



Possible Increase of Cargo Thefts at Port of Long Beach and LA during June and July 2014

The nearly two-week shutdown of west coast ports amid labor disputes in 2002 cost the U.S. economy billions of dollars each day and forced some major international companies on the west coast to shut down early after running out of parts. Labor contracts for workers on the west coast are set to expire soon. In response, some retailers are moving more goods into the U.S. to hedge against the possibility of port disruptions and delays. This increase in shipments to west coast ports, particularly the Port of Long Beach and Los Angeles could lead to an increase in thefts from trucks parked at warehouses and storage depots as well as more fictitious pickups.

As retailers increase the amount of goods being sent to Long Beach and Los Angeles, warehouses and depots that store products off-site will be forced to stockpile more goods during off-peak times (when goods are not being moved as quickly) to make up for any shortages that occur when (and if) ports close. If processing time and storage space is limited at these facilities due to the off-season time and lack of demand, warehouses will likely resort to storing goods in trailers within yards that may not be secured. Cargo gangs already active in the area could take advantage of this storage predicament by breaking into trailers and warehouses or stealing entire trailers that are full of goods.

Similarly, as more goods arrive at warehouses just outside ports, there will be a need to move these products to distribution centers across the state and country to make room for incoming goods. Shipping companies and freight forwarders tasked with filling shipments post the details of these shipments on job boards, which are often scanned by criminal groups. An increase in postings could attract more criminal groups looking to take advantage of the increased volume by staging fictitious pickups. Warehouse personnel would be less likely to ask questions of new faces and companies making pickups. The priority during this time will be speed in processing and not necessarily security.

If shipping companies and port workers cannot reach an agreement and there is a work stoppage, all shipments to west coast ports will be impacted. Retailers that increased imports to ports in the months prior to the stoppage will have stockpiled goods that they can draw from, which decreases the potential number of delays due to businesses running out of supplies. If a new labor agreement is reached and shipments to west coast ports continue as usual, no interruptions will take place. In either scenario there will be a backlog or surplus of goods at warehouse facilities. This surplus coupled with the off-peak times could lead to improper storage from the increased volume of goods.

Until that backlog is filled and stored goods are distributed, warehouses (and trailers parked at warehouses) around ports will be vulnerable. This could lead to an increase in cargo thefts at west coast ports (particularly Long Beach and LA) during the end of the second quarter of 2014.

Sources

Chris Isidore, “Hope in West Coast port talks”, [CNN Money](#), 3 October 2002.

Douglass John Bowen, “Ports strike threat spurs retail import surge”, [Railway Age](#), 6 June 2014.

No Author, “US retail imports expected to rise 7.5% in June”, [Fibre2Fashion](#), 7 June 2014.

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