

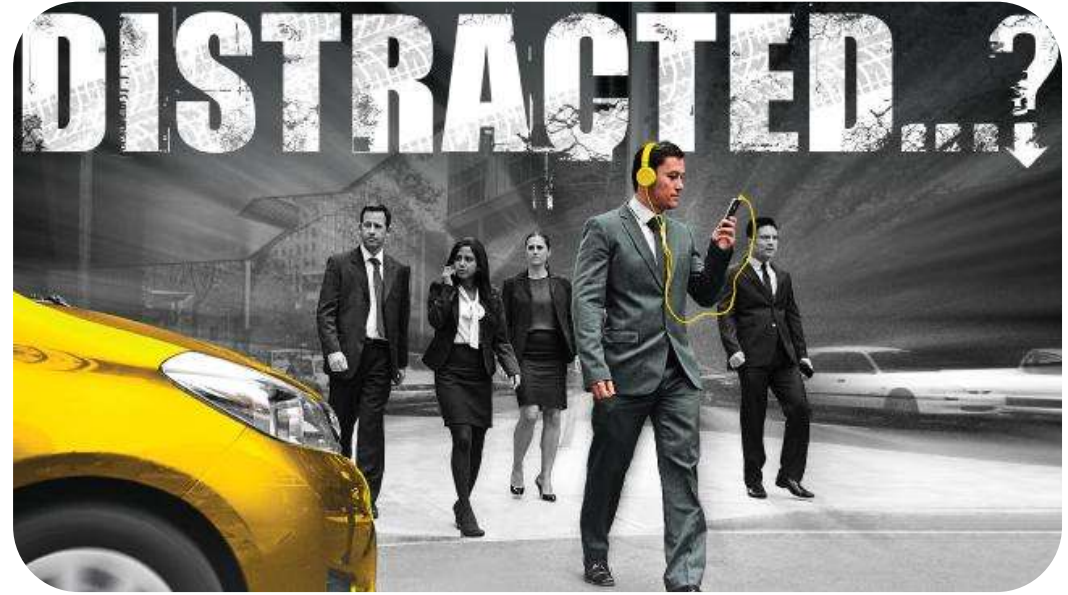


Turn the Corner on Auto Claims

Jim Berriatua | November 2019



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Double Dip Danger

Fleet Safety Scorecard

(Points)	(Yes/No)	(Risk Management Action)
_____	[]	Car Allowance vs. Co. Owned Vehicles
_____	[]	Written Policy Who can drive, when, where, Discipline
_____	[]	24/7 MVR Checks
_____	[]	Dash Cams Front - 180 *
_____	[]	Telematics w/Policy and Managed well
_____	[]	No Cell Phone while driving policy
_____	[]	Driver Education
_____	[]	Collision-Avoidance System: Safe following warnings Lane Departure warnings
_____	[]	Other? _____
_____		Total Points

Your #1 Fleet Safety Goal for 2020?

Protect
Company

Reduce
Cost

Protect
Employees

Your #1 Fleet Safety Goal
for 2020?

Protect
Employees

Protect
Company

Reduce
Cost



DESILVA GATES
SHANE J. GATES

MICHELIN

DESILVA

DESILVA GATES
CONSTRUCTION

DESILVA GATES
CONSTRUCTION

LIC# 704195A

Forward Collision Warning - Ding-Ding-Ding?



Following too close? Ding?

CAV constantly monitors the distance, in seconds, to the vehicle ahead.
Alert sounds off if distance becomes unsafe.



Multiple Dings Before An Imminent Collision With: Pedestrian Or Cyclist



Lane Departure Warning: Ding – Ding – Ding!



Stops run-off-road crashes.
Stops veering into other lane without
signaling crashes.

C.A.S. - *Collision-Avoidance System*

- Installation
- Warranty
- Length of use
- Leased Vehicles also?



R.O.I. - *Collision-Avoidance System* “reduce or eliminate”

- Major Losses
- Employee Injuries
- Injuries to Peds/Bicyclists
- Large Deductible payments
- Future Insurance Cost



R.O.I. - *Collision-Avoidance System*

- Employee Safety, Will Prevent Accidents
- Cost = \$700 - \$900/vehicle (installed)
- Cost/yr for 5 yrs = \$140 - \$180/veh.



How can we protect Employees?



What Is An Effective Way To Change Driver Behavior?

Fleet FAQ? Fleet Management & Leasing

A combination of:

- **Education**
- **Data monitoring**
- **Driver accountability**

Is this the answer?

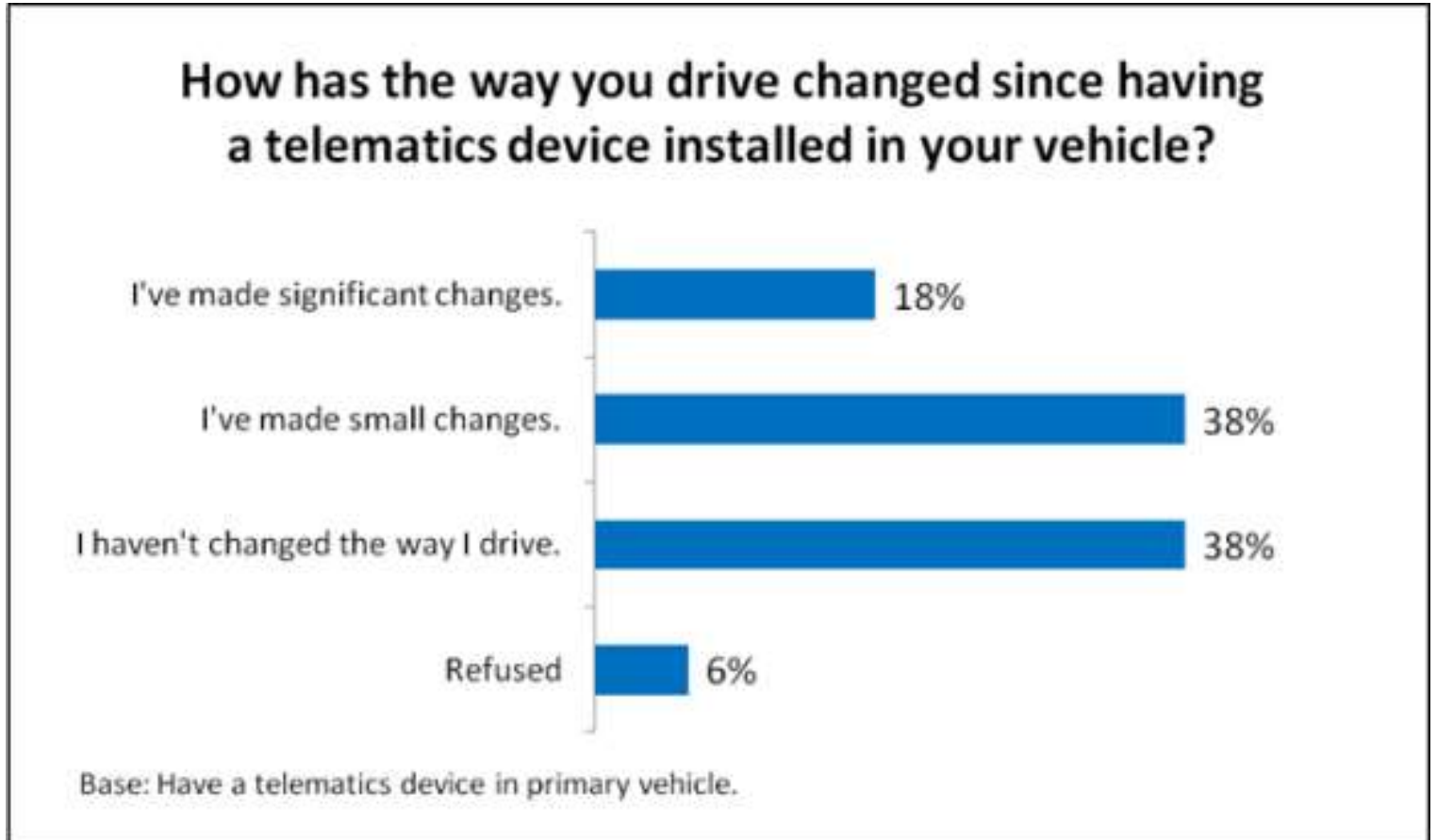
Poor driving behavior.
Can it be changed?

YES!



Telematics Changing Drivers' Behavior

Insurance Research



Source: Insurance Research Council (IRC)

(Nov 2015 – 1,135 drivers – Insurance Research Council)

But What Will Change Drivers' Behavior?



Pavlov's Dogs



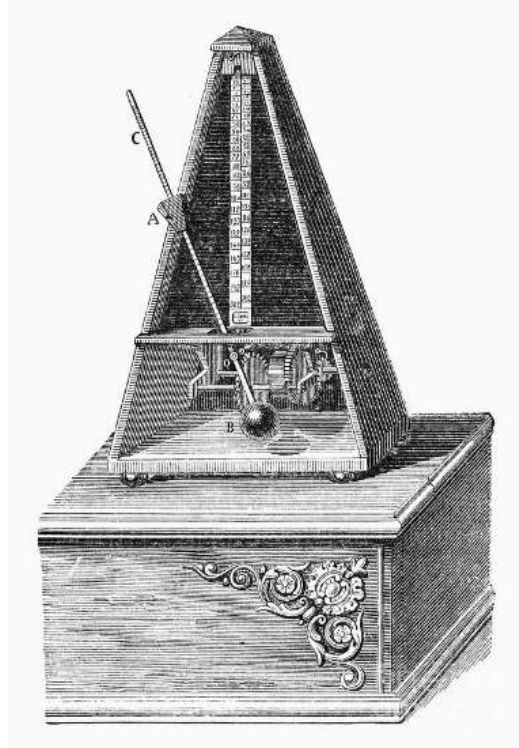
Ivan Pavlov – 1902

Testing Salivation of Dogs when he accidentally discovered:

Conditioned responses

- Dogs would 'salivate' when they saw the white lab coats coming.
- Dogs knew food was on the way.

Pavlov's Dogs – next step



Next :

He used a Metronome.

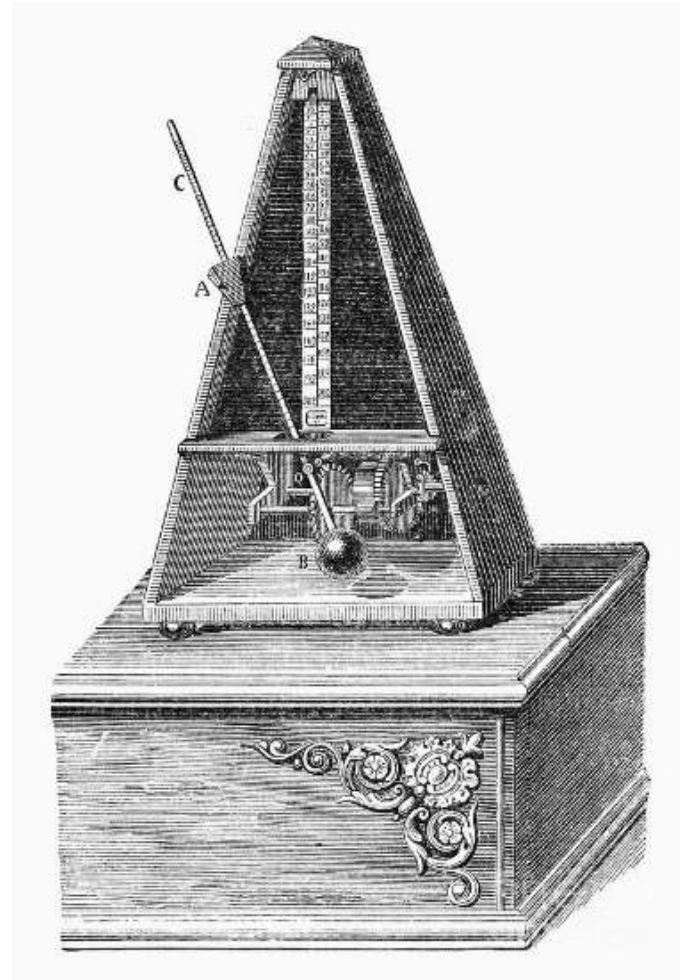
The sound alerted the Dogs that food was on the way.

This **sound** caused instant salivation.

Can Humans Be Conditioned To Drive More Safely?

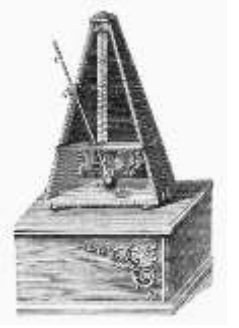


What Will Change Drivers' Behavior?



What Will Change Drivers' Behavior?

ANSWER: Constant reminders every time they drive.
Conditioning.





Real-world benefits of crash avoidance technologies

IIHS and HLDI study the effects of crash avoidance features by comparing rates of police-reported crashes and insurance claims for vehicles with and without the technologies. (June 2019)



Forward collision warning

- ↓ 27% Front-to-rear crashes
- ↓ 20% Front-to-rear crashes with injuries
- ↓ 9% Claim rates for damage to other vehicles
- ↓ 16% Claim rates for injuries to people in other vehicles

Forward collision warning plus autobrake

- ↓ 50% Front-to-rear crashes
- ↓ 56% Front-to-rear crashes with injuries
- ↓ 13% Claim rates for damage to other vehicles
- ↓ 23% Claim rates for injuries to people in other vehicles

Fleet Safety Recommendations

When you give
your
employees the
keys to your
vehicles...



<u>Employer Options for Pick-ups & Autos</u>				
	<u>Owned by:</u>	<u>Insured by:</u>	<u>Use:</u>	<u>Paid to Employee:</u>
1	Company	Company	24/7	-
2	Company	Company	Work Only	-

Employer Options for Pick-ups & Autos

	<u><i>Owned by:</i></u>	<u><i>Insured by:</i></u>	<u><i>Use:</i></u>	<u><i>Paid to Employee:</i></u>
1	<i>Company</i>	<i>Company</i>	<i>24/7</i>	-
2	<i>Company</i>	<i>Company</i>	<i>Work Only</i>	-
3	<i>Employee</i>	<i>Company</i>	<i>24/7</i>	<i>Car Allowance</i>
4	<i>Employee</i>	<i>Employee/Co.</i>	<i>24/7</i>	<i>Car Allowance</i>

24/7 “MVR Monitoring”

- License Suspensions
- Serious Driving Citations
- And more...

Companies:

- *Samba*
 - *Embarksafety*
 - *Go Foley Services*
- 
- A blue decorative triangle pointing upwards, located in the bottom right corner of the slide.

Case Study: CAV System

Ambu-Trans experiments with CAV in NY

- 35-50 crashes/yr.
- \$1M/yr. in losses

Pilot w/CAV in their personal vehicles, then entire fleet.

The results were dramatic:

- 5-6 crashes/yr.
- Drastic reduction from \$1M/yr. in losses
- Lower resulting insurance rates



Michigan Governor, Gretchen Whitmer, Adds Collision Avoidance Tech to State Vehicles.

Nov,2019



- Are car safety features too distracting to drivers?
- Do the safety features outweigh the annoyance?
- Will some drivers rely too much on safety features?



- Are car safety features too distracting to drivers?
Only if they are driving poorly.



- Do the safety features outweigh the annoyance?
Yes.





- Will some drivers rely too much on safety features?
Poor driving will “remind” them not to rely on features.

Distractions



Attentional disengagement





The leading cause of car accidents in U.S.A?



The most “common” causes of car accidents in U.S.A?

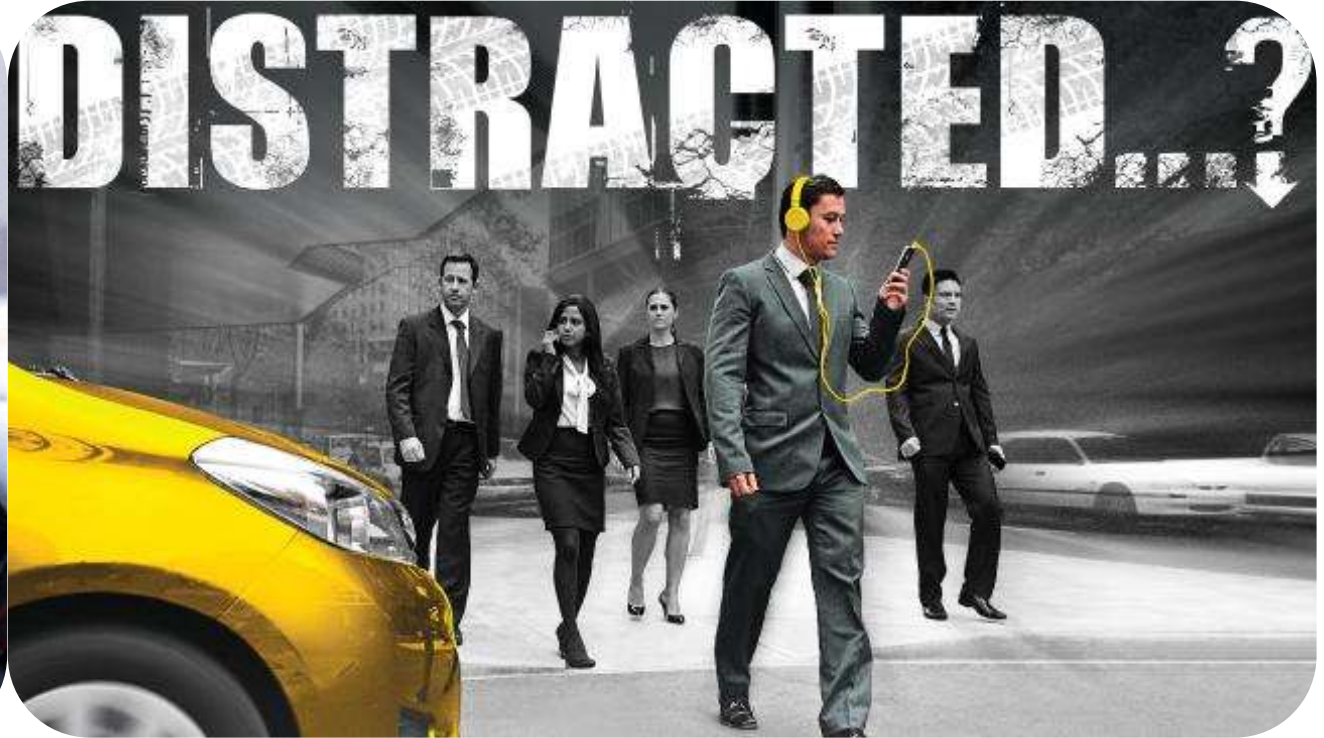




Joel
Feldman

U.S.A. in 2020?

Double Dip Danger



Cell phone use “while driving a vehicle”

Hand-Held vs. Hands-Free







June 2013: “Hands-Free is not risk Free.”



July 2016: “Brain fails to recognize all of the hazards on the road ahead.”

Using Hands-Free Devices While Driving Not So Risky

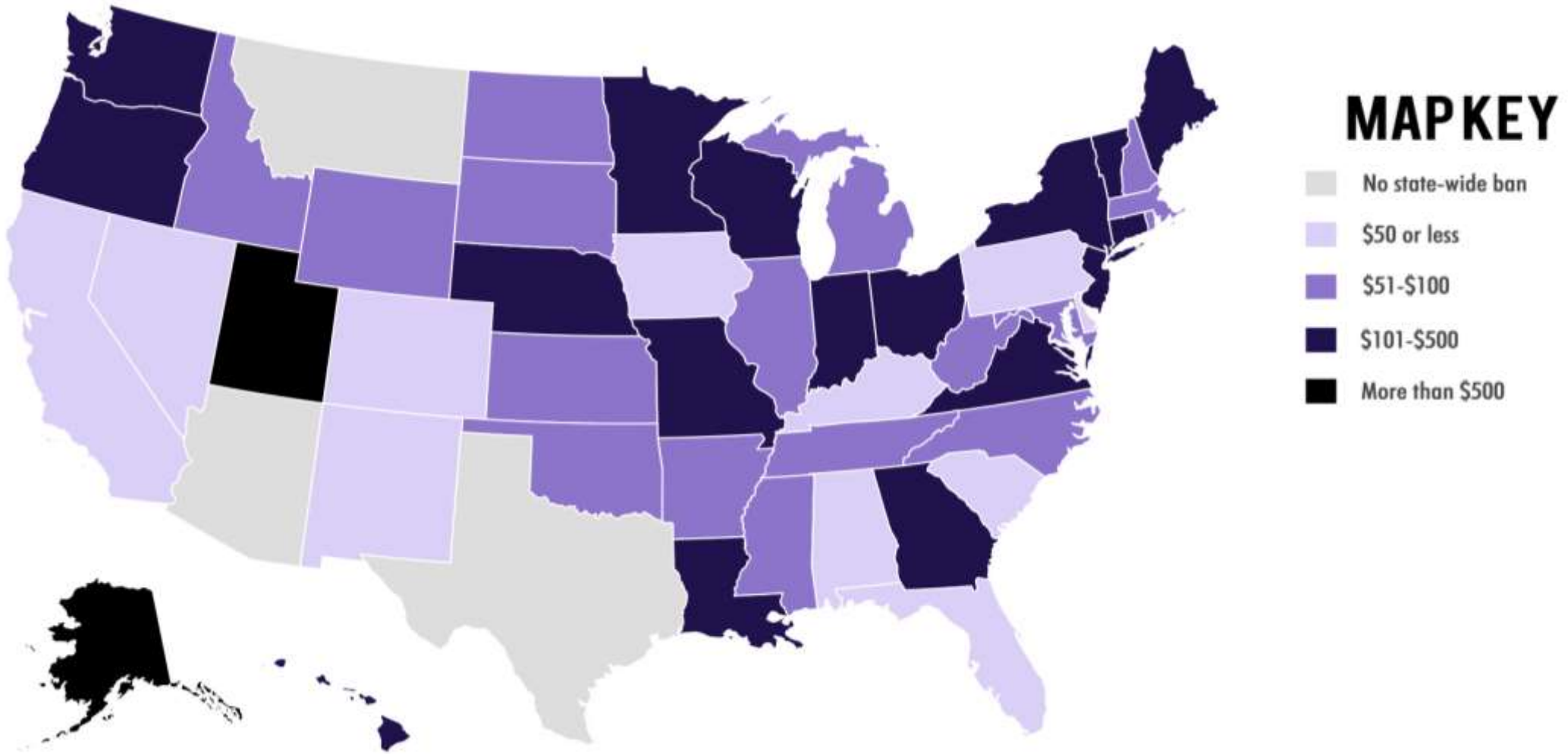


**INSURANCE
JOURNAL**

Handheld cell phone use banned in 20 states

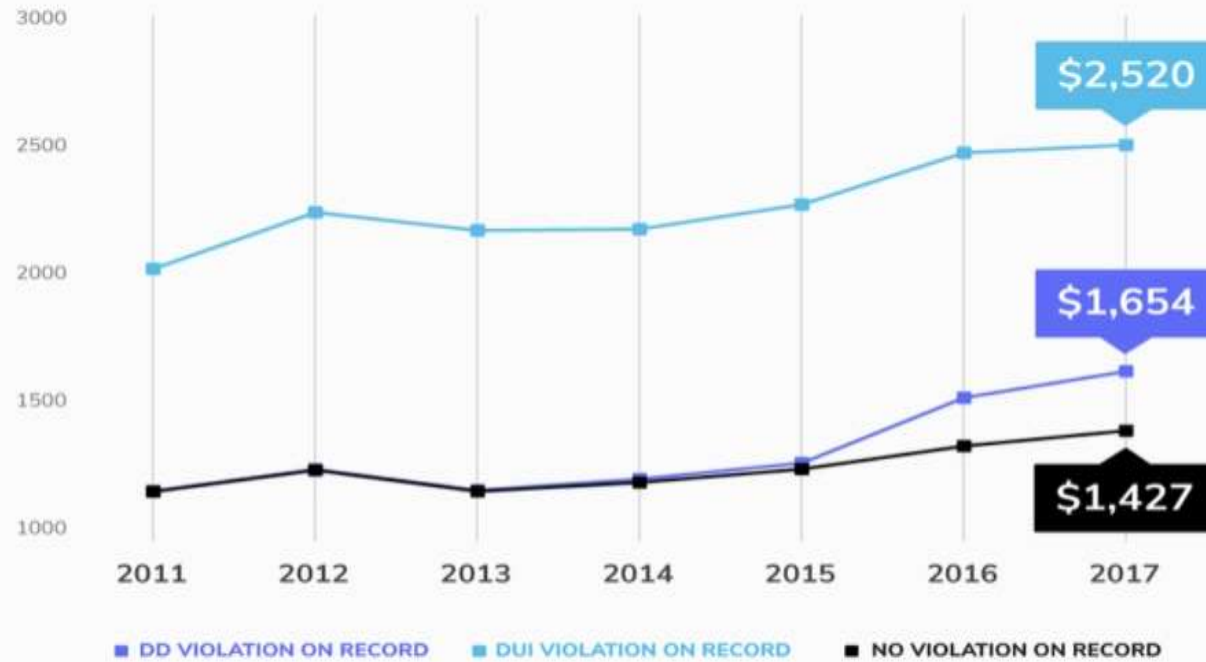


Maximum fines for first-time offenders





Car Insurance Premiums by Year



DID YOU KNOW?

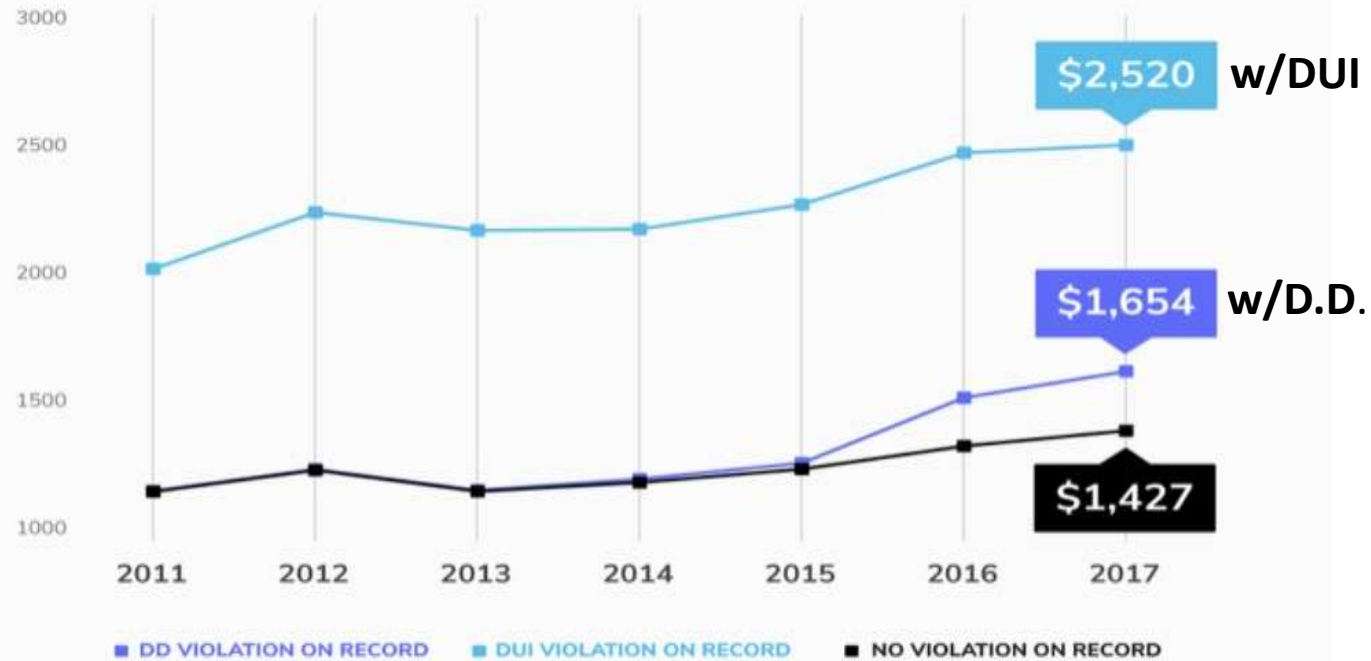


Your insurance rate will be affected by a distracted driving or DUI violation for **3 years**

*10 years for a DUI in California



Car Insurance Premiums by Year



+\$227/yr.

DID YOU KNOW?



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USA auto safety

Canada, Australia, UK, Europe auto safety

USA auto safety

DUI = .08

Canada, Australia, UK, Europe auto safety

DUI = .05 (.00 for Bus/Taxi Drivers)

USA auto safety

DUI = .08

Seat belts in rear seats of vehicles

“Not Required”

Canada, Australia, UK, Europe auto safety

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Canada uses speed cams

USA auto safety

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Canada, Australia, UK, Europe auto safety

DUI = .05 (.00 for Bus/Taxi Drivers)

“Required”

Canada uses speed cams

**Black box used frequently by insurers
(UK/Europe)**

Our Future - Standardization?

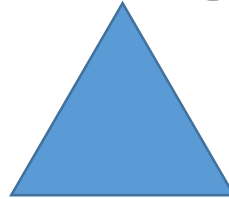
**20 Automakers
(99% of U.S. light vehicle sales):**

- **CAS will be standard by 2022.**
- 
- A blue decorative triangle is located in the bottom right corner of the slide, pointing upwards and to the left.



Telematics = Records Driver Behavior

Coll – Avoid = Changes Driver Behavior
CAS





CERTIFIED FREIGHT LOGISTICS

**Real-time Alerts
Make the Difference**

**“I recommend this to
increase drivers’ safety
on the road. “**

***Scott Cramer, Pres. CFL
150 Tractor Fleet***



"Being a transport company that travels into some of the heaviest traffic areas in the Northeastern United states, CAS has helped us to reduce incidents on the road and maintain a high safety rating with our insurance.."

-Jimmy Pardo Vice-President & Founder, [P&B Transport](#)



High-Tech Collision Warnings No Matter How Smart Your Car Is

- 22 vehicles: owned by Institute Employees
- Added “collision avoidance” system



Reactions (after 1 month):

- Helpful
- Eye-opener
- Safer
- Improved my driving

The Insurance Institute for Highway Safety
(funded by the Insurance Industry)

How Urgent Is All This?



The New York Times

[David Leonhardt](#)

America Is Now an Outlier on Driving Deaths

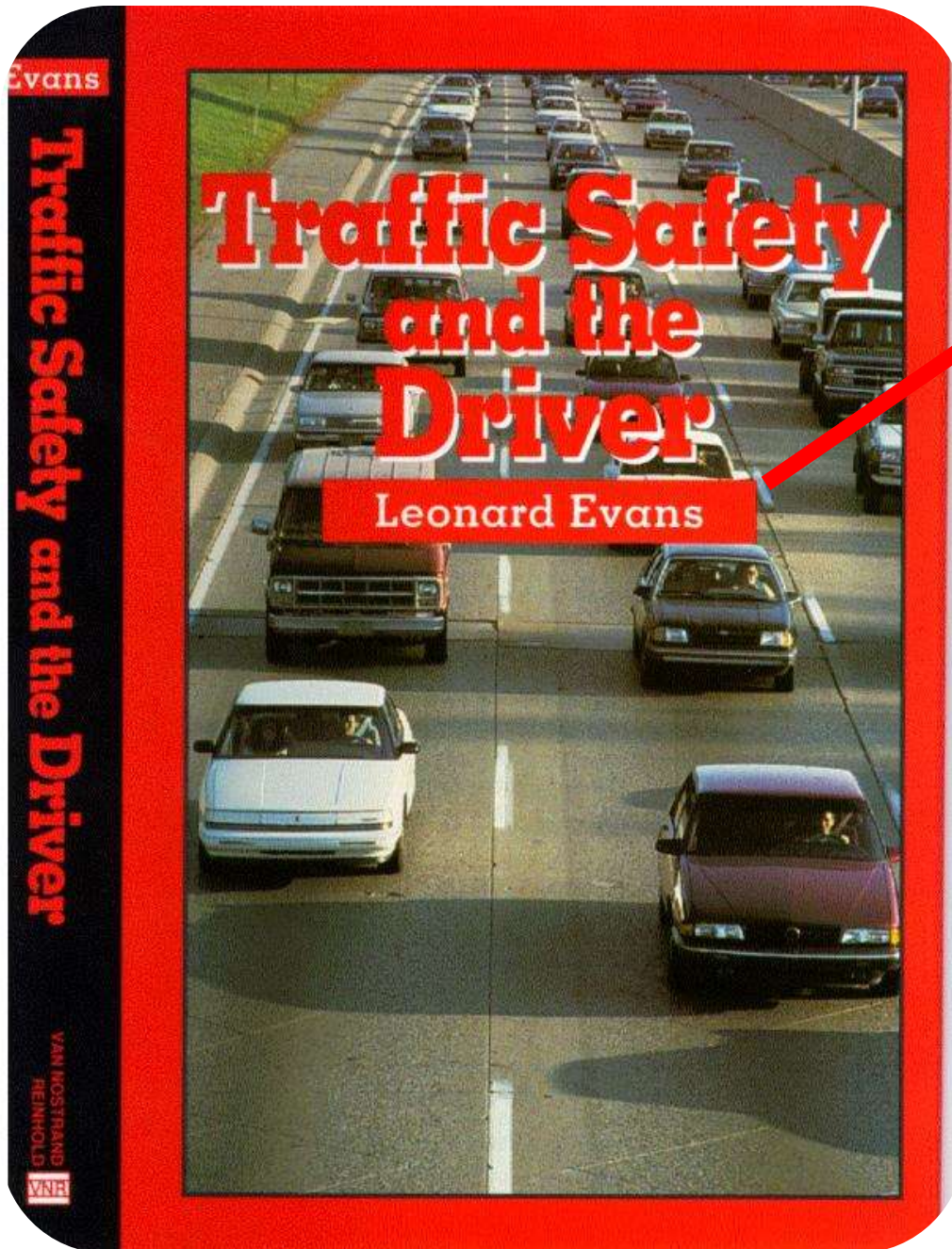


Nov. 19, 2017

USA has:

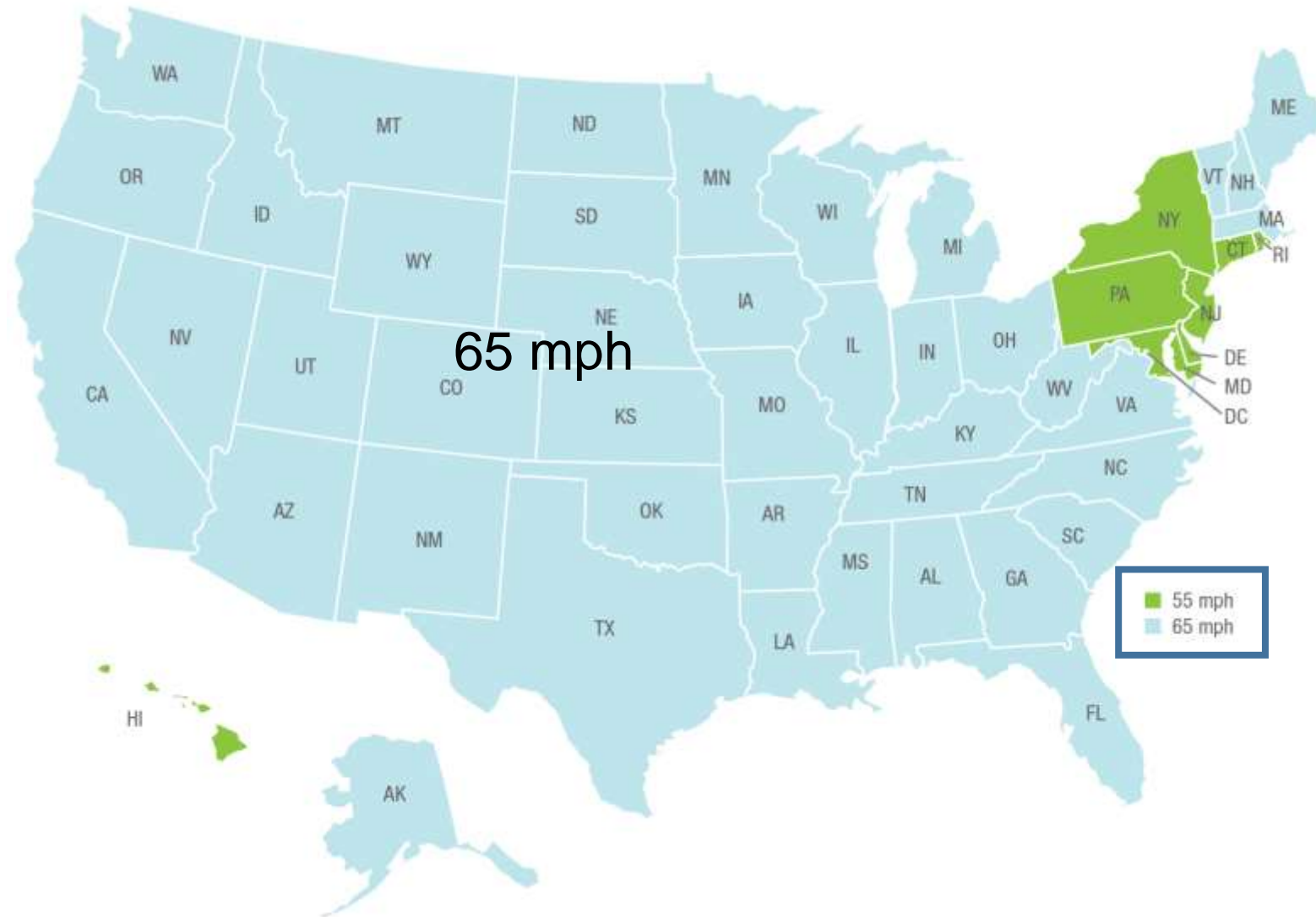
- The most dangerous roads in the industrialized world
- A vehicle fatality rate 40% higher than Canada and Australia





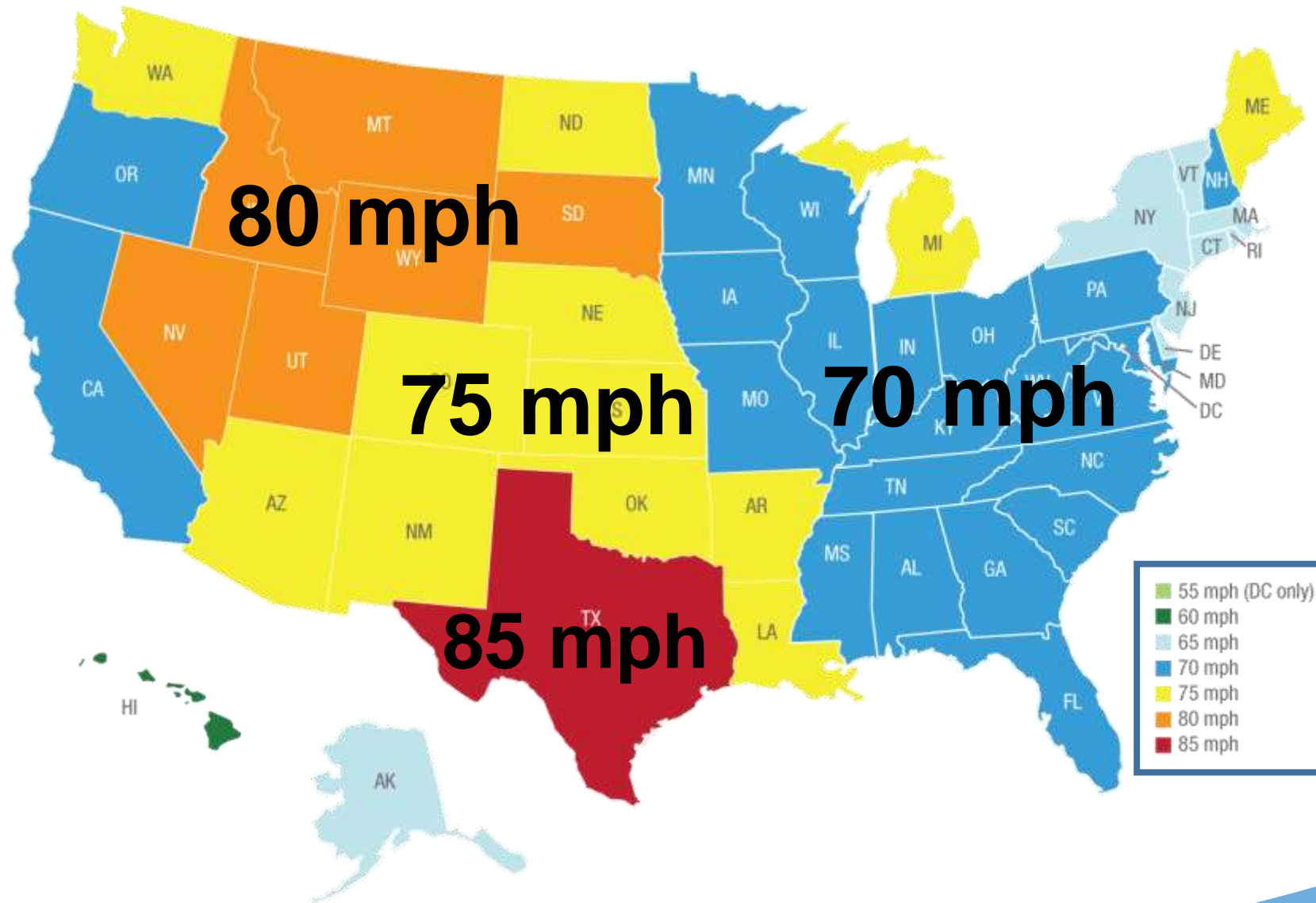
“Small increases in speed limits lead to large changes in HARM.”

1993 Max. speed limits



Max. speed limits today

+ Distracted Drivers?



2019 study by IIHS shows

- Rising speed limits cost at least 237,000 deaths since 1995.





GLOBALFLEET
THE EXECUTIVE NETWORK

Dash cams and Collision-Avoidance Systems, a perfect match.

Nov. 2019



Today: Distracted Driving



Tomorrow: Driving Behavior Changes = Few Accidents



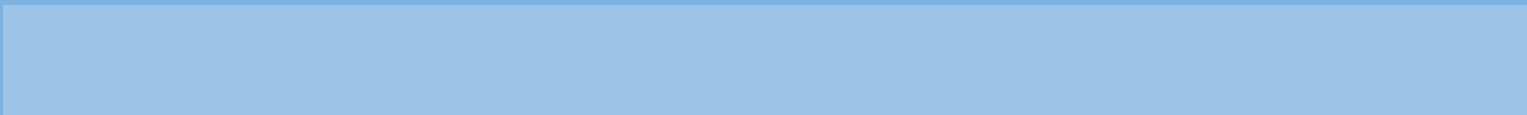
Protecting Your Employees



We Can Make a Difference



Thank You



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