The Growing Impact of Nuclear Verdicts on Fleet Operations Commercial Vehicle Accidents Continue to Result in Multi-Million Dollar Settlements

According to an 82-page document titled <u>Understanding the Impact of Nuclear Verdicts on the Trucking Industry</u> published by the <u>American Transportation Research Institute</u> (ATRI), "Nuclear Verdicts" have become more and more commonplace in response to commercial vehicle accidents since 2006. Not only have these verdicts become more numerous over time, but the damages awarded have skyrocketed from an average of around \$4,000,000 in 2017 to over \$20,000,000 in 2018 according to the same document from ATRI. These judgements not only serve as a reminder for drivers and companies alike to adhere to the law, but they also drive up insurance rates across the entire industry. Juries are also awarding larger punitive damages in addition to actual damages in an attempt to deter companies from neglecting their responsibilities. <u>Business Insurance</u> posted an article titled <u>A.M. Best Maintains Negative Outlook on Commercial Auto</u> wherein rating the agency A.M. Best & Co. stated that the sector's 2019 losses were the worst in 10 years and that "Since 2016, the entire auto sector has seen rate increases of at least 5%." If these cases continue, commercial auto rates will also continue to rise. While many incidents involve heavy trucks, the victims and verdicts are the same for smaller entities. Below are some examples of nuclear verdicts:

- Georgia Jury Awards \$280 Million to Louisiana Family in Fatal 2016 Truck Crash An incident involving
 a driver who hit and killed a family resulted in a landmark judgment for the victims' family of hundreds of
 millions of dollars. The driver said he swerved to avoid a dog, but reconstruction experts disagreed.
- "Nuclear Verdict" Kills 540 Truck Carrier The 540 truck driving employees of Country Wide RV
 Transport lost their jobs after a company driver fell asleep at the wheel and killed two victims, resulting
 in a lawsuit with a verdict of \$26,600,000 that shut the company down.
- Coca-Cola Hit with a \$21 Million Distracted Driving Judgment A jury awarded \$21,000,000 in damages to a victim who was hit by a Coca-Cola driver who was using a cell phone at the time of the incident.



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