ZURICH

Large Claims Lessons Learned

Line of Business: Auto Liability
Topic: Driver Safety/Distracted Driving

Claim scenario

A dealership employee delivering parts in a company-owned cargo van collided with a motorcycle after failing to yield the right of way while making a left turn out of a business driveway. The motorcyclist was wearing a helmet but still suffered multiple injuries, including a badly fractured wrist, fractures to a pelvic bone and some bladder/urethral issues. The wrist injury was defined as “life-changing” by an examining doctor.

The motorcyclist was hospitalized for approximately two weeks and then transitioned to inpatient rehabilitation for 10 days. He missed six months of work overall due to his injuries.

Financial impact:

This claim may have a financial impact of up to **$1,100,000**.

Lessons learned

1. Failure to yield is a common and costly error. Not yielding the right of way, especially when turning, is a leading cause of severe collisions and legal liability. Left-turn collisions are among the most frequent and preventable causes of severe injury in commercial driving.
2. Distracted driving has serious consequences. Any distraction — visual, manual or cognitive — can lead to life-changing injuries and significant business losses. Even momentary lapses in attention, such as checking a delivery schedule or GPS, can lead to devastating outcomes.
3. Driver training is critical. Employees using company vehicles must be regularly trained and reminded of defensive driving techniques and local traffic laws.
4. Motorcycles are often harder to see and collisions involving motorcycles often result in more severe injuries, increasing the likelihood of high-value claims. Drivers must be extra vigilant at intersections and driveways.
5. When employees operate company vehicles, their actions directly impact the dealership’s liability and reputation.

Actions needed to prevent this type of loss

- Train all employees who operate dealership vehicles on defensive driving techniques, including yielding protocols and motorcycle awareness.
- Enforce a distracted driving policy. Prohibit use of mobile devices and other distractions while operating company vehicles. Consider requiring hands-free technology or implementing vehicle telematics to monitor driver behavior.
- Promote motorcycle awareness. Educate drivers on the importance of looking for motorcycles (especially when turning or entering traffic), using mirrors and double-checking blind spots before making left turns.

- Conduct pre-trip safety checks. Encourage drivers to plan routes and review safety protocols before leaving. Consider developing routes that reduce or avoid left turns.
- Monitor and reward safe driving. Utilize telematics or GPS solutions to monitor driving habits and recognize safe drivers. Address unsafe behaviors promptly with coaching and corrective action.
- Review and update policies regularly, keeping them current with best practices and evolving risks. Ensure all employees are aware of and understand these policies.

Loss prevention/risk management resources

Along with implementing robust driver safety programs and enforcing distracted driving policies, Zurich's safety resources can help dealerships significantly reduce the risk of severe accidents, injuries and costly claims. Proactive education and continuous improvement create a safer environment for employees, customers and the community.

- **Risk Management and Loss Prevention for Auto Dealerships**: Zurich's support includes driver safety tools, MVR reviews, and dealership walkthroughs.
- **10 Major Causes of Distracted Driving**
- **Dangers of Using Hands-free Devices While Driving**
- **Automotive Resource Hub**: A curated collection of dealership-specific safety, training and compliance tools.

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