

Protecting freight from strategic theft

We're serious as a heart attack

Leveraging psychological manipulation, stealing identities, and spoofing trusted contacts, crime syndicates boosted 1,475% more freight in Q4 2024 using strategic theft methods than they did in Q1 2022, according to CargoNet. While CargoNet analysts recently reported modest declines in theft activity for Q1 2025, we must all stay on high alert. Theft remains elevated and, once a load is stolen, recovery rates are shockingly low.

It's why we continuously scan the horizon for new threats, like the potential to <u>massively scale theft</u> <u>using generative AI</u>. Likewise, it's why we regularly review our cargo theft prevention strategy, adopting new tools and protocols as even more sophisticated opportunities emerge. Most recently, this meant **investing in Highway—the industry's gold standard carrier identity platform.**

Your Highway-powered security enhancements

From the beginning, the security of your freight has been paramount to us. How will our latest investment help safeguard your valuable freight?

Tapping a trusted carrier pool

Highway prevents carriers, who haven't passed the verification process, from being added to our system. It also gives us access to carriers who've successfully been vetted by other 3PLs.

Empowering fraud prevention

Highway delivers automated identity and location-based anti-fraud alerts, empowering us to make even smarter decisions with real-time intelligence.

Confirming carrier identities

Highway instantly confirms the people our team interacts with are who they say they are—matching both the Motor Carrier Identification Report (MCS) and emails registered by the motor carrier.

Protecting against risk exposure

Highway's automated Certificate of Insurance (COI) carrier compliance feature eliminates the potential for human error and ensures your load is covered.

Finding carriers in your lanes

With streamlined reporting by lane—all supported by rich data, like inspection history—Highway enables us to rapidly identify trusted carriers familiar with your routes and positioned to move your expedited loads at the drop of a hat.

Our robust cargo theft prevention strategy

Our SOP defines our deep carrier vetting procedures and theft prevention protocols. This ensures our carrier reps have clarity on what to look for in new partners, and our carriers have a clear understanding of our expectations. This includes:

- Assessing loads for heightened theft risk potential
- Verifying the carrier's identity
- Confirming the contact emails that we receive match the carrier's domain
- Ensuring the driver listed for the load is also listed on the cargo insurance
- Adding contingent cargo insurance on top of our existing coverage to protect against risk exposure for high-value loads

The far-reaching impact of cargo theft

We take this seriously. We know that if your business becomes the victim of a theft, the damage will extend far beyond the replacement cost of your stolen freight. Without highly capable partners, you and your customers could also experience:

- Dramatic supply chain disruption
- Damage to your business reputation
- Limited-to-no recovery for the loss when unexpected insurance exclusions come into play

Boost your theft prevention strategies from good to great

In our conversations with shippers, we're seeing good work being done—though there are always ways to improve. Here are the opportunities we see and share most often:

- Carefully review your data security measures, ensuring you're using advanced data security solutions and regularly updating and patching systems and applications
- Regularly deliver data security training to your team so they can generate secure passwords, spot phishing attacks, and use VPNs and password managers
- Ensure you and your warehouse workers are clear on which carrier will be arriving at your location and make sure the driver and rig that show up align
- Capture rich information from the driver who walks through your door—name, contact information, and a photo of their driver's license
- Take photos of the truck and trailer that pulls up to your dock, including plate and MC numbers
- Develop deep relationships with your freight industry partners—in this environment, trust and transparent communication are key to keeping your freight safe

Looking for a logistics partner that takes your cargo security seriously?

T. 586.842.3670 **F.** 810.824.4751 **E.** operations@mcclays.com **mcclays.com**

Reach out. We're here to help.