

# Truckers are always interested in saving \$\$\$\$'s



TruckSure

By Trevor Toohill

If you've been in the trucking industry for long enough, you know your truck insurance premiums can be one of your largest expenses.

Not only are your trucks and trailers extremely high value units but the seriousness of accidents involving heavy vehicles can lead to astronomical cost of damage claims with your insurer. Both are major factors that can contribute to a hike in your fleet or truck insurance premiums.

Sure, truck insurance premiums are going to climb regardless if you happen to be the best driver or the worst. Sometimes just the transport industry loss experience across the board and current economic conditions will lead to price increases. And, just running your fleet or independent business efficiently and safely isn't enough to avoid increases.

Consider these couple of ideas to keep a lid on premium increases. These are things you can actively do to keep your premiums low and avoid future increases.

## Contract to a large transport firm

I know that this is not the best option for those truckers who wish to stay independent. But going with the big carriers can actually offer some financial benefits despite the loss of a few freedoms as an independent business owner and one of those could be lower insurance premiums. Well run fleets generally attract a lower premium than that available to even the best performing owner operator. While it may not be worth changing your employment situation to suit your truck insurance premiums alone, large companies can pass real savings on to independents in a number of other ways. Weighing the cost of association with these savings is up to you, but knowing that discounted rates are available is always beneficial if you have difficulty crunching your budget numbers at the end of the year.

## Clean up your driving

'Cleaning up' your driving record is not easy and most violations will stay on record for quite some time. Insurers will look back at least five years. So the best way to keep a clean record is to do just that. Keep a clean record. That means things like speeding, tailgating and aggressive lane-changing need to stop. All are proven to carry a higher risk of accidents when on the road. A clean driving record will go a long way in negotiating lower truck insurance premiums. Be aware of safety scores, TORO, or Star ratings on you or your business as well. Make sure they are accurate because you can bet in the future they will affect your truck insurance premiums substantially.

## Pay premiums annually

Insurance contracts are annual and due in full from inception of the policy or at renewal. If you can pay your truck insurance premiums annually, you are likely to get a discount as most times a transaction fee or interest is charged if you spread your premium payments monthly. If you can't afford to pay them annually talk to your broker about paying off the premium over

three months. Any good broker will allow you to do this without any fee or interest charge.

## Have a higher excess

Premiums are reduced if you elect to have an excess or deductible applied to your policy. A higher excess means lower premiums. From your insurance company's perspective you are sharing some of the risk and lowering their damages bill in the event of a claim. From your perspective you aren't planning on having accidents anyway. Choose a higher excess and save in the long run.

## Choose drivers carefully

One way to keep your premium lower is to be really careful to ensure that you trust the skills of every driver you hire. If they're not on the same page as you with regards to pushing shift limits, staying rested on the road, driving techniques, etc, then be assured they'll hold a higher risk of accidents and be the cause of subsequent truck insurance increases than other drivers. Your drivers' actions will ultimately directly affect your truck insurance premiums.

## Take care of safety

Corporations don't have written safety policies because they enjoy writing. They not only benefit them in the case of accidents and investigations, but also when dealing with insurance companies. Employee safety programmes are proven to reduce the risk of accidents, take advantage of them and keep records. If you document your efforts to reduce risk to your truck insurance providers you are more likely to get rewarded with reduced insurance premiums.

And while you are at it document your ongoing training regime. Don't have one? Shame! Insurers are really interested in driver training especially if you have had a run of claims.

## Shop around for insurance

On plenty of occasions when we review potential client's insurances and provide quotes we are surprised that brokers have neglected to review truck values and also have blindly trusted their selected insurer to provide the best premium year after year.

Your insurance account needs to be reviewed by the market on a regular basis and if necessary put out to tender. Overstated vehicle values could save as much as 20% on your insurance bill and competition another 10%!

Not all of these suggestions will rip through your current premium like a magic bullet of savings but being aware of these opportunities will definitely have an effect on your premiums in the long run. The safest drivers and lowest risks will get the best rates. **TD**

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