

NOCELL™

DISTRACTED DRIVING & THE COST TO FLEETS



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THE BIGGEST RISK TO ROAD SAFETY

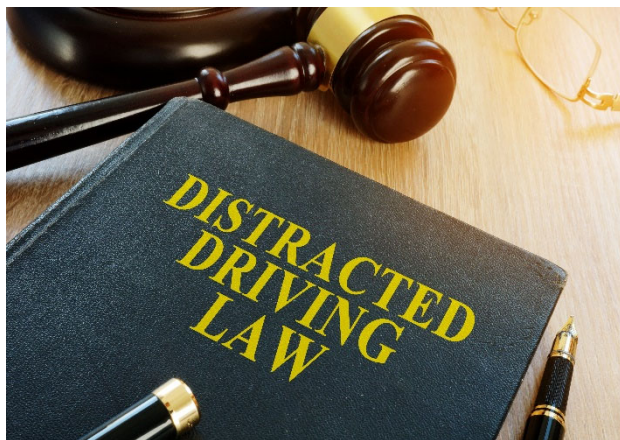
Distracted driving is quickly becoming the most critical safety issue for fleets in the 21st century. The effects of distracted driving today have been shown to be more harmful than drunk or drowsy driving, with 3,166 fatalities being reported in 2017¹ in the United States.

The risk factor is multiplied exponentially for companies with fleets, whose drivers spend significantly more time on the road than the average individual. There are many factors that contribute to an increased likelihood of commercial drivers using their cell phones while driving: Extended time on the road, frustration with traffic, boredom, staying socially connected, and internal and external pressure to be productive while driving. Given that a report last year found that 70% of trucking fleet accidents were caused by distracted driving², companies need to take proactive measures to prevent their employees from engaging in risky behavior while driving.



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EMPLOYERS ARE LIABLE



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When employees use cell phones while driving it can create serious liability issues for their employers. Under the legal theory of vicarious liability, employers are held responsible for collisions caused by their employees. With 40% of traffic collisions being work-related, employers end up bearing the brunt of these costs³.

In recent years, case law has reflected that companies who hire independent contractors can also be held responsible for collisions caused by their contractors while they are acting within their general job description⁴. Thus, it is in an employer's best interest to be proactive to prevent risk to their employees and their bottom line caused by a distracted driving collision from cell phone or tablet use.

COSTS TO FLEETS ARE ON THE RISE

A motor vehicle crash, even a minor one, can cause thousands of dollars of costs and headaches for fleets. U.S. traffic crashes cost employers \$60 billion annually in medical care, legal expenses, property damage, and lost productivity⁵.

20% of companies in 2018 reported that they had a driver involved in a motor vehicle collision after using a hand-held phone at the wheel⁶ and

a single accident can cause insurance rates to increase by 23-33% per year. Therefore, the odds of operating expenses at your company increasing due to distracted driving are high⁷.



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Even a minor fender bender can be an expensive ordeal in costs and lost time and productivity.

- Crashes with only **property damage** cost on average **\$24,500**
- Crashes with **personal injury** cost on average **\$150,000**
- Crashes that cause a **fatality** can cost **\$7 million+**⁸

However, the costs to employers extend far beyond direct crash-related expenses. Employers must consider the indirect costs to a company, as well as costs that are not covered by insurance (loss of business, potential loss of reputation, etc.). This adds a massive cost multiplier to every dollar paid out by insurance. According to the International Loss Control Institute (ILCI), uninsured losses range between \$6.50 and \$43 for every \$1 paid out by insurance after a motor vehicle collision at work⁹.

The True Cost of a Collision

Property damage – **\$159,000 to \$1.1 million**

Personal injury – **\$975,000 to \$6.4 million**

Fatality – **\$46 million to \$309 million**

Using the ILCI's Cost Multiplier

PROACTIVE SAFETY IS THE SOLUTION

It is vital for fleets to act to protect their drivers, assets, and the communities they operate in by actively working to curb the dangerous habit of cell phone use while driving. Companies that implement safe driving policies, training programs, and even advanced telematics solutions such as in-vehicle cameras are taking a step in the right direction. However, self-policing and retroactive policy enforcement are not enough. Even with devices that record and report when drivers are distracted, the enforcement of policy is retroactive. The only way to effectively eliminate the risk of distraction in the first place is a proactive solution.

THE NOCELL™ SOLUTION

NOCELL is a commercial-grade solution designed to effectively eliminate distracted driving by giving fleet managers the tools to enforce their safety policy and proactively protect their employees and assets.

Fleet and safety managers are given the power to choose mobile app parameters, disabling distracting apps while allowing apps necessary for productivity – such as dispatch, fleet and field management, and electronic logging device (ELD) apps.



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The company's parameters define how policy is enforced while driving, and managers are automatically alerted to non-compliance including phone handling and bringing unauthorized devices into a vehicle.

NOCELL operates as a standalone system or integrates to enhance with current safety solutions. It provides more than a deterrent for employees to use their phones while driving; it removes the ability for distractions to occur while an employee is driving for work. The NOCELL solution is customizable at every level to enforce policy and preserve employee safety, which supports company safety programs.

Massive problems require advanced solutions, and NOCELL is the cutting-edge technology to complete your safety program in order to protect your people, profits, and the public.

RESOURCES

- ¹ National Highway Safety Traffic Administration. (2019, April). *Distracted Driving in Fatal Crashes, 2017*. Retrieved from U.S.Department of Transportation: <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812700>
- ² Rajamanickam, V. (2019, June 20). *Understanding distracted driving is key to improving driver safety*. Retrieved from Freight Waves: <https://www.freightwaves.com/news/understanding-distracted-driving-is-key-to-improving-driver-safety>
- ³ Bureau of Labor Statistics. (2018, December 18). *National Census of Fatal Occupational Injuries in 2017*. Retrieved from U.S. Department of Labor: <https://www.bls.gov/news.release/pdf/cfoi.pdf>
- ⁴ Business Credentialing Services. (2019, April 2). *You Could Face Tort Liability For Your Independent Contracts*. Retrieved from <https://www.businesscredentialingservices.com/blog/2014/07/28/insurance-certificate-tracking-acord-form-changes-erm-vendor-screening-independent-contractor-liability>
- ⁵ Occupational Safety & Health Administration. (n.d.). *Guidelines for Employers to Reduce Motor Vehicle Crashes*. Retrieved from https://www.osha.gov/Publications/motor_vehicle_guide.html
- ⁶ iAM Road Smart. (2019, January 30). *Driving While Distracted: Challenges and Solutions*. Retrieved from https://www.iamcommercial.co.uk/wp-content/uploads/IAM_White-paper-pdf-v2.pdf
- ⁷ Motus. (2018). *Driver Safety Risk Report*. Retrieved from <http://in.motus.com/driver-safety-risk-report-2018>
- ⁸ National Safety Council. (2015, May). *Employer Liability and the Case for Comprehensive Cell Phone Policies*. Retrieved from: [https://www.nsc.org/Portals/0/Documents/DistractedDrivingDocuments/NSC-CorpLiability-WP-Ir-\(1\).pdf](https://www.nsc.org/Portals/0/Documents/DistractedDrivingDocuments/NSC-CorpLiability-WP-Ir-(1).pdf)
- ⁹ Ryan, A. (2018, April 24). *What is the True Cost of a Collision? Experts Explain*. Retrieved from Fleet News: <https://www.fleetnews.co.uk/fleet-management/risk-management/what-is-the-true-cost-of-a-collision-experts-explain>

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