

Executive FAQ

Trucking Litigation Risk & Operational Exposure

*Insights from ATRI's **Trucking Litigation: A Forensic Analysis***

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

Overview

This executive FAQ distills key findings from the American Transportation Research Institute (ATRI) report *Trucking Litigation: A Forensic Analysis* and translates those findings into operational implications for safety leaders.

The data confirms three realities:

1. Litigation frequency is increasing.
2. High-dollar verdicts are accelerating in both size and volatility.
3. Operational decisions — particularly hiring practices, driver oversight, documentation discipline, and policy enforcement — materially influence exposure.

For Directors and Vice Presidents of Safety, litigation risk is no longer solely a legal concern.

It is an operational systems management issue involving how fleets screen drivers, monitor risk indicators, enforce policies, and document corrective actions.

Understanding Nuclear Verdicts

Q: What is a nuclear verdict?

A nuclear verdict is generally defined as a jury award exceeding **\$10 million**

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

ATRI's analysis shows:

- Nuclear verdicts are increasing in frequency.
- The upper quartile of awards is rising faster than overall medians.
- Award volatility is expanding, making exposure less predictable.

The result is heightened financial instability across the industry, particularly for carriers with limited insurance flexibility.

Q: Why are nuclear verdicts increasing?

ATRI identifies several contributing trends

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

- **Social inflation** — Growing anti-corporate sentiment influencing juries.
- **Expanded litigation funding** — Third-party investors incentivized to maximize awards.
- **Rising non-economic damages** — Pain and suffering awards increasingly dwarf medical damages.
- **Venue variability** — Certain jurisdictions produce materially higher median awards.

These are structural trends, not anomalies.

Industry Impact

Q: How do nuclear verdicts affect motor carriers?

Large awards have cascading operational consequences:

- Increased insurance premiums
- Higher deductibles and Self-Insured Retentions (SIRs)
- More aggressive underwriting scrutiny
- Increased documentation demands from insurers
- Greater emphasis on audit-ready compliance systems

ATRI also found that median trial verdicts in **state courts were significantly higher than those in federal courts**, demonstrating how venue alone can materially impact exposure

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

For safety executives, litigation exposure now directly influences operational cost structures.

Operational Risk Drivers Identified in ATRI's Data

Q: What operational factors most strongly influence award size?

ATRI's regression analysis identified specific negligence categories associated with significantly higher total awards

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

- **Substance abuse allegations**
- **Improper hiring or onboarding**
- **Gross negligence claims**
- **Speeding or unsafe driving behavior**
- **Cumulative failures (multiple negligence allegations)**

Notably:

- Improper hiring and onboarding allegations were strongly correlated with increased award size.
- Each additional alleged negligent behavior significantly increased expected total awards.

This means exposure is rarely tied to a single failure; it compounds.

Q: Why is hiring and onboarding such a high-risk area?

Improper hiring or onboarding claims frequently involve allegations such as:

- Inadequate vetting of driver history
- Incomplete prior employment verification
- Insufficient training documentation
- Failure to properly evaluate CDL credentials
- Lapses in drug and alcohol testing enforcement

ATRI's findings demonstrate that plaintiffs increasingly frame hiring failures as **systemic corporate negligence**, not isolated oversight

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

This elevates exposure beyond individual driver conduct.

Injury Severity and Award Escalation

Q: How does injury severity influence awards?

ATRI found that certain injuries significantly increase total awards

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

- Fatalities
- Psychological trauma
- Traumatic brain injuries (TBI)
- Severe spinal injuries
- Multiple injured plaintiffs

Additionally:

- Each additional injured party materially increased award size.
- Cases involving severe injuries were far more likely to exceed \$1 million.

For safety leaders, this reinforces the importance of preventive controls around fatigue, impairment, and risk-prone driving behaviors.

Settlement vs. Trial: Strategic Considerations

Q: Is settlement generally safer than trial?

It depends on award size.

ATRI's analysis shows

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

- For cases exceeding \$5 million, settlements were typically lower than verdicts.
- For cases under \$1 million, settlements were often higher than verdicts.
- After three years of litigation, the financial difference between settlement and verdict diminishes.

This suggests that early case evaluation and strategic documentation integrity play a critical role in exposure management.

The Role of Documentation and Operational Consistency

Q: Why does operational consistency matter even when FMCSA standards are met?

A growing litigation theme is the argument that FMCSA compliance represents a **minimum standard**, not sufficient care

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

Plaintiffs frequently argue:

- Companies should exceed regulatory minimums.
- Internal policies were inconsistently enforced.
- Documentation gaps demonstrate systemic disregard.

Even when regulatory compliance exists, inconsistent enforcement or incomplete records can be portrayed as negligence.

In litigation, documentation quality often determines narrative strength.

Risk Mitigation Strategies for Safety Executives

Q: What proactive steps reduce litigation exposure?

Based on ATRI's findings, safety leaders should prioritize:

1. Documentation Integrity

- Maintain audit-ready driver qualification files.
- Ensure complete onboarding records.
- Document training, remediation, and corrective actions.

2. Hiring Rigor

- Conduct structured background reviews.
- Verify prior employment thoroughly.

- Enforce consistent drug and alcohol testing protocols.

3. Operational Oversight

- Monitor speeding and telematics data.
- Address unsafe driving trends proactively.
- Document corrective action in real time.

4. Policy Enforcement Consistency

- Apply policies uniformly across drivers.
- Avoid informal exceptions.
- Align written policy with actual practice.

5. Internal Audit Discipline

- Conduct routine compliance reviews.
- Identify gaps before they are identified in discovery.

ATRI's data confirms that exposure escalates when multiple operational weaknesses are present.

Research Source: ATRI, Trucking Litigation: A Forensic Analysis (2025).

Final Executive Takeaway

Litigation risk is no longer episodic; it is systemic.

ATRI's findings demonstrate that:

- Awards are rising.
- The highest awards are rising fastest.
- Improper hiring and cumulative operational failures significantly increase exposure.
- Venue and jurisdiction matter.
- Documentation quality shapes litigation outcomes.

For safety executives, structured compliance, disciplined onboarding, and operational consistency are not just regulatory responsibilities, they are enterprise risk controls.

Proactive compliance architecture reduces administrative burden, strengthens defensibility, and protects organizational stability in an increasingly volatile litigation environment.

This document is provided for educational purposes only and does not constitute legal advice. Organizations should consult qualified legal counsel regarding specific litigation matters.