Managing fleet safety is now more important than ever.

**Trends impacting commercial auto insurance**

**Sharp increase in roadway fatalities**
Fatality rate has increased 22% since 2019. Increased speeding and distracted driving are factors, along with decrease in safety belt usage.¹

**Rising auto body repair costs and time**
Average repairs take 6 to 8 weeks from scheduling to completion and minor fender benders average $4,000.²

**Employee Fatalities**
Motor vehicle crashes are the leading cause of work-related deaths in the U.S., making up 24% of all worker deaths.³

**Driver shortage**
Hiring unqualified drivers increases accident frequency and severity.

**Social Inflation**
Increasing trend to get an attorney immediately and belief that filing a lawsuit is appropriate. Higher compensation for damages expected.

**Nuclear Verdicts**
In 2019 alone there was a 300% increase in verdicts of more than $20 million when compared to the average from 2001 to 2010. Auto accidents make up a large number of these verdicts.⁴

**Key accident factors**

**94% of collisions due to driver error**
Driver inattention, distractions, driving too fast for conditions, etc.⁵

**Distracted driving**
27% of crashes due to texting or talking on cellphones.⁶

**Speeding**
28% of all fatal crashes are speed related. In 2022, the number of major speeding violations issued was up 20% over 2019.⁷

**Rear-end collisions**
Often severe and almost always at fault. On average, make up one-third of an organization’s claim costs.

**Intersection collisions**
Another high severity accident type. Left turn collisions trending up.

**Pedestrian collisions**
Pedestrian fatalities grew 18% from 2019 to 2021 and is the highest since 1981.⁸

**Catalytic converter theft**
388% increase from 2020 to 2022. Replacement costs between $1,000 and $3,500 and often delays in ordering replacement.⁹

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**Core fleet safety management best practices**

**Establish fleet safety policies and procedures**
- A written fleet safety program and driver handbook
- For small fleets, <5 vehicles, at least the driver rules and core policies should be documented
- Apply the same safety requirements to employees driving their own vehicles and validate they have their vehicle adequately insured
- Designated person or group responsible for overseeing fleet safety

**Purchase vehicles with safety in mind**
- High crash ratings (IIHS Ratings, NHTSA Ratings)
- Advanced Driver Assistance Systems (ADAS): automatic emergency braking, lane change warnings, etc.
- Establish sound vehicle inspection and maintenance procedures
- Protect against catalytic converter theft

**Hire qualified drivers**
- At least five years of driving experience, two of which are operating a vehicle similar to the one they will be driving for your organization
- Road test drivers to ensure they practice safe driving techniques and have not developed unsafe habits
- Establish guidelines for what constitutes an acceptable motor vehicle record (MVR). At a minimum, MVRs should be run at hire and annually thereafter
- Ensure drivers are alcohol and drug free behind the wheel

**Provide safety training and awareness to reinforce safe-driving behaviors**
- Even experienced drivers can develop poor driving habits. Provide core safe driving training and awareness to all drivers at least monthly
- Core topics: preventing rear-end collisions, intersections, distracted driving, speed management

**Supervise drivers to reinforce safe-driving expectations**
- Use telematics systems to identify unsafe driving behavior: speeding, hard brakes, etc.
- Conduct periodic driver ride-alongs to review safe driving techniques
- Coach drivers to improve behavior and reward safe drivers

**Prevent distracted driving**
- Educate drivers on the dangers of inattentive driving
- Develop clear policies against distracted driving, including limitations on cell phone use of any kind

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**Industry Insight: Technology to prevent accidents**

**Advanced Driver Assistance Systems (ADAS)**
ADAS such as adaptive cruise control, automatic emergency braking and lane keeping assist have been shown to reduce accidents significantly. For example, a 50% reduction in rear-end crashes with forward collision warning, plus automatic emergency braking. For more info.

**Vehicle Telematics**
Telematics systems can be effective in identifying aggressive driving and used to improve driver behavior. Speeding, hard braking, harsh acceleration and distracted driving are a few of the behaviors identified. Telematics cost about $20 per mo. per vehicle for basic features. Contact your agent for information on Nationwide-sponsored telematics programs. For more info.

**Dashcams**
Dashcams can be extremely valuable in managing driver behavior and are essential tools in determining the cause of auto accidents.

Stand-alone cameras cost less than $150, with no monthly subscription. Telematics-based systems cost $45 to $60 per mo. per vehicle. For more info.

**Nationwide can show fleet administrators how to benefit from these technologies.**