

# CSA 2010

# Executive Overview

Presented by:

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INDIANAPOLIS CHICAGO WASHINGTON, DC LOS ANGELES  
KANSAS CITY CHATTANOOGA DETROIT

# I. *Fundamental Elements*

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1. Designed to target and change unsafe behavior **vs.** current system which is an inspection priority model
2. More real time and dynamic **vs.** snapshot and static current system
3. Measures all roadside violations and warnings, not just out-of-service violations (70% more data than current system)
4. Includes a series of progressive corrections and penalties

# ***1. Fundamental Elements***

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5. 7 times 2 – “publicly” available safety measurements
6. Field inspectors force increased exponentially [i.e. every State Trooper]
7. Enforcement variability increased exponentially

## ***II. Potential Impact & Implications***

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1. Lower incidence of large truck and bus crashes – safer roads
2. Level playing field
3. Reduction of “bad” carriers and drivers
4. Change in sales and marketing of transportation services

## ***II. Potential Impact & Implications***

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5. Increase in “unfit” or “unusable” driver workforce
6. Possible consolidation of roll up of fleets
7. Increase in transportation support services
  - ✓ specialized training & certification
  - ✓ specialized pre-measurement
  - ✓ specialized insurance
  - ✓ specialized legal service
  - ✓ specialized technology

## ***II. Potential Impact & Implications***

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8. Increased administrative cost
9. Increase in litigation – “negligent entrustment”
10. Increase in 3PL use – “insulation”
11. Increase in administrative cost to monitor drivers
12. Increase in conversion to EOBR; to minimize driver fatigue and hours of service violations

## ***II. Potential Impact & Implications***

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- 13. Increase in recruiting & retention cost
- 14. Increase leverage by insurance industry
- 15. Increase in self-insured retention
- 16. Increase in multi-truck owner-operators' costs/compensation

# *III. Conclusion*

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- Survival of the “fittest”
- 3<sup>rd</sup> most significant legal/operational event in trucking in 30 years
- “There is even pain in positive change”