



Critical Event Reporting

Cargo Transporters Reduces Crashes and Successfully Defends Against Accident Claims with Critical Event Recording Data

In 2009, more than 60,000 large trucks were involved in injury crashes and more than 3,000 large trucks were involved in fatal crashes¹. The average cost of an injury accident involving a medium/heavy truck is \$330,000². If there is a fatality, the average cost skyrockets to over \$3 million.

Driving safety is an important issue on today's roads and highways. According to a 2009 study conducted by the Virginia Tech Transportation Institute (VTTI) and funded by the Federal Motor Carrier Safety Administration (FMCSA), the implementation of driving behavior management systems using in-vehicle telematics devices can result in a significant reduction in the number of risky driving behaviors.

"Like any other carrier, we have accidents," says Jerry Waddell, safety director of Cargo Transporters (Cargo), headquartered in Claremont, North Carolina. "But, we are proactive about driver safety and risk management and give our drivers tools to help them be as safe as possible on the road."

One of the tools in Cargo's safety arsenal is Critical Event Reporting (CER) application, which it implemented across its fleet of 450 trucks in December 2008.

"We knew that reducing critical events would lead to a reduction in accidents and we were confident the CER service would help us do that. It worked. We went nine months—36 million miles—without a major, DOT recordable accident."

— Jerry Waddell, Safety Director, Cargo Transporters

¹ FMCSA Large Truck and Bus Crash facts 2009: Early release

² FMCSA's 2008 Crash Cost Figures



Cargo's Story: Improved Safety & Reduced Costs

Challenges

- Critical event-related accidents
- Overall accident-related costs

Goals

- Reduce hard braking and stability control events
- Easily identify high-risk drivers
- Get drivers home safely every trip
- Develop better "one-on-one" relationships with our drivers
- To open the lines of communication without the fear of reprimand if at all possible

Solution

- Critical Event Reporting to support proactive safety measures

Benefits

- Improved driver performance
- Proactive safety management
- Reduced the number of critical events
- Improved operational efficiency
- Reduced accident liability expenses
- Reduced overall severity of the accident itself

Results

- DOT accident free for 36 million miles
- Cleared of liability in two accidents, saving countless dollars in associated time and expenses

"We didn't start monitoring critical events for disciplinary reasons; we did so because we don't like critical events, period," says Waddell.

"These critical events if not addressed will indeed eventually lead to rear-end crashes, a loss of control or an over turn accident."

"We knew that reducing critical events would lead to a reduction in the severity of accidents and we were confident CER would help us do that," says Waddell. "It worked. We went nine months—36 million miles—without a major, DOT recordable accident."

Benefit of the Doubt for Drivers

As part of its proactive safety efforts, Cargo uses Omnitrac's web-based CER application to continuously monitor its fleet for hard braking, lane departure disabled warnings and roll stability. When CER detects an event, it sends a near real-time email alert to the safety team, as well as a message to the driver. "We know there are going to be critical events. We know there are times a driver has to hit the brakes or swerve in order to avoid a collision," says Waddell.

"The first thing we do is bring the truck in for an inspection to eliminate any false reporting," notes Waddell. "If the maintenance shop finds no fault with the truck, then the Safety Department will sit down with the driver to review his or her driving history and go over our safety policies."

Cargo has found that just one safety review is usually all that is needed to see the driver's behavior improve.

Implementation, Modification & Acceptance

Cargo implemented CER fleet-wide, all at once. It required virtually no up-front driver training and it was easy for the back-office team to learn. Waddell admits the first 30 days were pretty busy, answering lots of questions from drivers and trying to manage all of the alerts.

About one month after implementation, Cargo decided to customize the parameters of its hard braking event trigger and record only hard braking events that occur over 40 mph because, below that speed, the truck and cargo are more easily controlled and the few accidents they do see at those lower speeds do not cause significant damage or injury.

This customized parameter adjustment made the system more manageable for the fleet and safety managers and more realistic for the drivers. It significantly reduced the number of alerts, which made it easier for Cargo's safety team to focus on the events associated with more critical situations.

“It was a very simple, logical change but it really improved our operational efficiency,” says Waddell. “At the same time, it showed the drivers that the safety team wasn’t going to use the CER service to micromanage them.”

The CER technology gives the safety team and the drivers themselves near real-time, objective visibility into their driving habits. Improved risk management and reduced accident liability are obviously important to Cargo, but, ultimately, the primary goal of all its safety measures is to make sure its drivers get home safely to their families.

Safe Driving Behavior: Attitude & Integrity

Cargo uses the CER data in fact-based one-on-one conversations with drivers as well as during weekly safety classes to support long-term performance improvement. The CER data is used as a tool to help drivers, not penalize them. We are using CER as a tool to turn a ‘questionable’ driver into a good driver and good drivers into better drivers,” says Waddell.

“The data has really helped get drivers to buy into the program and change their behaviors,” says Waddell.

To Waddell, a major indicator that this program has been successfully adopted is that he often gets calls from drivers as soon as an event happens.

“They say, ‘This system just told me I messed up—and I did.’ The CER monitoring has instilled integrity in our drivers. They use the alerts the same way we do: as near real-time, objective visibility into their driving habits. It’s made them more professional, accountable and safe,” says Waddell.



*Jerry Waddell, Safety Director
Cargo Transporters*

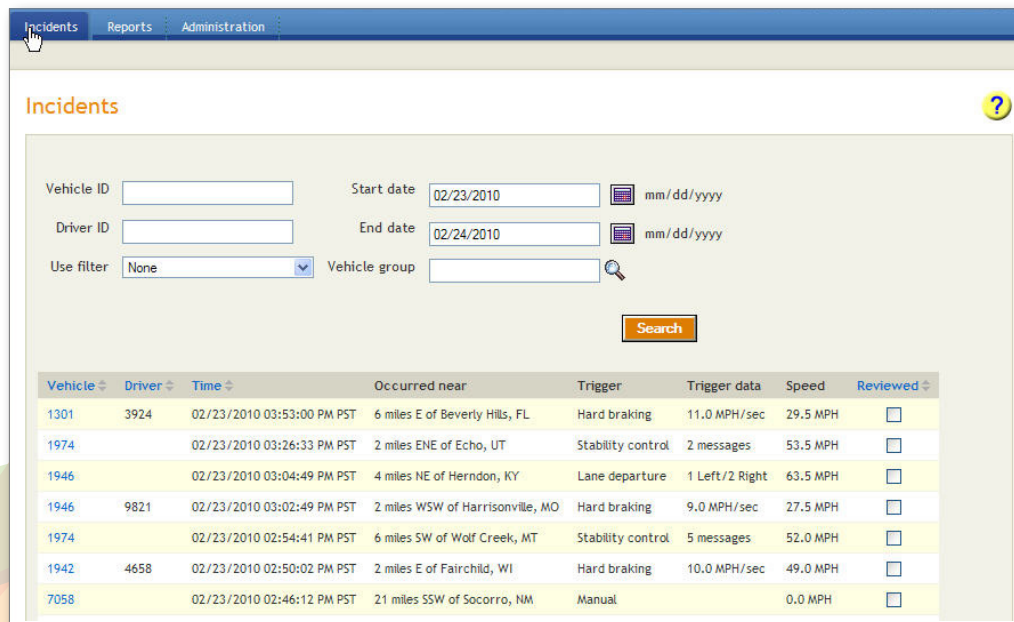
“The CER service wasn’t implemented to make the drivers happy, mad, sad or glad—it was implemented to make them safe,” emphasizes Waddell.

Cleared of Fault with CER Data

In addition to the benefits it has gained from improved driver safety, Cargo has also seen some eye-opening benefits in terms of reduced accident liability since it activated the CER application.

Since implementation in December 2008, Cargo has been able to provide CER data that helped to clear them of responsibility. Waddell was able to pull the CER data covering the five minutes before and two minutes after the accidents and the objective, fact-based data cleared both Cargo drivers of fault.

“It’s very powerful to be able to overlay a post-crash accident investigation over the hard braking or stability control event. The CER system has really been invaluable from an accident reconstruction and liability reduction standpoint. The data is always accurate and always objective and that’s so important when we’re in litigation over accidents.”



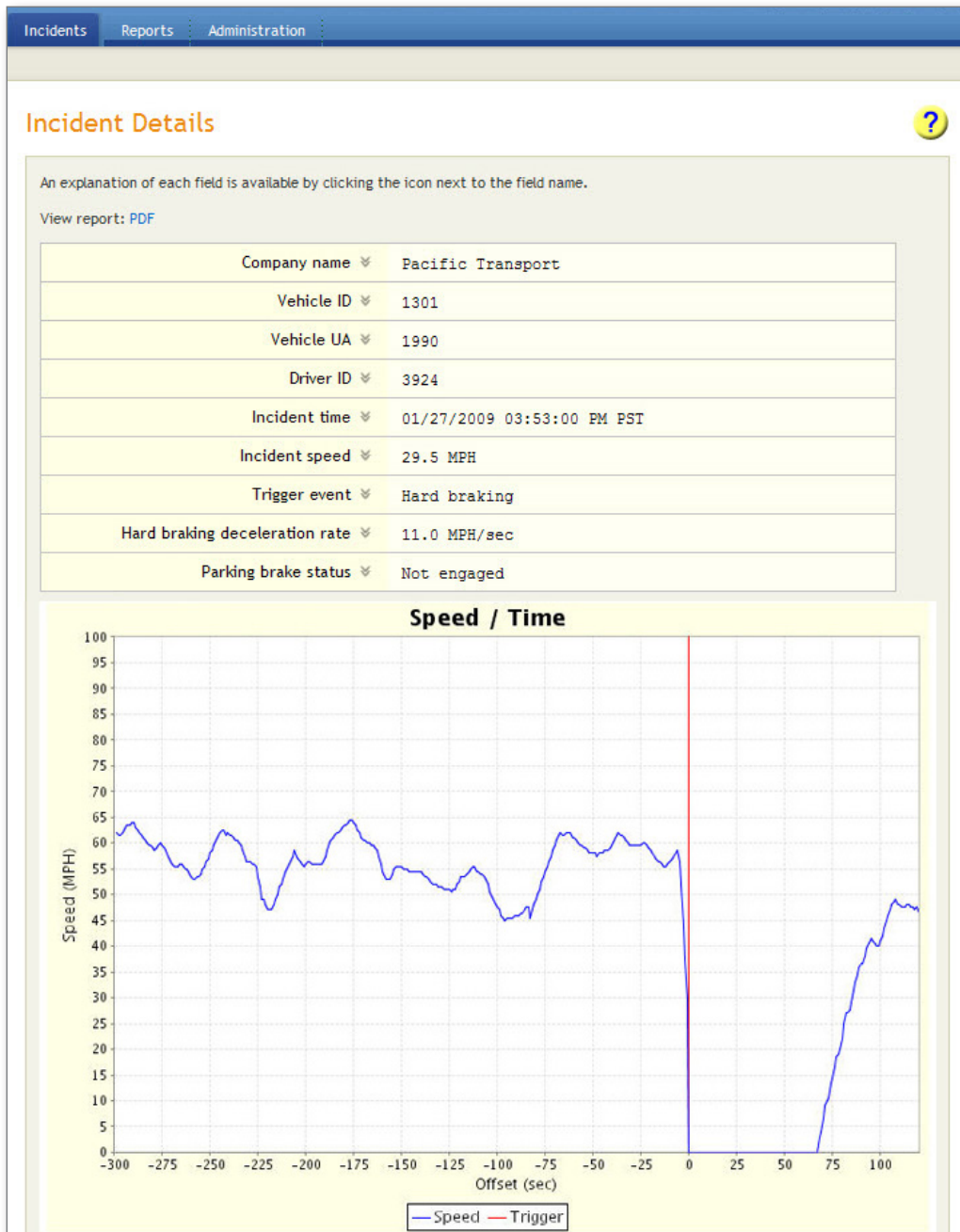
The screenshot displays the 'Incidents' section of a web application. At the top, there are navigation tabs for 'Incidents', 'Reports', and 'Administration'. Below the tabs, the 'Incidents' title is followed by a search form. The search form includes fields for 'Vehicle ID', 'Driver ID', 'Start date' (02/23/2010), 'End date' (02/24/2010), 'Use filter' (set to 'None'), and 'Vehicle group'. A 'Search' button is located below the search fields. Below the search form is a table with the following columns: Vehicle, Driver, Time, Occurred near, Trigger, Trigger data, Speed, and Reviewed. The table contains seven rows of incident data.

| Vehicle | Driver | Time | Occurred near | Trigger | Trigger data | Speed | Reviewed |
|---------|--------|----------------------------|----------------------------------|-------------------|----------------|----------|--------------------------|
| 1301 | 3924 | 02/23/2010 03:53:00 PM PST | 6 miles E of Beverly Hills, FL | Hard braking | 11.0 MPH/sec | 29.5 MPH | <input type="checkbox"/> |
| 1974 | | 02/23/2010 03:26:33 PM PST | 2 miles ENE of Echo, UT | Stability control | 2 messages | 53.5 MPH | <input type="checkbox"/> |
| 1946 | | 02/23/2010 03:04:49 PM PST | 4 miles NE of Herndon, KY | Lane departure | 1 Left/2 Right | 63.5 MPH | <input type="checkbox"/> |
| 1946 | 9821 | 02/23/2010 03:02:49 PM PST | 2 miles WSW of Harrisonville, MO | Hard braking | 9.0 MPH/sec | 27.5 MPH | <input type="checkbox"/> |
| 1974 | | 02/23/2010 02:54:41 PM PST | 6 miles SW of Wolf Creek, MT | Stability control | 5 messages | 52.0 MPH | <input type="checkbox"/> |
| 1942 | 4658 | 02/23/2010 02:50:02 PM PST | 2 miles E of Fairchild, WI | Hard braking | 10.0 MPH/sec | 49.0 MPH | <input type="checkbox"/> |
| 7058 | | 02/23/2010 02:46:12 PM PST | 21 miles SSW of Socorro, NM | Manual | | 0.0 MPH | <input type="checkbox"/> |

Incident List on Critical Event Reporting Portal

“The CER data has proved positive for us not only within the realm of safety, but for our overall operations and our customer service as well,” says Waddell. “The shipments entrusted to us should always arrive in good condition, in a timely manner, and the CER data is an important tool to assist us in the process. Without doubt, it has helped us save money, save time, and save lives,” says Waddell.

Cargo also used CER data to clear itself of liability against a claim for freight damage. The driver was accused of causing the load to shift but the CER data showed there had been neither hard braking nor stability control events during the trip that might have caused freight damage.



Incident Details on Critical Event Reporting Portal

Critical Event Reporting helps you put the focus on safety.

CER is an automatic vehicle monitoring capability that enables safety and fleet managers to proactively manage the safety behavior of their drivers in near real-time. We know the negative impact that accidents can have on your business operations. Injuries, high costs, and legal liabilities can cripple a fleet. By continuously monitoring vehicles for critical safety related events, CER helps prevent these accidents before they occur. CER can help ensure the safety of your fleet and drivers, which can mean lower insurance costs and reduced liability exposure for your company.

Our mobile computing platforms (MCP100, 110, 200) support the monitoring of hard-braking and manually triggered events. You can also easily integrate stability control systems from Bendix Commercial Vehicle Systems and Meritor WABCO, and lane departure warning systems by Iteris, Inc. to expand critical event monitoring capabilities for your fleet.

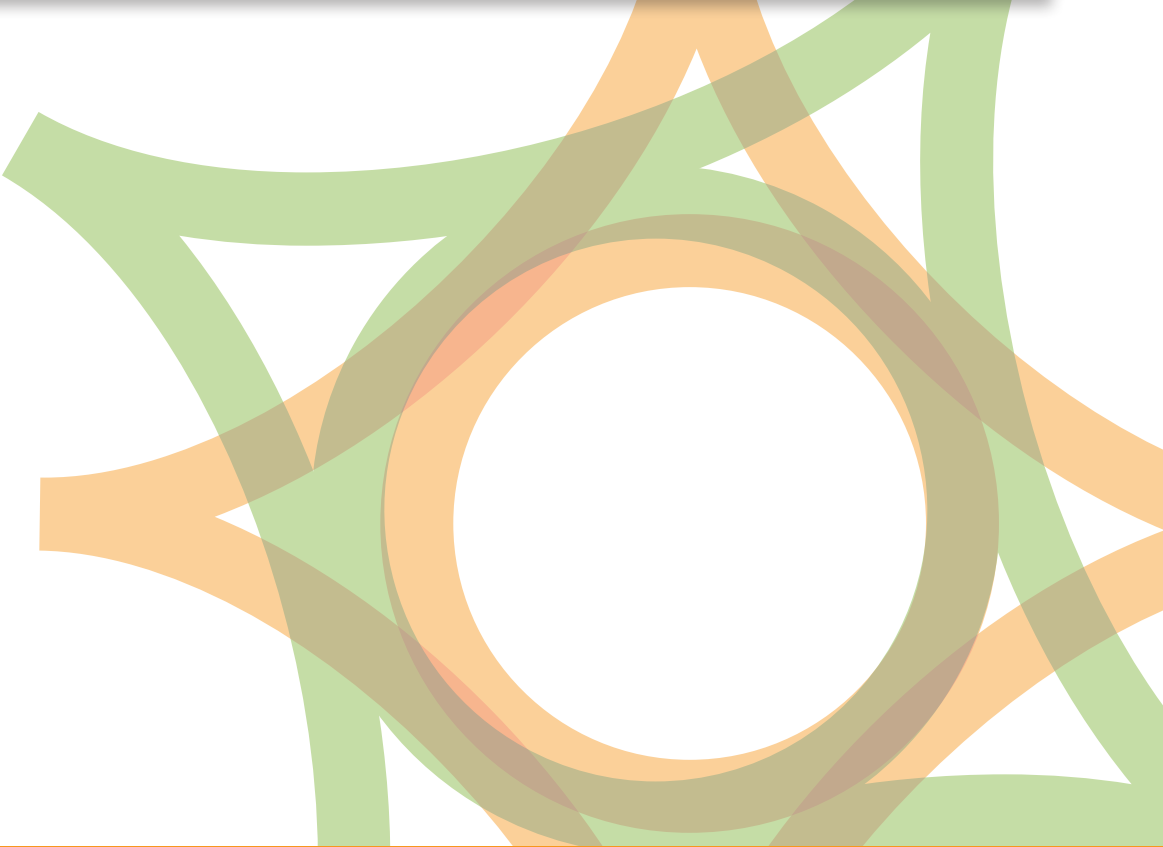
CER provides second-by-second sensor data ranging from five minutes before an event until two minutes afterward. This critical information includes driver/truck ID, time/date, position/location and driver hours-of-service compliance as well as on-board vehicle sensor and device information such as parking brake status and vehicle speed. The application wirelessly transmits all of this data and then consolidates it into one central, web-based location on the CER Portal. Safety and fleet managers can then use this information to support a variety of proactive fleet safety efforts.

Critical Event Reporting delivers results:

- Helps you proactively manage driver behavior
- Helps you reduce critical events and accidents
- Enables you to capture evidence for accident and freight damage investigations
- Helps you honor fleet social responsibility for highway safety
- Works with you to preserve your fleet's reputation for safety and customer service

KEY FEATURES

- Continuously monitors fleet vehicles for critical events
- Sends near real-time alerts to safety and fleet managers when critical events occur
- Provides second-by-second sensor data ranging from five minutes before an event until two minutes afterward
- Provides driver/truck ID, time/date, position/ location, hours-of-service compliance, and on-board vehicle sensor and device information
- Provides graphical satellite-image, and hybrid maps of incident locations



Getting More from Your Technology Investment

The Omnitracs Alliance Program facilitates integration of Omnitracs solutions with other leading companies that provide complementary technologies and services. This program taps into the power of integration in order to best meet the needs of our shared customers.

We offer Omnitracs Professional Services to all sizes of fleets to help you utilize our applications and our partners' applications in the most efficient way. Our assessment, integration, custom development and programming, training, business intelligence, and predictive modeling services deliver practical solutions. This critical information increases your productivity and efficiency, so you can both grow and differentiate your business.

The Omnitracs Services Portal provides access to a suite of web-based fleet management applications, including satellite mapping. Data from the Services Portal can be integrated into your existing enterprise systems.

About Omnitracs, LLC

Omnitracs, LLC is a global pioneer of fleet management, routing and predictive analytics solutions for private and for-hire fleets. Omnitracs' nearly 1,000 employees deliver software-as-a-service-based solutions to help more than 50,000 private and for-hire fleet customers manage nearly 1,500,000 mobile assets in more than 70 countries. The company pioneered the use of commercial vehicle telematics over 25 years ago and serves today as a powerhouse of innovative, intuitive technologies. Omnitracs transforms the transportation industry through technology and insight, featuring best-in-class solutions for compliance, safety and security, productivity, telematics and tracking, transportation management (TMS), planning and delivery, data and analytics, and professional services.

Learn how you can use our applications, platforms, and services to reduce costs, increase profitability, and stay competitive. Visit www.omnitracs.com and let us show you how you can save time and money.



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