

## Event Data Recorders

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You're operating your car as you usually do. Your daily routine is not much different than many, many millions of others. You get up and start the car, pickup, SUV or hybrid, back out of the garage or parking spot and head to work. Perhaps you pop out somewhere for lunch and, later, back home. Hey, it's the weekend, so maybe you take a day trip to see relatives or go to a nearby state park and do some camping. Maybe you stay in town and decide to enjoy the local music and clubbing scene. Who knows what adventures await for you and your vehicle? Well, increasingly, your insurer does.

For well over a decade car manufacturers have, without much publicity, manufactured and installed special boxes in your vehicles called event data recorders or EDRs. Though less sophisticated, they are quite similar to "black boxes" used on aircraft. While they aren't equipped for tracking down the level of vehicle use you might expect from an act of espionage, they do perform at a level that may surprise vehicle owners.

EDRs can capture a large amount of information about a vehicle, particularly information about what occurs before a traffic accident. When vehicles are repaired or prior to being sent for salvage, EDRs can be taken out, have their data reviewed and statistics be reported on the speed of vehicle, time of incident, whether braking occurred, road surface response and other details.

While a vehicle is operated without incident, the data is, at some pre-set limit, written over. However, should an accident occur, the information is frozen and maintained for the pre-accident data. Manufacturers typically use the information to study vehicle response. It is meant to assist with future vehicle development. However, increasingly, authorities and private insurers have moved to get access to the information and use it for crime and claims investigation respectively.

An interesting twist involves privacy issues. Many vehicle owners are unaware of EDRs and what they are doing. A larger issue is the ownership of the information. Manufacturers treat the information as proprietary and do not share it with vehicle owners. Authorities and insurers get legal access to the information, yet vehicle owners do not. Currently, lawsuits are arising regarding whether the use of such information and the existence of EDRs constitute invasion of privacy.

As technology becomes more pervasive and advanced, both insurance companies and insurance consumers should be more aware of its impact on their business relationship.

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