern-day targets include:

- Food and beverage products
- Household goods
- Vehicle components and accessories
- Cryptocurrency mining hardware
- Pharmaceuticals
- Metals

Risk Mitigation Strategies

Reducing cargo theft exposure requires a combination of practical controls, consistent procedures, and effective use of available technology. These measures are most effective when applied consistently across dispatch, drivers, and day-to-day operations.

- **Enhance employee training:** Drivers and dispatch personnel should be trained to recognize irregular instructions, identify higher-risk situations, and follow established verification procedures. Training should reinforce when to stop, confirm details, and escalate concerns. In addition, there should be a clear directive that drivers never discuss shipment details, including cargo contents and origins or destinations, unless operationally required.
- **Implement secure parking strategies:** Drivers should use known, well-lit, and secure parking locations whenever possible. Loaded equipment should not be left unattended for extended periods, particularly at unsecured locations such as open yards or roadside parking areas.
- **Invest in advanced security devices:** Carriers should implement layered cargo securement measures that combine physical locks, seals, IOT devices, and geo-enabled monitoring to deter theft and maintain visibility over shipments. These controls are most effective when used together and supported by consistent verification practices.
- **Strengthen cybersecurity measures:** Systems used for dispatch, communication, and load management should be protected against unauthorized access. This may include secure login practices, multi-factor authentication, and employee awareness of phishing or fraudulent communication that could lead to shipment misdirection.
- **Establish strong communication channels:** Clear and consistent communication between dispatch and drivers is important throughout the shipment. Procedures should be in place to verify any changes to routing, delivery location, or contact information using known and trusted sources.
- **Develop incident response and reporting practices:** Carriers should have defined procedures for responding to suspected theft or irregular activity, including internal escalation, communication protocols, and timely reporting to appropriate parties.
- **Conduct background checks and exercise caution:** Carriers should apply appropriate due diligence when hiring drivers or working with third parties. This may include background checks, verification of credentials, and maintaining awareness of potential red flags in day-to-day operations.

A layered approach across these areas is generally the most effective, as no single measure addresses all forms of cargo theft.

Cargo security devices explained

The following tools are widely used across the trucking industry to deter, detect, and respond to cargo theft incidents:

- **High-security padlocks:** Heavy-duty (boron-alloy) locks designed to resist cutting and forced entry on trailer doors
- **Tamper-evident tape:** Provides a visible indication if a trailer or package has been opened
- **Mobile-enabled smart seals:** Digitally track seal status and alert when tampering occurs
- **Cellular-embedded door sensors:** Trigger real-time alerts when trailer doors are opened unexpectedly
- **Air-cuff and landing gear locks:** Immobilize trailers to prevent unauthorized movement or drop-and-hook theft
- **Alarmed trailer locks:** Emit audible alerts when unauthorized access is attempted
- **GPS trackers:** Enable continuous location tracking and recovery of stolen equipment
- **Geofencing/route deviation alerts:** Notify when equipment deviates from planned routes or enters high-risk areas

In Summary

Cargo theft continues to present a significant and evolving exposure across the Canadian transportation industry, requiring carriers to adapt to increasingly sophisticated methods. While the risk is real, the tools and practices needed to manage it are readily available. By maintaining strong operational control, consistently verifying shipment activity, and applying layered security measures, carriers can meaningfully reduce their exposure and enhance the resiliency of their operations.

References

Commercial Vehicle Safety Alliance | North American Cargo Theft

https://cvsa.org/wp-content/uploads/Guardian_Vol32_Issue2-Final.pdf

Schneider National | Cargo theft prevention guide: 6 essential security tactics

<https://schneider.com/resources/best-practices/cargo-theft-prevention-guide>

Équité Association | Tips to Help Prevent Cargo Theft

<https://www.equiteassociation.com/resources/tips-to-help-prevent-cargo-theft>

Federal Bureau of Investigation | Cargo Theft

<https://www.fbi.gov/investigate/transnational-organized-crime/cargo-theft>

trucknews.com | Cargo theft surges in Canada, U.S., with more than 13,500 incidents recorded in 2024

<https://www.trucknews.com/transportation/cargo-theft-surges-in-canada-u-s-over-13500-incidents-recorded-in-2024/1003194327/>

Financial Post | 'Wild West out there': Cargo theft reports soar in Canada, but that's just the tip of the iceberg

<https://financialpost.com/news/cargo-theft-reports-soar-in-canada>

echeloninsurance.ca

Page 3 of 3

Copyright © 2026 Echelon Insurance. All rights reserved. This document is provided by Echelon Insurance to assist carriers in identifying conditions that may lead to liability and property risk exposure as a result of cargo theft and taking proactive steps to respond to and mitigate these risks. While we believe this document is comprehensive, it is provided "as is" and we do not guarantee it is complete. All responsibility and risk relating to specific incidents, including use of this document, are assumed by the commercial enterprise.

™ Trademark of Echelon Insurance. ® Registered trademark of Echelon Insurance.

