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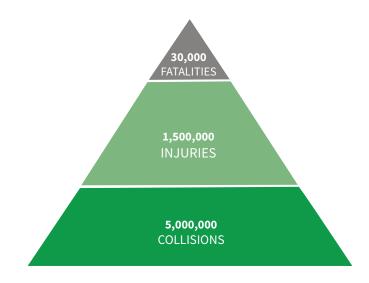


VIDEO-BASED SAFETY: FACTS, STATS AND IMPACT

Exonerations, improved driver performance, decreased claims process and more. The Fleet Owner audience sounds off on the benefits of video-based safety.

Video-Based Safety:2Facts, Stats and Impact2

Every mile on the road exposes fleets, vehicles and drivers to the risk of having a collision. A comprehensive National Highway Traffic Safety Administration (NHTSA) study¹ has shown that inattention, excessive speed, failure to yield and unsafe lane changes are among the top causes of truck collisions. In general, driver-related factors contribute to 88%¹ of large truck collisions and 95%² of light passenger vehicle collisions, indicating that most of the 30,000 fatalities, 1,500,000 injuries, and 5,000,000 collisions that occur on the road in the United States each year³ are preventable.



Every 5 million collisions results in 1.5 million injuries and 30,000 fatalities

However, preventing collisions caused by drivers is challenging because driver-related risk factors must be measured on the roadway (before a collision occurs) and those factors must be addressed in a timely manner.

But, how do you know what risks your drivers may be taking on the road – when you're not on the road with them? It's even more difficult when you are managing a fleet with hundreds of drivers across the country 24 hours a day, 7 days a week. With an 8% increase in large truck and bus fatality crashes⁴, it's more important than ever for fleets to know what's going on in the cab. Video is proving to be the only way to truly know.

A fleet's collision frequency largely depends on the skills and abilities of its drivers. Results from naturalistic driver studies⁵⁻⁶ that utilize video recordings of drivers on the road to investigate the root causes of safety critical events, suggest a common pattern: the 20% riskiest drivers are individually about 3.9 to 4.9 times more risky⁷ than the other 80% of drivers.

As video-based safety becomes ubiquitous throughout the industry, SmartDrive Systems[®] commissioned a survey with Fleet Owner magazine. Surveying the industry through a non-biased publication provides unique insights into the reasons why fleets are acquiring video-based safety and the results of their decisions.

SAFETY

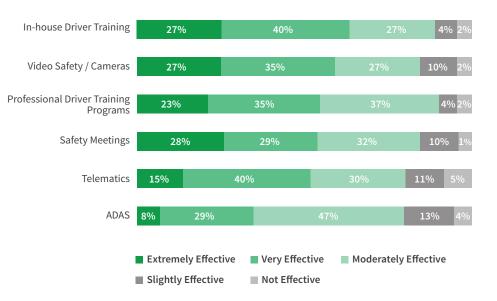
When asked, more than 60% of fleets found video-based safety extremely effective or very effective in helping to improve the safety of their fleet. The only category to surpass video-based safety was inhouse training, which is something all fleets should do as a foundation for their safety program, regardless of technology investment. Many fleets talk about the use of Advanced Driver Assistance Systems (ADAS) – and the news media reports on it nearly daily – but, in reality, only 37% find it extremely effective or very effective in improving the safety of their fleet.

When asked why they turn to video-based safety, fleets respond in a variety of ways:

- My current safety efforts are no longer effective
- I was encouraged by the results other fleets have seen
- With truckers being blamed for most of the crashes and 80% of them actually the fault of car drivers I needed a way to prove my driver was not at fault
- We had a crash, resulting in a "he said/she said" situation

How effective are each of the following categories in helping to improve the safety of your fleet?

62% of fleets found video-based safety extremely effective or very effective in helping to improve the safety of their fleet.

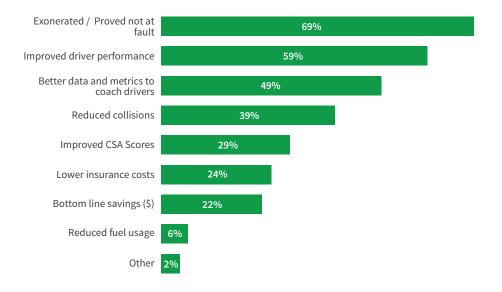


DRIVER EXONERATIONS

98% of all fleets that install a video-based safety system continue benefiting from the service and value they receive – long after the first year of installment. The reason, in many cases, is due to savings resulting from driver exonerations. Nearly 70% of fleets using a videobased safety system find exonerations the biggest benefit of this type of solution. Reinforcing this fact, many fleets state that the litigation savings from one collision pay for the cost of the service for the entire fleet for one year. "When a driver is in a collision, there's no better way to know exactly what happened than with video evidence." John Billingsley, director of safety, G&P Trucking

What are the biggest benefits you've experienced from your video safety program?

69% of fleets using a video-based safety system find exonerations the biggest benefit of this type of solution.



Collision exoneration video (click to play)



IMPROVED DRIVER PERFORMANCE

Next on the list of benefits, nearly 60% of fleets surveyed state that improved driver performance directly results from a video-based safety system. In fact, within the first year SmartDrive customers typically experience:

- 59% reduction in distractions
- 74% reduction in fatigue
- 69% reduction in speeding
- 75% reduction in close following

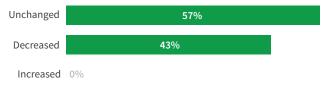
"There is no question that we now have safer drivers and a safer fleet because of SmartDrive." – Todd Hargest, director of safety and transportation, Virginia Eagle

FROM THE LEGAL PERSPECTIVE

Supporting the monetary aspect of a video-based safety system, 43% of respondents found that the average claims process (measured in days) decreased since implementing a video-based safety program. None of the respondents saw an increase in the time for their claims process.

How has your average claims process (measured in days) changed since implementing a video safety system?

43% of respondents found that the average claims process decreased since implementing a video safety program.



But, decreasing the claims process by days is not the only legal benefit of a video-based safety system. One in three respondents with videobased safety systems (35%) believe video was instrumental in at least 25% of their exonerations. Not only does this save the fleet money, but it also can help ensure the driver maintains his/her CDL.

In your opinion, what percent of exonerations were settled in your favor as a result of video?

61% of respondents state that having video led to an exoneration for over 10% of the exonerations they realized.



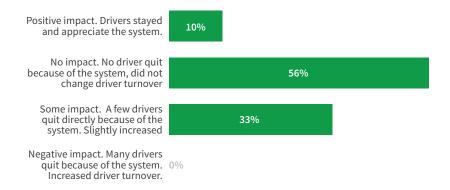
"I am now confident that, should an incident occur while I'm on the road, and it's not my fault, I will have the proof I need to be exonerated. That's peace of mind." – Larry Robinson, driver of truck # 7402, Cypress Truck Lines

DRIVER RETENTION & REWARDS

Many fleets fear that implementing a video-based safety system will impact their ability to hire and retain good drivers. This is particularly important when, as reported in the American Trucking Associations' quarterly turnover report, the driver turnover rate is 64-71% (lowest point since 2011 but still higher than most other industries). However, this isn't the case as the majority of respondents (56%) with a videobased safety system did not experience an impact to their driver retention and, in fact, 10% saw a positive impact.

How did implementing a video-based safety system impact your driver retention?

56% of respondents with a video safety system did not experience an impact, and 10% saw a positive impact on their driver retention.



The average cost of turnover per driver for all companies in an industry study (including dry van, reefer and flatbed carriers) was \$8,234 and ranged from \$2,243 to \$20,729. For company driver fleets, the average was \$7,923. For dry van, company driver fleets, the average was \$8,612.⁸ And for reefer, company driver fleets, the average was \$6,420. With a turnover rate of 64-71%, the cost to maintain a fleet of drivers can readily impact a fleet's bottom line.

Having a driver incentive program demonstrates that the company values their drivers, which in turn can result in higher driver retention rates. Being able to retain qualified and good drivers can positively impact the company's bottom line. Many fleets are realizing that to recognize or reward good drivers, it is essential to have a comprehensive incentive or recognition program that clearly defines and measures good driving behavior. Helping with this effort are video-based safety systems. Nearly 42% of respondents with a video-based safety system leverage the system as part of their driver incentives/ rewards program.

Do you leverage your video-based safety system to support your driver incentive / rewards program?

42% of respondents with a video safety system leverage it as part of their driver incentive / rewards program.



UNEXPECTED BENEFITS

In addition to exonerations, improved driver performance and decreased claims process time, many fleets achieve additional benefits they never expected when they installed the system:

- Better driver relationships
- Reduction in theft
- Reduction in rear-end collisions
- Reduction in near-misses
- Quick fault determination
- Vehicle location verification
- Customer site issues (locked gate, unsafe driving location)
- Driver involvement
- Reduced fuel usage

Maybe that's why nearly 40% of respondents who don't have a videobased safety program are actively considering video.

KEY FINDINGS

As more and more fleets move toward video-based safety, it's important to understand the impact of protecting your drivers, your fleet and your company:

- 62% of fleets found video-based safety extremely effective or very effective in helping to improve the safety of their fleet.
- 69% of fleets using a video safety system find exonerations the biggest benefit of this type of solution.
- 60% of fleets surveyed state that improved driver performance directly results from a video-based safety system.
- 43% of respondents found that the average claims process decreased since implementing a video-based safety program.
- 61% of respondents feel that having the video-based safety system was the cause of the exoneration for over 10% of the exonerations they realized.
- 56% of respondents with a video-based safety system did not experience driver turnover and 10% saw a positive impact to their driver retention.
- 42% of respondents with a video-based safety system leverage it as part of their driver incentive/rewards program.

Fleet safety is more than numbers and the bottom line. Fleet safety is about saving lives. Get the information you need to make the decision to improve your fleet's safety at <u>www.smartdrive.net</u>

ABOUT SMARTDRIVE SYSTEMS

SmartDrive Systems, the recipient of Frost & Sullivan's Customer Value Leadership Award for Video Safety Solutions, gives fleets and drivers unprecedented driving performance insight and analysis, helping save fuel, expenses and lives. Its video analysis, predictive analytics and personalized performance program help fleets improve driving skills, lower operating costs and deliver significant ROI. With an easy-to-use managed service, fleets and drivers can access and self-manage driving performance anytime, anywhere. The company, which is ranked as one of the fastest growing companies by Deloitte's Technology Fast 500[™], has compiled the world's largest storehouse of more than 180 million analyzed risky-driving events. SmartDrive Systems is based in San Diego, and employs over 500 people worldwide.

LEARN MORE ABOUT VIDEO-BASED SAFETY PROGRAMS FROM SMARTDRIVE:

Video-based Safety: Myth vs Reality

Measuring Driver Risk with Video-based Analytics

Distracted Driving: Leveraging Statistics So You Don't Become One

Sources:

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