



Overview

Organized retail theft has rapidly become one of the most pressing challenges facing retailers, logistics providers, law enforcement, and communities nationwide. Far more sophisticated than isolated shoplifting incidents, these coordinated criminal networks steal large quantities of merchandise and funnel the proceeds into broader illicit activities. As theft rings expand operations across city, state, and country borders, businesses face mounting financial losses, employees and consumers face increased safety risks, and communities grapple with broader economic and social fallout. This Basic examines the scope of organized retail theft, how it differs from traditional shoplifting, its growing impact on businesses and consumers, and the emerging efforts at every level of government to confront this escalating threat.

What is Organized Retail Theft?

Organized retail theft, sometimes known as organized retail crime, is a growing problem for businesses, consumers, and law enforcement. The Federal Bureau of Investigation (FBI) defines organized retail theft as the large-scale theft of retail merchandise intended for resale for financial gain. As the name suggests, these operations are organized, with multiple people employed by a criminal enterprise to steal at all stages in the supply chain. Bad actors involved in organized retail theft aggressively attempt to exploit any possible gaps in the global retail supply chains, including stealing from manufacturers, cargo carriers, warehouses, and retailers. Stolen items are then sold through various channels (online, flea markets, pawn shops, and back to retail), with the proceeds pocketed as profit or used to fund other illicit activities. These transnational organized rings are often involved in other crimes within the community, including money laundering, as well as weapon, drug, and human trafficking.

In contrast, shoplifting, another form of retail theft, is less organized and typically conducted by a single person for personal gain or need. Items stolen in shoplifting are not sold for profit afterward.

Organized retail theft is growing because it is profitable and carries relatively little risk. These criminal networks coordinate thefts across multiple jurisdictions and regions, complicating efforts to track and prevent such activities. Since 2000, at least 37 states have raised felony theft thresholds, allowing criminals to steal larger amounts of merchandise without fear of felony conviction. The groups frequently exploit these legal loopholes, leading to repeat

Center Forward Basics

Center Forward brings together members of Congress, not-for-profits, academic experts, trade associations, corporations and unions to find common ground. Our mission: to give centrist allies the information they need to craft common sense solutions, and provide those allies the support they need to turn those ideas into results.

In order to meet our challenges we need to put aside the partisan bickering that has gridlocked Washington and come together to find common sense solutions.

For more information, please visit www.center-forward.org

Key Statistics:

- Organized retail theft cost stores an average of over [\\$700,000 per \\$1 billion](#) in sales in 2020
- [8 out of 10](#) retailers reported increased incidents of violence and aggression in 2022
- Homeland Security Investigations estimates the average American family will pay more than [\\$500 in additional costs](#) each year due to organized retail crime
- Railroad industry estimates suggest that over [65,000 thefts](#) occurred in 2024. This represents a roughly 40% increase over the prior year.

offenses and significant losses for businesses and consumers.

How does it affect consumers and businesses?

Organized retail theft harms the bottom line for consumers and businesses in various ways. Communities must deal with higher prices and sometimes a heightened risk of violence to consumers and store employees because of organized retail theft. Business owners [increasingly report](#) the use of force or weapons during organized theft. When shopping becomes unsafe, customers don't return to stores, and employees don't want to go to work. Stores often hire external security to protect their customers, employees, and inventory, which adds to costs associated with organized retail theft. The prospect of violence exacerbates the business owner's revenue loss, potentially leading to higher prices or closure.

Retailers experience inventory losses and sales revenue declines. Stolen goods accounted for [\\$121.6 billion](#) of lost revenue in 2023. When businesses lose these sales, they must either raise prices to offset the loss or close entirely, thereby directly affecting consumers. Small businesses often feel these effects more than larger businesses. The closure of stores, along with resulting job losses, loss of state and local taxes, and the creation of food or prescription drug deserts, harms the community around affected stores.

To prevent losses, stores often feel the need to remove products from shelves or lock them behind security barriers. Maintaining these locked-up products adds stress to the employees and customers alike. These cases create unease, making community members feel there is cause for concern. Installation costs and the burden on employees to monitor these cases increase the costs businesses incur to combat organized retail theft.

These measures have real consequences: increased security costs lead to higher prices, a less enjoyable shopping experience, and lost sales.

What are governments doing?

State and local enforcement agencies are primarily responsible for preventing and prosecuting organized retail theft. Retail industry personnel will also initiate and investigate these cases alongside law enforcement. The FBI collaborates with the private sector and federal, state, and local law enforcement partners to identify and advance organized retail theft cases to the federal level.

No current federal law specifically prohibits organized retail crime. However, provisions in the U.S. Code allow federal law enforcement to bring cases against organized retail theft rings, including the transport of stolen property in interstate or foreign commerce and the sale of stolen property that has crossed state lines.

To build more comprehensive cases against these transnational criminal networks, Senator Chuck Grassley (R-IA) and Senator Catherine Cortez Masto (D-NV) reintroduced the bipartisan Combating Organized Retail Crime Act in April 2025 to address organized retail theft. Representatives Dave Joyce (R-OH), Susie Lee (D-NV), David Valadao (R-CA), Dina Titus (D-NV), Michael Baumgartner (R-WA), Brad Schneider (D-IL), Laurel Lee (R-FL), and Lou Correa (D-CA) sponsored corresponding legislation in the House. The legislations would establish a national coordination center combining expertise and resources from federal, state, and local law enforcement agencies and retail industry representatives to build stronger cases to hold these criminal rings accountable. CORCA goes to the heart of the issue by creating coordination to investigate and prosecute these transnational criminal networks, not only for retail crimes but all their illegal activities. Over the years, policymakers have worked with industry to ensure the legislation is robust across all organized retail theft threats, even strengthening the focus on cargo theft to bring the logistics industry into alignment with retail.

As with many other forms of illicit trade, public-private partnerships will be vital to reducing organized retail theft and restoring consumer confidence in the retail experience.

Links to Other Resources

- Association of American Railroads – [Freight Rail & Cargo Theft](#)
- Congressional Research Service – [Criminal Justice Data: Organized Retail Crime](#)
- Federal Bureau of Investigation – [Organized Retail Theft](#)
- International Council of Shopping Centers – [Organized Retail Crime](#)
- National Retail Federation – [Organized Retail Crime](#)
- U.S. Immigration and Customs Enforcement – [Operation Boiling Point](#)
- U.S. Senate Committee on the Judiciary – [Grassley, Cortez Masto Reintroduce Legislation to Combat Organized Retail Theft](#)