

\$AFETY PAY\$

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Customer Newsletter

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Summer/Fall, 2011

A Warm Welcome To Our New Customers

Aircraft Services International Group
Air System Components (ASC)
Ameripride Services
Ames True Temper - Harrisburg PA
Andre Landscaping
ARS - Aurora CO
Artistree Landscape
Aubuchon Hardware
Avedis Sildjian Company
Baywind Village
Bellville Shoe Manufacturing
Buhler Aeroglide Corp.
C&G Healthcare
Candlelight Inn - Clinton IA
Canyon Properties
Cardinal Health
Central Valley Cheese
Cheney Door Company
Costco Depot
Crown Linen
Crown Services
Crown Plaza - Billings MT
Crystal Distribution (CDI)
Dal-Tile Corp.
Doubletree - Cleveland/Lakeside
DRS Marlo Coil
DRS West
Explorer Pipeline
FibreK
FM Brown
Forte Product Solutions
Ft. Huachuca Army Base
Georgia Pacific - Modesto CA
Good Harbor Fillet
Greenville Tube Company
H&B Services
Hamilton Manufacturing
Heartland Automotive
High Country Lumber
Hypro, Inc.
Integrated Nursing and Rehab - Glendora CA
Integrated Nursing and Rehab - Perris CA
K-Bay
Kellogg August Bakery
Kerry Ingredients - Elk Grove IL
Key Food Ingredients
Keystone Lime
Kimco Staffing
Lin's Marketplace
Lowe's MCVG
Lowe's Regency Hotel - New York, NY
Mastec North America
Medical Management Concepts
Mercury Container
Milport Enterprises
Miravella Care Center
Morrison Products - Cleveland OH/Nazareth House -
Fresno CA
Nazareth House - San Diego CA
Nazareth House - San Rafael CA
Nicor Gas
Olympus Building Services
Packaging Corp. of America
Pall Corporation
Performance Food Service
PK USA
Plum Healthcare Group
Ready-Pac
Richie's Diner
Rightway of Wisconsin
Saddle Creek Corp. - Burlington NJ
Sara Lee Bakery
Schofield Barracks
Sears Home Services - Raleigh NC
Signature LLC
Sizzler Restaurant - Hesperia CA
Sizzler Restaurant - Temecula CA
Sonner B&B
Spartan Foods of America
St. Andrews Healthcare
Sunshine Communications
Tech Data - Suwanne GA
TST, Inc.
Unitex USA - Direct Sat
Unitex USA - Advanced Communications
Unitex USA - FTS
Vozcom
West Penn Wire
Yale Lighting & Appliances
Xpedex

New Safety Pay\$ Upgrade...

The Buddy System

With each new year, we attempt to provide all of our customers an innovative new approach to utilize the Safety Pay\$ program. This is especially important from the standpoint of keeping the game fresh & dynamic in order to maximize employee interest and overall workforce safety awareness. Our latest upgrade is definitely a new spin on the program formula currently being utilized by the vast majority of our customers. We call this new approach: "The Buddy System". The concept behind this upgrade is to increase individual employee safety awareness by designating two workers as "buddies", responsible for each other's safety-related behavior and allowing each to participate in the other's success. Here's how it works:

The basic game mechanics remain the same -- progressively higher jackpots based on a \$1 increase with each day's bingo number draw. With this new design, though, each participating employee is assigned a buddy; usually someone who works nearby. If one of the two buddies wins the game, each buddy receives half of the jackpot. If one of the buddies is injured, both buddies are eliminated from that game round. But there's more! Anytime an employee is cited for any of the following, both he AND his buddy are disqualified from the game round:

- * *Being responsible for any kind of accident which was otherwise preventable*
- * *Refusal to work or perform a job assigned*
- * *Any unsafe or dangerous action regardless of employee intention*
- * *Receiving either a game "safety violation" or company warning notice*

These are just a few generic "disqualifiers" which should be an easy fit for most, if not all, of our client companies. But there are a number of other issues which you might wish to address for your company's specific needs. For example, for those businesses that have large fleets or employees driving company vehicles, you might want to include "Any moving violations" as a disqualifier. Companies which require employees to wear uniforms might include "Failure to wear a clean uniform" as something which results in an employee (and his buddy's) elimination from the game. The point is that whatever you wish to target can easily be integrated into this approach with the underlying motivation by each buddy to ensure compliance in order to avoid disqualification.

There are exceptions to where the Buddy System format would not apply. The most critical area relates to bonus cards awarded to individual employees with long-term personal safety records (as provided in the upgrade released in 1996), or a bonus card awarded to an employee for individual achievement or going "above & beyond the call" in some facet of their work. In such a case, if an employee wins the game with such a bonus card, the jackpot would NOT be split with his buddy. We always want to encourage extra individual employee effort, and it might otherwise be inequitable to force an employee to share a reward which came as the result of his own personal effort.

There are a couple of provisos you'll want to keep in mind when using this new incentive formula. First of all, when assigning buddies, it's a good idea to not automatically put two people together who already have a buddy-type of relationship. Keep in mind, we're attempting to expand workforce safety consciousness with this upgrade and existing friends are already relatively dialed in to the welfare of one another. Secondly, we recommend the buddy assignments be rotated every 3-6 months with the idea that eventually everyone will have been paired up at some point with another co-worker in his shift or department.

Obviously, what we're attempting to achieve with "The Buddy System" is a renewed commitment to workplace safety and enhanced peer group influence that workers have over one another. And there's nothing quite so motivational as knowing that one's fortune will rise or fall based on not just what one does himself, but also the guy standing nearby. For more information on this upgrade, give us a call and we'll be happy to provide further details.

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Comments, Suggestions & Ideas...

I'm happy to report that the Safety Pays program has far exceeded my expectations. Although during the time since we started your incentive system, we've paid-out over \$4,000 in jackpot awards to our employees, *in the first year, we were able to reduce our workers' comp mod rate by 21% translating to a \$31,000 savings from our insurance premiums. However, in the year since, we have saved an additional \$35,000-\$45,000 based on our lowered rates.* I feel assured that had we not had the Safety Pays incentive program, we would not be seeing such tremendous savings.

Will Eber, General Manager
DOLANS LUMBER

I manage a nursing facility with about 60 employees. To the best of my memory, *before we implemented Safety Pays, we had about 13 incidents over the course of the previous year and the same for the year before that.* Frankly, I didn't think all of those claims filed over that 2 year period were truthful, and that actually, some employees were just trying to take advantage of the workers' comp system to get time-off from work and still get paid.

Well, knock on wood, *this year we've only had one incident which was extremely minor -- just a finger prick with a needle.* Otherwise, there have been no other accidents or injuries and for this we are extremely grateful to Safety Pays. Clearly, it's working well and I have no doubt this trend will continue thanks to your incentive program.

Mark F. Gunnell, Facility Director
LAKE HILLS INN NURSING HOME

Over the past three years, we've used Safety Pays at our company with the focus on elimination of lost-time injuries. During that time, each year we have seen our overall safety record get better and better. The bingo game has provided a fun and rewarding way to motivate our employees. But more importantly, it has given us a vehicle to provide our staff daily reminders about the need to always stay focused on safety both personally and in their employment. Along with each day's bingo number we email safety tips to each employee. We think safety is everybody's job and Safety Pays is helping us nurture a strong safety culture here.

Linda Platz, Human Resources Manager
KOMO MACHINE

I began my present position as Security Coordinator with Pinkerton Government Services at the Watts Bar Nuclear Power Plant in South Carolina just before we started using Safety Pays. At the time, we'd been experiencing a abundance of minor accidents. Safety Pays became one of my most important tools when used with continual safety education. Moreover, it immediately resulted in the reduction of on-the-job accidents.

The security officers here at Watts Bar take the Safety Pays game very seriously and with the implementation of your incentive program make every effort to avoid accidents and injuries. This includes not just their own personal safety but watching out for others. *Safety is always on their minds and that's a direct result of Safety Pays. This is evidenced by the fact that we recently hit 2,000,000 man hours without a lost-time accident!* That's something we are very proud of.

Donald J. Ralph, PGS Security Field Coordinator
WATTS BAR NUCLEAR POWER PLANT

Safety Pays has had an astounding affect on our company in several ways. *First and foremost, we have reduced our injuries to virtually nothing since we start ed the program. The savings are unbelievable!* Second, our employees love the game and morale has improved significantly. Every employee has made safety a primary concern when prior to launching Safety Pays it was just an afterthought.

We try to vary the games to add interest including the implementation of what we call "Attaboy" awards. An extra bingo card is given to the employee who goes out of his way to make the workplace safer, or if someone just makes the effort to do something extra that is significant to the quality of our workplace.

We believe that Safety Pays is an affordable, fun and efficient tool for any company and would encourage everyone to give it a try. It works!

Kathy Merlo, Managing Partner
DEL REY PACKING

Be still my beating heart! 13 claims in one year reduced to ZERO claims . All thanks to Safety Pays! I can't even imagine what our workers comp premium would have been this year without your program! You're the best!

Bill Greer, Owner
BURTON AUTO SUPPLY