

Car Manufacturers Under Fire for Covert Data Sharing Practices on Driving Habits

March 19, 2024 - Certain car manufacturers are quietly selling their customers' driving data which is then being used by insurance companies. Recent reports of this are sparking outrage among privacy advocates and consumers alike. For many, the result of this practice is a significant increase in their insurance rates. That's because the data being shared includes information on acceleration, "hard braking" (whatever that is) and speed. So if your insurance company thinks that you're an "aggressive driver," they will hit you where it hurts: In the wallet.

One of the major players in this controversy is General Motors (G.M.) is accused of enrolling customers in its Smart Driver program without obtaining explicit consent. The program, integrated into G.M.'s OnStar system - which is a connected car app - collects data on driving habits and then the data is then shared with data brokers like LexisNexis and Verisk. They in turn provide that information to insurance companies through consumer reports. The result has been that drivers with good driving records experiencing spikes in insurance premiums that appear to be out of the blue.

But G.M. isn't alone in this practice. Other automakers including Kia, Mitsubishi, and Hyundai have similar data-sharing technology. Despite claims of user consent, many drivers remain unaware of the extent of data collection and sharing happening through their vehicles. Given the way that sharing takes place, this isn't surprising.

Auto buyers may find that the language to sign up for one of these programs is buried in the paperwork that they sign at the time they purchase their car. Alternatively, they may find that it is buried in one or more of the apps included in their cars entertainment system. Some of these apps will encourage drivers to sign up in order to help them become "better drivers." But what they don't always tell you is that by signing up, you're also signing up to share your driving data.

To protect yourself from such privacy breaches, consumers are encouraged to take several proactive steps:

Check any "Connected Car App" that comes with your vehicle: Consumers should review the settings of their car's connected app to determine if they are enrolled in any data-sharing programs.

Request privacy information: Drivers can request privacy information from their car manufacturer by searching for "privacy request form" along with the manufacturer's name. This can provide insights into what data is collected and shared.

Check your consumer reports: By obtaining driving data reports from major data brokers such as LexisNexis and Verisk, consumers can gain a better understanding of the information being shared with insurers. Consumers can contact these companies at <https://consumer.risk.lexisnexis.com/consumer> and <https://fcra.verisk.com/#/> respectively.

Find out how private your vehicle actually is: Vehicle Privacy Report lets you look up information about your actual car. You will need your VIN (vehicle identification number) to use their system. This can usually be found on your purchase agreement or by looking at the number on your dash board. You can access their website at <https://vehicleprivacyreport.com/>.

by Jim Malmberg

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