

FLEET RISKS

TELEMATICS OFFERS PROTECTION, POTENTIAL LIABILITY

FOR COMPANIES that operate fleets, telematics has become one of the most effective tools for improving safety, reducing accidents and controlling insurance costs.

Cameras, GPS tracking, driver scorecards and vehicle sensors can help identify risky behavior before it results in a serious crash and provide vital data after a crash. But the same data that helps defend a company after an accident can also be used against it if the technology is not properly managed.

To ensure that your organization benefits from telematics rather than suffers from it, establish a program that emphasizes regular driver analysis, strong follow-up and a strict focus on safety.

The wonder of telematics

Telematics systems collect a wide range of information, including:

- Speed
- Braking patterns
- Location
- Route history
- Driver behavior

Many systems also include forward-facing and driver-facing cameras that provide valuable evidence after a crash.

Fleet managers can use telematics to identify drivers who speed, brake aggressively or drive while distracted and intervene before an accident occurs. The technology can also help exonerate drivers when another motorist causes a collision.

Telematics also provides valuable insights for insurers and claims adjusters. Data from the units can help reconstruct accidents, speed up claims investigations and reduce fraudulent claims. Some systems can automatically trigger a first-notice-of-loss report after a crash.

How it can hurt an insurance claim

Telematics provides those benefits only when the system is functioning properly and the firm acts on the information it receives.

For example, a camera mounted too low or slightly out of alignment may miss critical accident footage. In other cases, video timestamps may not match electronic logging device (ELD) or GPS records, creating inconsistencies that can complicate accident reconstruction.

Missing footage can also become an issue. If a company's retention settings overwrite video before it is preserved, critical evidence may be lost before investigators can review it.

In those situations, telematics data can strengthen allegations of negligent supervision or retention.

Issues that can affect claims

- Cameras that are improperly positioned or not functioning, which can obscure fault in an accident.
- Video and ELD timestamps that do not align, creating inconsistencies that can complicate accident reconstruction.
- Missing trip or event data.
- Inadequate video retention policies, which can make a legal defense more difficult if records are subpoenaed.
- Poor documentation of coaching or disciplinary actions.
- Failure to regularly review telematics reports.

Perhaps the greatest risk arises when telematics identifies a problematic driver and the employer fails to take action.

If telematics records repeatedly show speeding, distracted driving or other unsafe behaviors, plaintiffs' attorneys will ask what the company did in response. If there is no evidence of coaching or disciplinary action, that may be used to argue that the employer knew the driver posed a risk and allowed them to keep driving.

Best practices

- **Be open with your drivers.** Telematics is not always popular with drivers. Make sure they know that the cameras are there for their protection, not constant surveillance. Clear communication can turn skepticism into trust and acceptance.
- **Turn data into coaching moments.** Use video to provide actionable feedback. When drivers see what happened, like driving while distracted, they're more likely to change their habits.
- **Keep reviewing and following up.** Check your video data regularly to spot patterns early. Logistics companies that adopt this proactive approach have cut accident rates by up to 40% and fuel costs by around 10%, according to the Department of Energy.
- **Regularly inspect equipment.** Run timestamp tests and monitor cameras to ensure they are positioned correctly.

