



# FORESTRY MUTUAL NEWS

Newsletter of the Forestry Mutual Insurance Company

Vol. 5, Issue 2

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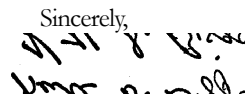
## FROM THE PRESIDENT'S DESK...

**S**ince December 31<sup>st</sup> 2003, Forestry Mutual Insurance Company has increased its surplus from \$5.3 million to over \$11.4 million. This feat was accomplished by a group of strong policyholders as well as a determined staff at FMIC. Based on our revitalized surplus, A.M. Best has upgraded FMIC to a C+. In our meeting with A.M. Best in February, they stated that groups do not move up more than one grade at a time. I feel confident with continued success, our rating will continue to climb.

During a survey of our policyholders a couple of years ago, one of the most asked questions was about health care for the employees. Forestry Mutual Insurance Company is happy to announce that we have teamed up with Ms. Kim Sweet with Jefferson Pilot to try and help our policyholders with this problem. I have asked Ms. Sweet to conduct a sample prior to unveiling this product to see if it is applicable to our policyholders. A copy of the brochure is enclosed with this newsletter. Please let me know if this service would help your company as we at FMIC strive to continue to help your industry in other ways than providing your workers compensation coverage.

Hot off the press is the long awaited Log Deck Video that FMIC took the lead in producing as part of the ProLogger Program. This was a project that was sought after by our members due to the congestion on the log decks. As you view this video you will see that the wood products industry was a strong financial supporter of this video.

Again, I know that I cannot personally get around and visit each one of you but thanks for your continued support.

Sincerely,  




*Forestry Mutual President Keith Biggs at Forestry Day in the Legislature.*

## WADE LAUGHTER - A HUMBLE LUMBER MAN

**N**estled on 17 acres off a dirt road in the foothills of Polk County, A & L Lumber Company is one of the survivors in our new global economy that has punished the textile and furniture industries in North Carolina over the past 10 years.

A & L Lumber is a pure hardwood sawmill, sawing mostly poplar, and supplying it in rough, green form to customers. Wade Laughter has witnessed his company's market niche getting larger due to the attrition that has impacted the forest products industry in recent years.

"They're quitting - getting out - for whatever reason, they are falling by the wayside," stated Laughter as he flipped over a trade magazine that featured several sawmills for sale. "Course, you know that helps the ones that stay in business."

Laughter, who was born in 1939 and raised in Rutherford County, acknowledges that his company has gone through some ups-and-downs over the years.

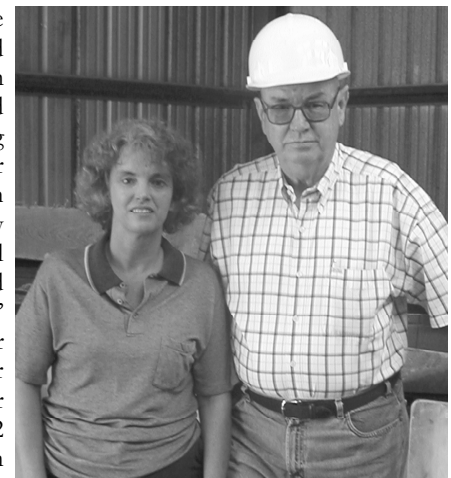
After graduating from Rutherford Spindale High School, Laughter set out to follow his dad into the lumber business.

"I went to the school of hard knocks from then on," remarked Laughter referring to his time after graduating from high school. "My dad had a small mill and I worked for him for years."

Laughter then worked for Gilkey Lumber Company for 12 years before, in 1981, Laughter decided he wanted to start his own business.

The market conditions weren't exactly ideal.

"I was probably so dumb," explained Laughter, "I didn't know what was going on so I just went. When I left Gilkey, we were in recession, and if I had known then what I know now, I



*Becky and Wade Laughter make a dynamic father-daughter team at A & L Lumber.*

*(continued on page 3)*



## SAFETY ALERT

by J.J. Lemire

Loss Control Representative  
for Forestry Mutual

### EYE SAFETY

**Why is eye safety at work important?** Eye injuries in the workplace are very common. More than 2,000 people suffer eyes injuries at work each day. About 1 in 10 injuries require one or more missed workdays. Of the total amount of work-related injuries, 10-20% will cause temporary or permanent vision loss. Experts believe that the proper eye protection could have lessened the severity or even prevented 90% of eye injuries in accidents.

**What are the common causes of eye injuries?** Common causes for eye injuries are: flying objects (bits of metal, glass), tools, particles, chemicals and harmful radiation.

**What is my best defense against an eye injury?** There are three things you can do to help prevent an eye injury: 1) Know the eye safety dangers at work-complete an eye hazard assessment; 2) Eliminate hazards before starting work. Use machine guarding, work screens, or other engineering controls). Use proper eye protection.

**When should I protect my eyes at work?** You should wear safety eyewear whenever there is a chance of eye injury. Anyone working in or passing through areas that pose eye hazards should wear protective eyewear.

**What type of safety eyewear is available to me?** Safety eyewear protection includes: Non-prescription and prescription safety glasses, goggles, face shields, welding helmets and full-face respirators.

**What type of safety eye protection should I wear?** The type of safety eye protection you should wear depends on the hazards in your workplace. If you are working in an area that has particles, flying objects, or dust, you must at least wear safety glasses with side shields. If you are working with chemicals, you should wear goggles. If you are working near hazardous radiation (welding, lasers or fiber optics) you must use special-purpose safety glasses, goggles, face shields, or helmets designed for that task.

**What is the difference between glass, plastic and polycarbonate safety lenses?** All three types of safety lenses meet or exceed the requirements for protecting your eyes.

**Does safety eye protection work?** Yes, eye protection does work. Prevent Blindness America has recognized more than 86,000 people who avoided losing their sight in a workplace accident because they were wearing proper eye protection. For more information on eye safety, checkout [www.preventblindness.org](http://www.preventblindness.org) or call 1-800-331-2020. ■

## FM LOSES A BOARD MEMBER



Allen Lee "Bud" Martin, a member of Forestry Mutual's Board of Directors, died on May 29th at New Hanover Regional Medical Center.

Born in July 23, 1933, Martin was a graduate of North Carolina State College in 1956. He served his country honorably in the United States Army and continued his service as a commandant in the North Carolina Army National Guard. He retired from the North Carolina Army National Guard as a Colonel. A member of the Covenant Moravian Church, Martin was a longtime employee for Federal Paper Company and retired from the company when it was acquired by International Paper Company.

"Bud was a board member since 1990," stated Forestry Mutual President Keith Biggs. "He helped shape our company through those years with his input. He was a friend to all of the people involved with this company and he will be missed." ■

## FORKLIFT OPERATORS CAN BE COSTLY

By Jim McCraney, Forestry Mutual Safety Trainer

**F**orklifts are indispensable to many companies in the lumber industry. They represent a large initial investment, cost thousands of dollars to maintain, but they also can be one of your greatest liabilities. The damage a forklift can do to products, materials, trucks and facilities can be staggering.

The human risk factor is equally as high. It is reported that in the United States, every four days a person dies and every six minutes a person is hurt by forklift operations. The human risk factor is so high that OSHA is now taking serious action when they determine an employer has untrained operators. A fine or penalty (\$7000 for each untrained operator) can be assessed for non-compliance. Employers are responsible for their employees' safety and must ensure the following OSHA requirements are met:

- Employer's shall ensure that each powered industrial truck operator is competent to operate a powered industrial truck safely.
- Lift operator is fully certified.
- Lift operator is trained in the nature of hazards in the work area.
- Lift operator is trained to perform his work safely.
- Lift operator is re-certified every three years.
- Lift operator with an incident, near miss, unsafe operation or introduction of new equipment or work place condition change must go through training.

So how does an employer successfully manage such an irreplaceable part of his/her company and limit the risks to people and things? You may want to look into these areas:

**Develop a Company Policy:** Document that forklift operators will perform their jobs in a safe, efficient manner. It is management's responsibility to aggressively manage its forklift operators. You will never reduce risk if you do not provide guidelines for operators to follow.

**Provide Proper Training:** Forklift operator training shows that the employer is dedicated to safety. It spells out the guidelines that will be followed for operating all lift trucks. It also points out the hazards involved in operating the lift trucks. It also satisfies an important OSHA requirement.

**Enforcement:** Sometimes employers are reluctant to take disciplinary action for unsafe lift operations. Do not make this mistake!

So what could be some warning signs that your company is about to have forklift injury accident? Look for some of the following:

- Property damage - First you see forklift damage-things like product damage, racks dented, broken pallet boards, doors hit, poles hit, protection barriers hit.
- Equipment damage - 80% of forklift repair and maintenance costs are due to operator abuse of the equipment. A large cause of equipment breakdown is vibration (traveling at excessive speed on uneven surfaces or hard contact with heavy objects) and pushing the forklift beyond its design intents by picking up over-capacity loads. If your lifts are always being repaired, it is a sure sign that the operators are not driving in a safe manner.
- People complaints - When employees report a forklift operator is dangerous, it is usually true. When management hears about an operator being unsafe, a full investigation needs to take place, just like you would do if the operator had killed or injured someone. If others agree that this operator is unsafe, remove the operator from driving until you can determine the best course of action.

Remember, train the operators effectively, enforce your policies and safety rules, do not violate the manufactures recommendations for the forklift, be aggressive in preventing lift injuries, remove pedestrians from forklift areas (including truck drivers), investigate close calls and document everything you do in your forklift program.

If you need any assistance in developing and/or training your employees please call our office at 800-849-7788 or Safety Trainer Jim McCraney at 704-301-2919. This is a service that Forestry Mutual Insurance provides free of charge to our policyholders. ■

## Wade Laughter...(from page 1)

probably would have been discouraged from trying.”

Uninformed but driven, Laughter and a partner started A & Lumber as a portable sawmill in 1981. The partnership lasted three years before Laughter decided to transform the mobile operation to a stationary one.

Laughter's wife of 50 years this December, Margaret, purchased the partner's stake in the business and the new company settled into Polk County. At the time, the company had seven employees. Through the initial transitions and other business decisions, Laughter compliments his wife's business savvy and diligence while not failing to recognize the similarities in their business and non-business roles.

“Margaret has a good business sense about her,” explained Laughter. “She tells me what to do, just like at home.”

The initial decision to move to a permanent facility sought to increase profits. It worked.

“I was throwing out all of my waste when I was out in the woods – sawdust and slabs,” explained Laughter. “We decided to utilize all that and that was a big part of turning the business around. We sell all that now.”

As he strove to be more efficient in his operations, Laughter couldn't have foreseen what was going to occur in the furniture market as the economy shifted to a global marketplace. He once supplied numerous furniture manufacturers in the famed “Furniture Market of the World,” but now he predominantly sells to concentration yards.

“They buy the lumber and kiln it and ship it overseas,” explained Laughter. “We used to sell direct to furniture manufacturers, but everybody is gone – not many of them left anymore.”

Surprisingly, A & L Lumber is actually doing better in this business model than it ever did when it was dealing directly with the furniture manufacturers.

“I'll accept it, but I don't know why,” explained Laughter. “We get more inquiries from people wanting lumber more than when we were selling directly to the furniture factories.”

Currently, A & L Lumber saws about six and half million board feet of lumber a year and has 20 employees.

“We don't compete with the bigger boys,” stated Laughter referring to his volume and market share in the area. “They dwarf us, but they are welcome to it. This is about all I want.”

While it does not stand as a peer to some of the bigger facilities in the area, A & Lumber has grown over the years. Laughter cites keeping employees as one of the key challenges that his company faces.

“A lot of people won't do this type of work,” stated Laughter. “We don't have a hard time keeping our key employees - I have had folks with us for years, but we have a hard time getting help to do the old hard labor like packing lumber.”

When Wade Laughter uses the word, “years”, he means it! Greg Roddy, a veteran sawyer and maintenance supervisor, and Joe Cuthbertson, a yard foreman, both have been with A & L Lumber for 21 years. Another loyal employee is David “Bo” Brown, who has served as a lumber grader for the better part of 16 years.

One of those key employees includes Ralph Laughter, Wade's cousin who is a relative newcomer in this context with his 11 years of service. He purchases logs and sells the company's lumber. Laughter estimates that some 40 to 50 loggers deliver to his company on a regular basis. Managing wood supply is always a slippery slope, but for Laughter, a simple axiom keeps the company on track.

“We don't ever quit buying logs,” explained Laughter. “We buy logs all the time. It just so happens that it's pretty close to what we need. We found out that we get in big trouble if we start trying to put people on quotas. There are several sawmills in this area – some big saw mills – if we put our people on quota they are going somewhere else and we would have a tough time getting them back.”

One of the company's most important employees is another female closely related to Wade Laughter – his middle daughter, Becky. Margaret and Wade have three daughters in all – Lisa is a dental hygienist in Raleigh while Kathy is a lawyer in Memphis. Becky also has been a mainstay at A & L for the past 21 years.

While some daughters fulfill the office assignments in these types of

*(continued on back page)*

## THE SAWSHOP

by Bryan Wagner  
Chainsaw Trainer for  
Forestry Mutual



## LEAF OUT DANGER



logger's vision and visibility are key factors to his safety in the woods. Visibility in the logging woods is generally good from November to the end of March. The month of April brings a natural phenomena - called leaf out. The deciduous forest blooms to new life with a fresh growth of new leaves. What was once a bright and open environment in the late fall and winter, with good visibility, has been transformed to a lush green environment with filtered light. As the forest rejuvenates itself, risk is formed by reduced visibility caused by the new canopy of leaves. This new canopy hides overhead hazards or death from above. Overhead hazards are the leading cause for catastrophic injury and death in the forest industry. Please take the time to brief your crew on overhead hazards and the reduced visibility caused by leaf out.

- ➔ Use approved personal protective equipment (PPE) for head protection.
- ➔ Look and scan at least 50 feet ahead on your ground path of travel.
- ➔ Look and scan at least 100 feet ahead for all overhead hazards.
- ➔ Don't place yourself under any object that can fall or move due to gravity or the loss of hydraulic pressure.
- ➔ Maintain at least two tree lengths from all felling operations.
- ➔ Be visible; wear high visibility safety colors.
- ➔ Maintain communication with anyone in the work area. Verify their location with frequent eye contact.
- ➔ Never walk into a work area with running or moving equipment until the equipment is stopped, engine cut-off and implements grounded.
- ➔ Stay at least 300 feet away from an operating sawhead buncher.

New life grows before our eyes in the spring. The reduced visibility caused by this new life could be responsible for taking a life. Look Up! Be alert and enjoy the spring logging woods safely. ■

## WPI HERE TO SERVE



Most of you know Wood Products Intermediaries (WPI), a subsidiary of Forestry Mutual Insurance Company (FMIC), acts as the marketing arm for Forestry Mutual. Our purpose is to support and enhance FMIC and its policyholders.

*“Wood Products Intermediaries (WPI) was created to support the mission of Forestry Mutual Insurance Company, and will endeavor to provide the products and services needed by Forestry Mutual's policyholders, with the intent to further enhance Forestry Mutual and WPI.” - WPI Mission Statement*

While WPI coordinates placement of FMIC coverage through agents in North Carolina, South Carolina and Virginia, we also act as an agency providing coverage for auto liability, general liability, logging equipment, property and umbrella. Whether brokered with an outside agent or direct through our agents at WPI, we offer access to programs specializing in coverage for logging and wood products manufacturing. Quality coverage and excellent service from our staff give our policyholders more options for their insurance requirements. We continually strive to obtain the best products available to enhance your coverage with FMIC.

For more information about our programs, or any inquiry about insurance coverage, contact a member of our team. We look forward to serving your insurance needs.

Eddie Campbell, Agency Manager – 919-770-6132  
Susan Ogden, Commercial Lines Manager – 866-755-0344  
Jimmie Locklear, Logging Account Specialist – 910-737-2200  
Robertta Ogden, Customer Service Rep – 866-755-0344 ■

## Wade Laughter...(from page 3)

family businesses, Becky is in the mill working everyday just like one of the boys.

"I have been around the lumber business my whole life," explained Becky. "It just always felt very natural to me. I guess it's the little sawdust that runs in my blood – passed through the line from my father and my grandfather."

Blessed with a combination of her parent's business sense and work ethic, Becky runs the company's three-year old Jocar Resaw during the day and completes the company's paper work in the afternoon. At one point in her career, Becky experimented with focusing her efforts exclusively on the business side of the company. The experiment was a failure.

"I was just itching to get back into the mill," stated Becky. "I like to make a difference – to contribute. I want to be part of the production. That is where I am most comfortable."

Nowadays, if you travel to A & L, you will find Becky at the controls of the company's resaw that she taught herself how to operate.

"I just love it," explained Becky when asked about her role. "I have always enjoyed grading logs, and this

machine allows me to turn the log, saw that one piece, turn it again, and pull out another piece. It's a constant grading process. It has allowed us to increase our production a little bit, but it has increased our grade dramatically."

Wade appreciates his daughter's energy and expertise.

"Becky is a lumber grader and she knows what she's looking for so she picks the next best face every time it comes around," explained Laughter. "That way, it's boosted our grade probably to 20 to 30 percent more grade now than what we were getting from cutting everything on the head saw and the gang saw."

Meanwhile, Becky appreciates her father's approach to the daily operations of the mill.

"One thing my dad taught me is that, steady works," explained Becky. "Don't try to push too hard. Find a rhythm. If you can stay steady, you can accomplish more in a given day that if you try to go in spurts."

This even-keel approach is one of the factors in A & L Lumber's excellent safety record. Forestry Mutual presented A & L Lumber with the E.K. Pitman Safety Award for the Sawmill Division in 2005.

"We stress safety," explained Laughter. "We have regular safety meetings and just taking the time to stop and tell them, 'Be careful' is worth a lot."

A & L Lumber has also embraced the Lock Out – Tag Out safety program.

"Our employees know that if they don't lock it out when they are working on a piece of equipment, they are subject to termination," explained Laughter.

Laughter credits Forestry Mutual for providing the gentle nudge that has transformed the way people in his company approach this program.

"Course one of the things that causes us to adhere to this like we do is that we got a letter from Forestry Mutual that stated, 'It's zero tolerance if you don't lock out, you don't get insurance,'" stated Laughter with a chuckle.

About 16 years ago, Wade Laughter had a theory that he might retire some day so he purchased a 100-acre farm that houses some 80 head of cattle. At 67, Laughter acknowledges that his retirement plans really never materialized, but then again, he doesn't feel too pressured

in his role as A & L Lumber's leader.

"I don't do a whole lot anymore," admitted Laughter with a smile.

While he may not be as hands on as he used to, Becky disagrees. She points out that her father's leadership skills have enabled other people to step up and be successful in new roles within the company.

"He is a great teacher," explained Becky. "He expects great things from his employees, but he has patience. He understands that there will be a learning period."

With his daughter and three other employees who have been on staff for more than ten years, it's not hard to understand that Wade Laughter just can't break the habit of coming to work everyday.

"I could pretty well stay busy on the farm I guess, but I just like it here," stated Laughter, "I spent my life doing this and I guess I'll end it doing this."

There in lies the secret of success at A & L Lumber – Wade Laughter loves the lumber business – a little sawdust in the blood some **would say**



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