

YOUR INSURANCE RESOURCE

Protect and save

TAKE THESE SMART STEPS TOWARD VEHICLE INSURANCE SAVINGS.

WHILE VEHICLE INSURANCE for your company's fleet may seem like a no-brainer, there are some important considerations to take that will help keep costs down. Keeping premiums at a minimum starts with hiring good drivers and also means making smart decisions on vehicle usage.

When it comes to good drivers, the place to start is with a well-written standard employment application.

"Don't just put anyone behind the wheel," warns Ken Von Forell, CPCU, director of independent agents at Hortica Insurance & Employee Benefits. "A good employment application includes questions about the applicant's driving record and whether their license has ever been suspended. Employees should also be required to bring in a copy of their motor vehicle record."

Von Forell says landscape contractors should use the employment application as a way to uphold certain standards such as "no reckless driving in a three-year period" and "no DUIs." He adds, "Establish limits and don't bend on them."

Make safety a priority

Texting, talking on cell phones and eating are all ways drivers can be distracted; as a company owner you can't afford to have a distracted driver on the road. Von Forell says it's important to establish a written policy on distracted driving. Having that policy in place encourages employees to follow the rules and allows you to take action if an accident occurs due to a distracted driver. While distracted driving can be hard to enforce, Von Forell suggests the stickers encouraging other drivers to call an 800 number to report poor driving



is a good place to start.

"If somebody is dangerously changing lanes or cutting people off in your company vehicle you want to know about that," Von Forell says.

Other riders also can be a distraction and a liability. Von Forell advises business owners to institute a "no riders" policy. "We've had instances of claims where an employee picks up a friend on the way to or from the job site," Von Forell says. "If the person riding in the vehicle is not an employee, their injuries in an accident are not covered by worker's comp. Make sure employees know that the company vehicle should not be used as a taxi service."

Another common trouble spot for landscape contractors is properly tying down loads. "Make sure that everything has a proper place to be stored on the truck and that bungee cords and other appropriate equipment is available to secure items safely," Von Forell says.

Keep costs down

There are many variables that impact the premium for a commercial vehicle; knowing them may help save you money. For example, commercial autos are rated on size, cost new, radius of use, type of use and garaging location. The rate also increases by the size of vehicle: light, medium or heavy.

While there is certainly much to consider with commercial vehicle insurance; in the end, so much of it comes down to drivers.

The bottom line, Von Forell says, is avoiding "problem drivers" can save you many headaches. "Have a standard for hiring and stick to it—regardless of friends, family or even need," he says.

KIDS CAN COST YOU

A common mistake landscape business owners make is insuring personal vehicles under the business policy, says Hortica's Ken Von Forell. This approach sometimes occurs in a family with teenagers—who have higher premiums not only based on age but also gender. "We've seen circumstances where a business owner might insure his children's vehicles under the policy to save a little money," Von Forell says. "But that can cost them much more in the long run. If a teenager gets into an accident and you have a fleet of 25 vehicles under your company, that entire fleet takes a hit because of the severe loss from one driver. It's simply not worth the risk. One teenage driver out with friends can ruin the insurability and cost of insurance for a family business for years."