



TURNER & HAMRICK, LLC
Your partner in risk management

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Turner and Hamrick, LLC is an Independent Insurance Agency serving Alabama and the southeastern United States. Protecting you and your business is our only focus. Enjoy the expertise, commitment, and professionalism that assures you will not only receive the best premiums, but also the finest service throughout your policy year.

DEVELOPING SENSABLE CELL PHONE USE AND TEXTING POLICIES

Driver inattention and distraction are the most frequently cited reasons for accident involvement in the United States, based on data gathered by the Federal Motor Carrier Safety Administration (FMCSA). In response to this data, FMCSA has issued regulations that prohibit texting and require that hands-free calling technology be utilized. Similar "distracted driving" bills have been introduced in nearly every state in the past few years, so there is a definite trend developing to deal with driver distractions.

It has been my experience that distraction can be impacted by a number of factors, many of which a motor carrier is unable to directly control when the driver is out on the road. This document is intended to assist as you develop your safety and compliance programs to conform with new regulations as they are developed, or as you plan to address litigation matters related to the use of cell phones and similar devices.

Regardless of whether your company provides cell phones to drivers, or simply allows drivers to carry their own, it is probable that those records will be thoroughly analyzed if your truck is involved in a crash. Motor carriers need to realize that they may be at risk anytime they have a distracted driver that is involved in an accident, regardless of why the distraction occurred.

Fleets should be careful to develop policies that are both reasonable and enforceable. Setting a standard that is unrealistic or has no effective mechanism for enforcement can increase your legal risk. To minimize such risk, consider the following:

1. Always set the baseline for your policy to include violations you have the ability to monitor effectively. The language you use is very important. Use specific terms and be sure the policy is consistent with your company standards (and not the standards of some company you obtained the "sample" policy from);

2. Make a risk assessment that covers the technology that will be in your company vehicles. This should be based on the specs of company equipment assigned to the driver and any accessories that the driver is expected to carry in your vehicle;

3. Make specific reference in the policy to the applicable standards at the federal and local statutes / regulations, require driver compliance with them specifically, and be consistent with them from a terminology standpoint;

4. Ensure that drivers and supervisory personnel are provided training on your policy from the date you implement it, incorporating

relative training into your driver orientation and other driver training programs;

5. Consider a policy that allows a certain amount of flexibility to your drivers, except as specifically prohibited in law. Terms such as "always" and "never" offer no flexibility for unforeseen circumstances that may arise down the road, so avoid using these terms when possible;

6. Insert a disclaimer into your policy statement that qualifies the extent to which your company is able to monitor compliance with the policy. Consider stating specifically whether the enforcement of the policy will be based on actual knowledge of violations (it's hard to manage what you cannot directly inspect when a driver is on the road) or on violations that you might be unaware of;

7. Be sure your day-to-day operational practices are consistent with your policy. Dispatchers and driver managers are the primary point of contact to your drivers, so ensure that their actions and tools used to contact your drivers are consistent with the policy that you establish.

If you need some assistance regarding this topic, feel free to contact Lane for further guidance at (251)661-9700 or via email at Ivaningen@transportationsafetyservices.com.

Managing BASIC Scores

There are many new issues currently facing the trucking industry. Companies are having to quickly adapt in order to minimize cost and maximize efficiency. Many cost increasing factors such as the hardening insurance market, tightened regulation, and increasing overall costs are putting a strain on many trucking companies. One particular area that is seeming to effect many areas of cost are higher than average BASIC Scores. A couple of ALERTs can cost a trucker thousands more per unit in insurance costs. It can also cost much more in lost freight. Many shippers and brokers will not give freight to carriers that are above a certain threshold. It is now more important than ever to keep your BASIC scores and drivers in check.

Some of the things that we are seeing work with keeping BASIC scores down are:

- Pull PSP reports on all new hires and don't hire guys with multiple violations
- Set STRICT MVR and SMS guidelines. If you are giving more than one warning, you are giving too many.
- In certain categories be stricter than others. Not wearing seatbelt and speeding in a work zone are two of the highest UNSAFE violation a driver can get. If you can keep from getting these two violations alone, you should be able to keep the UNSAFE in check
- Work on putting EOBRs in the units. These are going to be required within the next year or so and there is no reason not to get ahead of the game. Think of it this way....say 35% of the companies, in your pier group, install EOBRs and you do not. This 35% will drive down the threshold and make it even harder for you to keep your percentage in check. Be in the 35% that is proactive, not the 65% that is waiting to see. Most everyone that takes the plunge worries about (1) losing drivers and (2) losing productivity. Please call us and we can give you references to call. However, you will find that you will only lose around 1 of every 30 drivers. Your productivity will drop by around 25% the first couple of weeks but will pick back up to where you were or better due to drivers will learn to manage their time better.
- Work with all drivers so they know the BASIC scoring in-and-out. Also make sure they are aware of the many ways a single violation can hurt the company as well as themselves.
- Post updated scores somewhere in the office so the drivers can see how the company is doing. No driver is going to want to be responsible for making the scores go up. You could even give a bonus...say, \$100 to every driver for every quarter the company is under a certain percentage, an all or none type bonus.

JANUARY, 31st INDUSTRY ROUNDTABLE

On Thursday January, 31st Turner & Hamrick will be hosting an industry roundtable session from 9:30 - 3:30 at Wynakes Country Club in Montgomery. Below is a schedule of the table topics and speakers. This seminar is open to both both clients and prospects of Turner & Hamrick. We hope you will be able to join us. If you or someone at your company plans to attend please email Cheney Haugabook at chaugabook@t-hllc.com.

Cargo Concerns

Minimizing Cargo Losses & Reduction of Cargo Claims
Recognizing High Risk Commodities for Cargo Theft
Randy Phillips, Vice Pres of Claims – Great West Casualty

Loss Control

Is DOT Compliance Enough?
Improving CSA Scores & Adv Loss Control Methods
Connie Beals, Technical Service Manager – Chartis
Dave Eckler, Safety Inspector – Great West Casualty
Brian Ricci, Director of Marketing – Innovative Risk
Lane Vaningen, President – Transportation Safety Serv

Underwriting Concerns

Becoming a "Quality" Account
The Changing Market & Firming of Rates
Identifying Risk Appetites &
Underwriting Guidelines
Matt Hanson, Underwriter – Chartis
Evan Hutcheson, Underwriter – Great West
Tim Horgan, Senior Vice President - Chartis

Key Employee: Mary Beth Wilkerson

Turner and Hamrick is pleased to announce Mary Beth Wilkerson as its key employee of the quarter. Mrs. Wilkerson has been with Turner and Hamrick for the past six years. She currently handles small fleet marketing and personal lines.

Before working at Turner and Hamrick, Mrs. Wilkerson was employed by Phelps Agency in marketing and sales. She also worked at Whitherington Insurance Group for one year prior to working at the Phelps Agency.



Mrs. Wilkerson was born and raised in Goshen, Alabama. For high school, she attended Pike Liberal Arts. Mrs. Wilkerson also went on to attend Troy University for two years.

In her free time, Mrs. Wilkerson enjoys spending time outdoors with her husband, Jeff.

Thank you, Mrs. Wilkerson for all your hard work at Turner and Hamrick.

Client Spotlight:



Turner & Hamrick would like to congratulate Pont Logistics as being selected as the client spotlight of the quarter. Point Logistics was started in 2007 when Christopher Watkins, Mac Taul, and John Stimpson bought Cargo Dispatch. At the time Cargo Dispatch was operating around 12 company units and hauling mostly flatbed freight. Since 2007 Point has grown to the current size of around 60 units which includes around 20 independent contractor units.

Point Logistics services most of the trucking industry needs such as hauling Intermodal, reefer, van and flatbed freight. Though they have the equipment and ability to carry most any cargo, Point specializes in hauling intermodal and in particular refrigerated intermodal containers. With operations concentrated at the Gulf Coast ports of New Orleans, LA, Gulfport, MS and Mobile, AL Point is strategically positioned to serve the intermodal needs of customers who import and export through the South Atlantic and Gulf of Mexico.

Point Logistics strives to be the safest company on the road. Due to Point's efficient company policies and procedures they have been able to maintain an outstanding Safety record with BASIC scores well below industry averages in all categories.

Turner & Hamrick would like to thank Point Logistics for their dedication to safety and service.

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