



Safety Gazette

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Special Points of Interest:

- Whose Logbooks Are You Checking, And Is This The Best Use Of Your Time?
- Cell Phone Alert: We Have a Message For You.
- FMCSA Interventions: What Does This Letter Even Mean?
- Reactive Maintenance or Preventative Maintenance?

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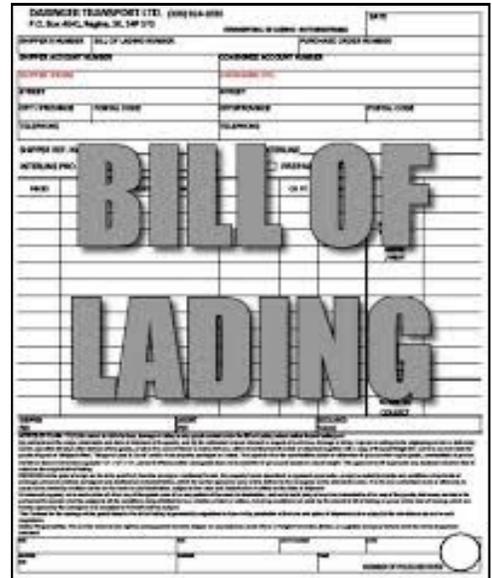
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Bill of Lading: Are You Reading the Fine Print

Are you reading the shipper's Bill of Lading before accepting the load? Did you know that specific refrigerant requirements are sometimes posted on the Bill of Lading?

A Bill of Lading is a contract between a shipper and a motor carrier. A careful review of the Bill of Lading may help prevent unnecessary claims and costly expense. Here are a couple of examples of where claims arise from Bill of Ladings.

1. **Tamper Seals:** Seals may be required, from the shipper, to ensure the product has not been altered, damaged or tampered with. Ensure the tamper seal matches the Bill of Lading; otherwise, you may be held liable for the product regardless of the load's account accuracy.
2. **Temperature Ranges:** If the load falls outside the specified temperature range, the shipper has the right to refuse the load, and hold you legally responsible. Therefore, verify that the load has not fallen outside of the range before accepting the freight.
3. **Tarpping:** The product may be required to be tarped at all times. Are you receiving a non-tarped trailer? Who's responsible for tarping? Photos showing you have tarped the load may assist you, if a claim were to arise because of a damaged product.
4. **Delivery Times:** Ensure that you are operating in the shipper's time frame and not your own. Attempting to deliver during certain hours may result in you being turned away. Think twice about dropping the load off and leaving. You are responsible for that load until the shipper accepts it.



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Intervention Levels by FMCSA

Compliance, Safety, Accountability (CSA) is a system that uses primarily roadside inspection and crash data to measure carrier safety performance, identify potentially unsafe carriers and prioritize them for enforcement interventions. Intervention levels are determined based on the nature and severity of the carrier's safety problems.

BASICs Intervention Threshold:

- Vehicle Maintenance: 80%
- Hazardous Materials (HM) Compliance: 80%
- Crash Indicator: 65%
- Driver Fitness: 80%
- Controlled Substances/Alcohol: 80%
- Hours-of-Service (HOS) Compliance: 65%
- Unsafe Driving: 65%

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INTERVENTION
Early Contact • Warning Letter • Carrier Access to Safety Data and Measurement • Targeted Roadside Inspection
Investigation • Offsite • Onsite – Focused • Onsite – Comprehensive
Follow-on • Cooperative Safety Plan • Notice of Violation • Notice of Claim • Operations Out-of-Service Order

Bill of Lading: Are You Reading the Fine Print

(Continued from Front Cover)

5. **Cargo Exceeds Policy Limits:** The cargo value is not always on the Bill of Lading, but it is on the package invoice. Review the invoice or request confirmation of the load's value, before accepting the shipment. If it exceeds your policy limit, you can contact your agent and request an endorsement or request a policy limit increase; otherwise, you should reject the shipment. You may be liable for any excess amounts, if a claim arises.
6. **Double Brokering:** The load belongs to the shipper. The shipper has vested time into ensuring you meet their requirements to haul loads. If you broker out a load, which was brokered to you, you may be liable for any claim that arises from the load. Some States forbid double brokering, but in all actuality, it is best not to risk being responsible for something outside of your control.

These are just a couple of examples of how the Bill of Lading can create opportunities for losses. Ensure that you are reviewing the Bill of Lading every time you accept a load. Don't leave it for chance. Once you assume custody of a load, you must care for the load, and maintain control of the load. And if not, you may be responsible for paying for the total value of the load.



Distracted Driving: Cell Phone Safe Practices

With the advent of the smartphone and its ever increasing popularity, the Federal Motor Carrier Safety Administration (FMCSA) in conjunction with the US Department of Transportation (DOT), banned the use of cell phones and electronic devices when operating a commercial vehicle. This is not new or alarming news, as many companies have individual cellphone policies that drivers annotate prior to being hired, that outline all penalties associated with operating a commercial vehicle and using a cellphone. The growing issue is that many companies are adopting the use of less costly electronic log keeping software applications via the driver's smartphone, in an effort to become compliant with the new electronic logbook requirements mandated by the DOT. Adherence to the following could prevent potential fining, suspension, damages and even loss of life.

- Never text and/or read texts while operating commercial vehicle
- Do not have phone in hand while operating commercial vehicle
- Use a hands-free device or the speaker function while operating commercial vehicle
- Use voice-activated or one-button touch features to initiate/answer/terminate a call while operating commercial vehicle

Remember, you are more than 23 times more likely to have a crash while operating commercial vehicle under distracted conditions. Waiting to return a message under safe conditions can save you thousands of dollars in fines and penalties and help keep your license!

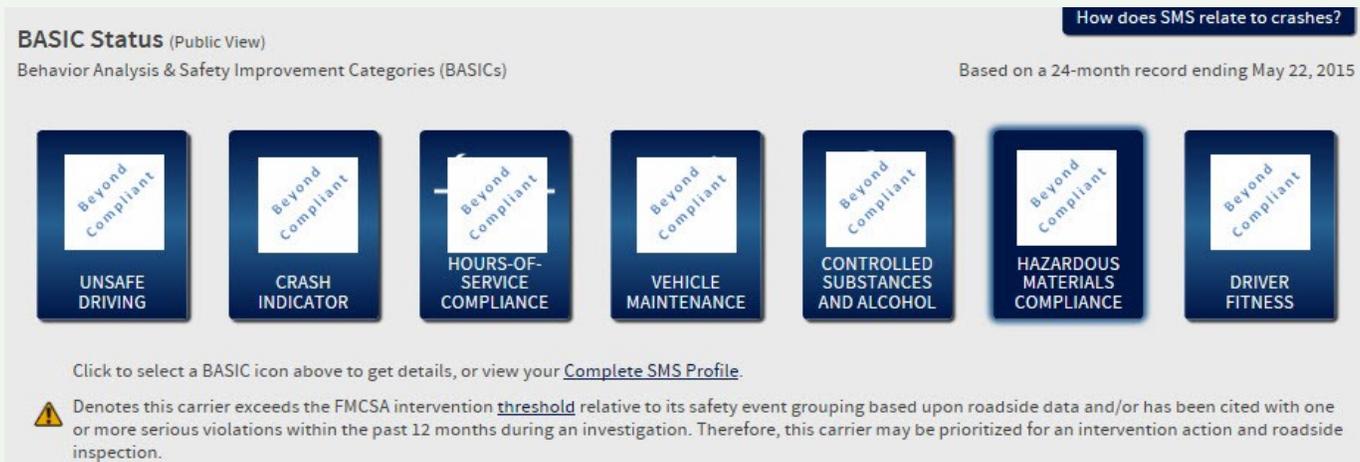
Intervention Levels by FMCSA

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Early Contact

Warning Letter – A letter is sent to a carrier's place of business. It specifically identifies the deficient BASIC(s) and outlines possible consequences of continued safety problems.

Targeted Roadside Inspection – The carrier's trucks are targeted for inspections at permanent and temporary roadside inspection locations.



Investigation

Offsite Investigation (Records Requested) – The carrier is instructed to send records pertaining to a specific area in which the carrier's performance has been poor. If the carrier does not submit requested documents they may be subject to an onsite investigation.

Onsite Focused Investigation – Investigators appear on-site at the carrier's place of business to conduct a review of records relating to a specific area (for example Maintenance records, driver files) in which the carrier's performance has been lacking.

Onsite Comprehensive Investigation – An On-Site Comprehensive Review is a thorough review conducted by safety investigators at the carrier place of business. This review includes all areas of a carrier's operations. It is used when the carrier has a worsening BASIC, multiple deficient BASICs (three or more), or fatal crash.

Intervention consequences or Follow-On

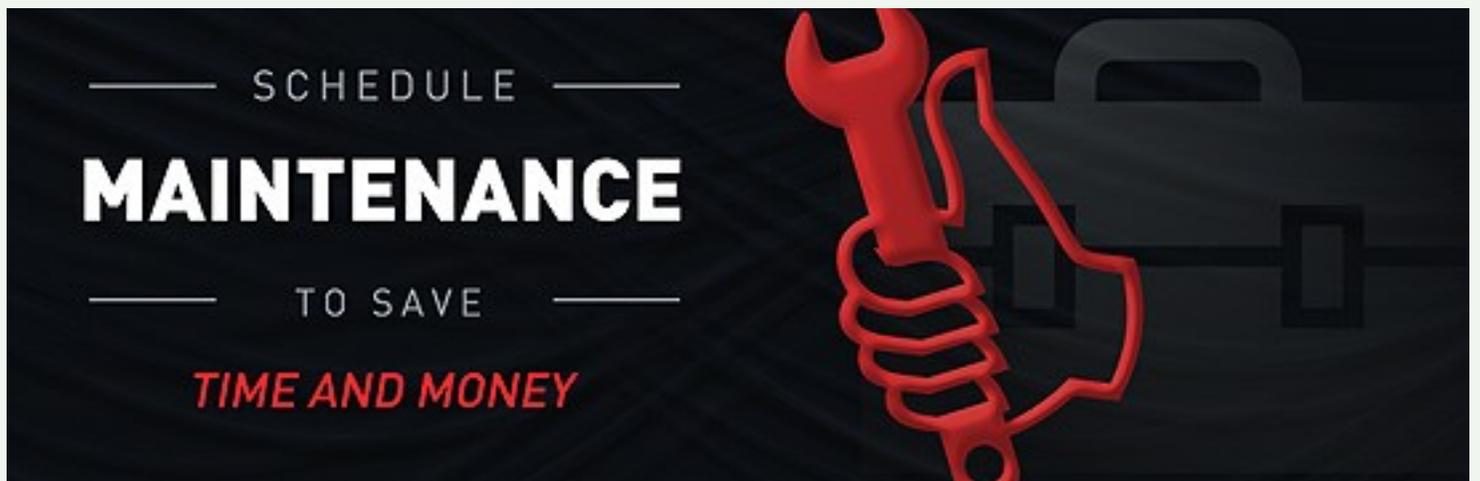
Cooperative Safety Plan (CSP) - The CSP is a voluntary safety improvement plan initiated by the carrier. The carrier and FMCSA collaboratively create a plan based on a standard template to address the underlying problems resulting from the carrier's inferior safety performance.

Notice of Violation (NOV) - The NOV is a formal notice of safety deficiencies that requires a response from the carrier. It is used when the violations discovered are severe enough to warrant formal action but not a civil penalty (fine). To avoid further intervention, including fines, the carrier must provide evidence of corrective action or initiate a successful challenge to the violation.

Notice of Claim (NOC) - An NOC is issued in cases where the regulatory violations are severe enough to warrant assessment and issuance of civil penalties.

Operations Suspended/Unfit to Operate – A suspension order is an order for the motor carrier to cease operations. It is issued to carriers who are continuously and seriously deficient and if other interventions fail to bring about a needed change in behavior.

It is important to note that while the intent is for interventions to be progressive, FMCSA may skip steps in the process based on the frequency and severity of violations. In other words, if a carrier is seriously poor in any one BASIC or generally deficient in several BASICs, FMCSA may bypass the warning letter stage and may immediately initiate a records review.



Preventive Maintenance: Saves Money and Time?

Every company has their unique maintenance programs. But generally, the programs are broken down into two concepts – Reactive Maintenance and Preventative Maintenance. Reactive maintenance in simple term means 'if it's not broken, don't fix it.' The term preventive maintenance commonly refers to the practice of regularly servicing equipment on a pre-determined schedule. Reactive maintenance might seem like time and cost saving concepts in the short run. Over the long term, the outcome can be very expensive because roadway failures are not an easy fix. Many companies are starting to realize the benefits of preventative maintenance and the importance of taking care of their equipment.

Some of the key advantages of preventative maintenance are:

- *Breakdown and Accidents:* When equipment is not working optimally, it creates many hazards, unsafe driving conditions, and accidents resulting in potential injuries or fatalities. Preventive maintenance improves the safety of the equipment and, therefore, results in fewer breakdowns and accidents.
- *Equipment Efficiency:* Maintenance issues identified in Pre/Post Trip Inspections can resolve equipment issues, before getting on the road. This will ensure the fleet is running efficiently, and help avoid costly fines and penalties for faulty equipment.
- *Time savings:* The initial time investment creating a comprehensive preventative maintenance program is minimal compared to the lost time associated with unplanned equipment breakdowns or being put out of service for operating faulty equipment.
- *Reliability:* Preventive maintenance can help a company to be more reliable. Shippers and brokers can count on the company to deliver products and materials without unnecessary delays.
- *Safety Management System (SMS) score for Vehicle Maintenance:* For stakeholders such as shippers and brokers the scores represent the safety rating of individual carriers. Planned, periodic and regular equipment maintenance can potentially result in fewer vehicle maintenance violations and a lower SMS Score.

The benefits of performing regular preventive maintenance are innumerable. The sooner the process is started, the sooner its benefits can be realized.

Log Book Selection: Catch Them Before They Catch You

Did you know that you are responsible for driver's logbooks? The Department of Transportation (DOT) cited false logbooks as being the tenth greatest offense in 2015. Logbook fines have increased and DOT is pushing forward with the electronic logbook devices. So during this time, it might be best to strategically review the logbooks of certain drivers.

Now what do we mean by strategically reviewing logbooks? Strategically reviewing logbooks does not mean looking at every logbook briefly and then filing them away. Motor carriers have a lot of work to do, and they often, have a lot of drivers to manage. So reviewing logbooks may be placed lower down on the scale of importance, and in some cases, they may not be reviewed until weeks later.

So strategically reviewing logbooks means to review the logbooks, by those which create a risk to the company. We have identified groups of drivers for a company to conduct a logbook review. These groups can change week-by-week or month-by-month. They could be chronological or random. Whatever the case may be, ensure that you change it up enough so that a larger driver selection is reviewed over time.

Here are the groups that may create the greatest risk:

- Drivers who were involved in an accident or loss
- Drivers placed out-of-service for hours-of-service violations
- Drivers placed out-of-service for other reasons, not involving hours-of-service
- Drivers who received an hours-of-service violation while on the road
- Drivers who have experienced an hour-of-service violation within the last 90 or 180 days
- The "Top Performing" drivers from the previous month or quarter
- New drivers or drivers who have been with the company for less than 180 days
- Drivers who you have never audited
- Random Selection

If you breakdown the logbook selection, and dedicate your time to accurately and methodically reviewing driver's logbooks, then the number of logbook violations will more than likely decrease. The power of randomization has a huge impact on reducing losses and violations. So dedicate more time to reviewing a sample than speeding through the whole.

