

# Organized Retail Crime

## What is Organized Retail Crime?

ORC is theft of substantial quantities of retail merchandise, as well as fraud associated with reselling this merchandise through criminal networks. It differs from shoplifting because it involves highly organized and sophisticated groups and systems. A growing number of these crimes also involve threats of violence. ORC syndicates focus on the theft and resale of high-value branded items that are in demand from shoppers, from luxury items to everyday essentials.

## Why is it important to address ORC?

A total of \$9 billion of retail merchandise was lost to ORC in 2025.<sup>1</sup> U.S. retailers experienced a 9% increase in the value of retail crime loss compared to 12 months prior. A small portion—just 10% of offenders—account for 68% of the total value of stolen merchandise.<sup>2</sup>

## What might happen to my neighborhood store?

Multiple major retailers have publicly cited crime and safety concerns—including coordinated theft—as contributing factors in store closures, reduced operating hours and increased security investments. For example, Target announced the closure of nine stores in 2023, stating that theft and organized retail crime were materially impacting profitability and employee safety.<sup>3</sup> Walgreens, Dollar Tree, Walmart and other national chains have similarly referenced persistent retail theft as part of broader business challenges.<sup>4</sup> Indeed, over a quarter of shoppers (27.6%) reported they would stop buying from a retailer if they felt unsafe in stores.<sup>5</sup>

The threat of store closures should not be taken lightly: they result in a significant loss of jobs, diminished state and local sales taxes, lost property taxes and food/prescription drug deserts. While ORC is seldom the sole driver of closures, it can meaningfully affect store viability in already thin margin locations, particularly in high incident areas.

## Request

**ICSC supports S. 1404/H.R. 2853, the bipartisan Combating Organized Retail Crime Act of 2025 (CORCA), which has more than 200 cosponsors.**

Retailers and property owners have invested billions of dollars<sup>6</sup> in the fight against ORC, but more help is needed. Overly narrow statutory definitions of ORC force prosecutors to minimize the penalties in cases involving sophisticated, multi-layered illicit theft rings. Because ORC networks span retail organizations and jurisdictions, a siloed approach to law enforcement will not work at scale to identify and investigate advanced networks of offenders.

To address this, CORCA would create a federal interagency ORC taskforce, empower prosecutors with the necessary tools to pursue offenders and formalize the success of public-private partnerships at the state and local level. CORCA would also amend the federal criminal code to better address the reality of how ORC enterprises operate.

<sup>1</sup> Appriss Retail, “The 2026 Total Retail Loss Benchmark Report.”

<sup>2</sup> Auror, “2025 Retail Crime Insights Report.”

<sup>3</sup> Thomson Reuters, “How Retailers Can Protect Themselves Against Organized Retail Crime.”

<sup>4</sup> Congressional Testimony of Summer Stephan, Chair, National District Attorneys Association, 12-17-25.

<sup>5</sup> Appriss Retail, “The 2026 Total Retail Loss Benchmark Report.”

<sup>6</sup> CBS News, “Outsmarting Shoplifters,” 4-16-23.

## The Impact of Store Closures

When stores start closing due to rising ORC and/or retail crime, the effects are loss of jobs, loss of state and local sales tax, loss of property taxes and a blight on the community.

As an example, ICSC estimates that a single grocery store can create \$2.4 million in annual state and local sales tax and average 133 jobs; a general merchandise store can yield approximately \$5.2 million and average 188 jobs; a single drugstore can generate nearly \$1.2 million and average 27 jobs; and a single apparel store \$423,000 and average 32 jobs.

If store closings increase, sales tax and job losses can quickly multiply.