



FORESTRY MUTUAL NEWS

Newsletter of the Forestry Mutual Insurance Company

Vol. 4, Issue 4

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FROM THE PRESIDENT'S DESK...

It is that time of year again when we head into the attic to pull out the tree stand, ornaments and various keepsakes. At Forestry Mutual, it is also the time where we start to evaluate the success of our safety programs over the past year through our claims. The good news is that our claims have been down and our surplus ratio continues to improve with the completion of the third quarter for 2005. Consequently, our surplus rose to over \$10 million.

This is a remarkable turnaround considering that our surplus had dipped to \$5.3 million after some heavy fourth quarter losses in 2003. The surplus is an important element to any insurance company since the funds available are critical to the ratings each company receives from the state. As most of our policyholders will recall, Forestry Mutual embarked on its most aggressive business plan in recent years to restore the company's surplus. The plan called for Forestry Mutual's staff to be more vigilant on safety issues and adopt a zero-tolerance policy on lockout/tagout.

Thanks to the cooperation of our policyholders, we are happy to report that at the end of the third quarter this year, we had less than 300 claims reported, which is nearly half of the number of claims during that same time-period in 2003.

While our policyholders have done an outstanding job with safety, we also have written over 115 new policyholders in 2005 with the majority of these new accounts being logging crews.

On the downside, we have sustained two logging

fatalities in 2005 that were a result of improper felling techniques. This is a topic that we continue to stress in all of our training sessions. These types of claims often occur to mechanized crews, who do not regularly manually fell trees. Some of the claims are a result of thinning jobs that have had to clear-cut some

tracts and selective cut in SMZ's. We are encouraging these logging crews to contact their loss control representative before changing their mode of operation.

In 2006, our policyholders should expect a lot of the same policies and procedures. We will continue to enforce the zero tolerance for lockout/tagout violations. We truly appreciate the loyalty and attitude of our policyholders. We are never going to be a large insurance company, but we will always strive to be the best.

On behalf of our excellent staff at Forestry Mutual, I would like to extend the warmest wishes for this holiday season.

Sincerely,



Forestry Mutual President Keith Biggs

FMIC'S LOGGER CHALLENGE BRINGS OUT THE BEST

Forestry Mutual hosted its fourth Loggers Challenge event in conjunction with the Carolina Log'N Demo. The event is a biannual contest featuring some of the best timber cutters in the southeast. True to form, the competition was tough. Fifteen skilled timber cutters from North Carolina and Virginia went through various qualification events to fill the six slots in the final event, the tree felling. At stake were the typical bragging rights of being a champion. On this date, there were fifteen champions. All of the competitors carried a true sense of professionalism about them. They were a pure joy to watch and work with.

This year the qualifying events were made more difficult to avoid tie scores. The qualifying events were: precision bore cutting, precision bucking and precision spring-pole release. Each event is a training tool used

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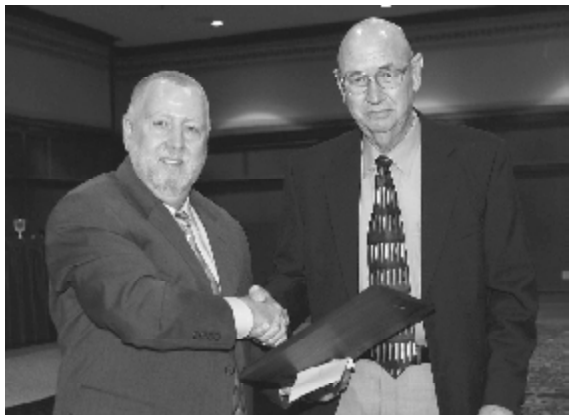
Brad Walton (center) from Jacksonville and Walton Logging won this year's logging challenge. Second place went to James Carpenter of Carpenter Brothers Logging in Peachland, and Bill Elliott from Thomas Elliott Logging in Sanford finished third. Rounding out the finalists were Eddy Norton, Mark Derstein and Guillermo Dubon (Not Pictured).

FMIC HONORS THREE

Forestry Mutual Insurance Company presented three North Carolina businesses with the E.K. Pitman Safety Awards and recognized its top agency at the North Carolina Forestry Association's Annual Meeting held in Asheville in October.

Since 1971, Forestry Mutual Insurance Company has been a major force in the workers compensation insurance market. As a specialist in the wood products industry, Forestry Mutual pioneered stable, competitive rates as well as introduced safety programs and practices designed to protect workers in a dangerous working environment. Owned by its policyholders, Forestry Mutual guarantees outstanding value to its policyholders through competitive stable rates and excellent loss control services that includes providing extensive training sessions in conjunction with the NCFCA's ProLogger Program as well as individual training sessions with policyholders.

E.K. Pitman was the first chair of Forestry Mutual, serving from 1971-1984. He was a strong proponent of safety and the use of safety apparel and Forestry Mutual continues to present these awards in recognition of E.K. Pitman's efforts. Only businesses that show a genuine concern for the safety of their workers, including going beyond the minimum safety requirements to ensure a safe and productive workplace, receive these awards. Each year, a sawmill, manufacturer and logger are selected from all policyholders. ■



(l-r) Forestry Mutual's Jimmy Locklear presents The Sawmill of the Year Award to Wade Laughter of A&L Sawmill in Mill Spring.



(l-r) Forestry Mutual's Chris Huff presents The Manufacturer of the Year Award to Rick Martinez of Triangle Case Wade in Raleigh.



(l-r) Forestry Mutual's Bryan Wagner presents The Logger of the Year Award to Steve Crawley of Crawley Timber Company in Kinston.



SAFETY ALERT

by J.J. Lemire
Loss Control Representative
for Forestry Mutual

PERSONAL PROTECTIVE EQUIPMENT (PPE) IS IMPORTANT

Developing a Personal Protective Equipment (PPE) program is an OSHA requirement for all employers. Identifying hazards that exist in every workplace and taking measures to protect employees are essential. The priority should be the elimination or control of the hazards but in many cases the wear of PPE is the only approach.

Controlling a hazard should be the first choice because this will eliminate or isolate it. This approach may require substitution of a material with non-hazardous ones, isolation of hazards, addition of safety features to existing equipment, redesign of the work processes, or purchase of new equipment. When the hazard cannot be removed or controlled adequately, PPE must be used to protect employees.

PPE is equipment is worn to minimize exposure to specific occupational hazards. Examples of PPE are chainsaw chaps, gloves, kickback aprons, fall protection, as well as head, eye and foot protection. This equipment is essential in guarding against hazards and employees must ensure its use to protect against injury.

A PPE program must be comprehensive and active. It requires commitment and active participation at the planning, development and implementation stages from all levels - senior management, supervisors and employees. A successful program consists of some essential elements:

- Workplace hazard survey
- Engineering controls
- Selection of proper PPE
- Proper fit testing, training and equipment maintenance
- Management support
- Enforcement

Company safety rules and safety policies should be a statement of principles and general rules which serve as guides to action. Senior management must be committed to ensuring that policies and procedures are enforced. PPE programs must be

seen to have equal importance with all other organizational policies, procedures and programs.

The appointment of a program coordinator will go a long way towards ensuring the success of the program. The coordinator has the responsibility to ensure that each of the elements of a program is in place and operational. Having one individual to coordinate all safety issues will make a safety program easy to manage and more efficient.

In the introductory phase, a program must be planned carefully, developed fully and implemented with enforcement. It should be introduced gradually and in phases, although it would not be acceptable to gradually phase in a PPE program when failure to use the equipment poses a significant risk of major injury. The intention should be stated and employees properly trained in wearing the PPE. The beneficial effects of the program should be publicized widely, and possibly a target date set for compliance. This will allow for employees to comply with the program requirements with no enforcement action taken until the target date

The more employee involvement in all stages of the program, the smoother the program will be to implement and manage. Users must be told why the PPE is to be worn and trained how to properly use it. The method of implementation affects the acceptance and effectiveness of the whole program.

Once the need for PPE has been established, the next task is to select the proper type. There are no shortcuts to PPE selection. Choose the right PPE to match the hazard. On some jobs the same task is performed throughout the entire job cycle so it is easy to select proper PPE. In other instances, workers may be exposed to two or more different hazards. A welder for example may require protection against welding gases, harmful light rays, molten metal and flying chips. In such in-

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THE SAWSHOP

by Bryan Wagner
Chainsaw Trainer for
Forestry Mutual



IMPROPER FELLING TECHNIQUE LEADS TO FATALITY

BACKGROUND: A mechanized thinning crew was harvesting a tract that had a SMZ (Stream Management Zone) located in the back. This crew rarely manually cut timber. Hardwood trees located in the SMZ were to be manually felled away from the creek.

PERSONAL CHARACTERISTICS: A 68 year-old man was the saw hand on the job. His main job was to top the large hardwood trees that had been mechanically cut. He supposedly had experience with felling timber. His job on this day was to fell trees out of the SMZ.

UNSAFE ACTS OR CONDITIONS: The older man was using improper felling techniques to harvest the trees in the buffer. The trees were being match-cut. A match-cut is a form of flat cutting. A cut is put into the front of the tree in the direction of the intended fall. A second cut is put in the back of the tree, and the back-cut is supposed to meet the front cut. No notch is used! This practice is illegal! Catastrophic injury and death are the common results of flat cutting. There is very little felling accuracy, and virtually no tree control.

ACCIDENT: The man was to cut a 16" DBH white oak tree away from the stream. The tree was flat-cut, no notch and no hinge wood. The oak tree crotched out at 46 feet. Directly in front of the oak were two 7" hardwood trees. The oak tree struck the two small hardwood trees in the fork of the tree; the result was a rebound. The tree was shot back at the timber cutter. During this rebounding action, the tree also hit a high stump, causing the stem to become airborne. The man did not escape from the stump, and was hit by the miss-cut tree.

INJURY: The timber cutter received FATAL injuries.

RECOMMENDATION FOR CORRECTION

1. Proper training and education is mandatory. Does the management know what a proper butt log looks like?
2. Proper felling techniques are mandatory. The tree must be notched, with no by-pass. Proper hinge wood must be present. The hinge shall be across the whole stump but two outside corners may be used when conditions call for the center of the tree to be removed. A single holding corner, "swing cut" is not allowed, and is illegal.
3. Timber cutters must escape from the stump of the felled tree. The escape route is at a 45-degree angle, either side of the back of the tree. Escape distance must exceed 10 feet.
4. Management must monitor the butt logs coming to the deck for safe felling techniques.

Hands-on saw training is available to all Forestry Mutual account holders as a free service. Please use this valuable training to prevent this type of incident from happening to you. Training is credited to each states logger-training program. Call 1-800-849-7788 to schedule training, or visit our web site at Forestry Mutual.com. ■

LOCKOUT FAILURES

By Chris Huff, Forestry Mutual Field
Representative

Some people question the purpose and reasoning for the use of lockout/tagout. If you have never had an injury occur from a lockout/tagout incident it may be hard to see the purpose for it. Below are some different injuries that have occurred because of failure to use lockout/tagout properly.

The first incident involves a claimant working in a pallet manufacturing facility. The claimant's job was to inspect boards being fed between a rip saw and a pallet notcher. While performing his duties, a board became jammed in the pallet notcher. When he saw this, he climbed up on top of an exhaust vent so he could reach in to clear the jam. When he grabbed the board his hand came in contact with the notcher blade and partially amputated his middle and ring fingers and partially mutilated his pinky finger. The claimant failed to follow proper lockout/tagout procedures before clearing the debris. If the claimant had locked the notcher out and allowed it to coast down, the injury would never have occurred.

The second incident involves a claimant working in a planer mill. The claimant's job was to feed the planer. While feeding the planer, the claimant had to stop because the lumber graders had stopped the outfeed line. When he stopped he went over to the planer and noticed that there was a piece of debris stuck in front of the outfeed rollers. He then decided to reach in to clear the

debris, without turning off the machine and locking it out. As he reached in, his hand was caught by the outfeed rollers and pulled in, crushing and fracturing his hand. If the claimant had performed lockout/tagout and allowed the rollers to coast down the injury would not have occurred.

The third incident involves a claimant working in a manufacturing plant. The claimant was operating a double end tenoning machine. The machine operates with a feed chain and two vertical saws on each side. The debris that is cut off tends to pile up under the saw blades. The claimant noticed that the debris was piling up so he decided to remove it. He turned the feed chain off but did not turn off the saw blades. He then reached up under the saw and his middle finger came in contact with the blade cutting it. If the claimant had locked out the machine and allowed the blades to coast down, the injury would not have occurred.

As you can see there are many injuries that occur from working on machines without locking out the power source. Some people do not realize that lockout/tagout can be just as important on gas or diesel powered equipment.

One recent example is a claimant who was performing a pre-trip truck inspection on a Peterbilt Truck, which he did with the engine running. He checked the oil while

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FMIC'S LOGGER CHALLENGE ... (from page 1)

in the woods to reduce risk. Making the right decisions and being precise reduces risk. Saw control and higher skill levels are the result of these training tools.

In the finals, the six competitors felled trees for safety and accuracy. The cutters were scored for their cutting plan. Accuracy of the notch and hinge wood was scored by fractions of an inch. The accuracy of the felling was scored by how many inches the tree was off target. The competitors were under a constant eye for committing safety violations, which would result in lost points the day of the show. Monday morning

such a safety violation may cost a life! The men did a great job during the finals.

When the dust from the last tree settled, Brad Walton from Jacksonville, NC was declared the winner. Brad was presented the winner trophy and a new 575 Husqvarna chainsaw. James Carpenter from Peachland, NC was second. Bill Elliot of Sanford, NC was third, followed by Burnsville, NC's Eddy Norton. Mark Derstine and Guillermo Dubon rounded out the field for this year. We are looking forward to the next contest to be held in 2007! ■

PERSONAL PROTECTIVE...(from page 2)

stances, multiple protection is needed: a welding helmet, welders goggles and the appropriate respirator or an air-supplied welding hood.

Once the program is under way there will be a continuing need for involvement from management and supervisory personnel, as well as, individual workers. Education programs should continue on a regular basis. The most common reason for failure of a PPE program is the inability to overcome objections to wearing it. Each problem should be addressed on an individual basis.

The success of the PPE program depends upon winning the cooperation and support of all those concerned. This can best be achieved by helping employees understand the need to wear the PPE, and by encouraging them to want to wear it rather than demanding that they do so. But if enforcement is required never hesitate to do so, it could save a life.

Since the goal of a safety program is to prevent occupational injury, PPE cannot be the first protection option. The use of PPE does not prevent an accident from happening. It does not eliminate the hazard. It only minimizes the exposure or reduces the severity of injury or illness. PPE are only devices to control a known hazard. However, even at its best, PPE cannot achieve its full-protection potential without employee knowledge and cooperation. In practice, PPE is only to be used as the last line of defense against hazards. But implementing and enforcing the use of PPE, when required can be the first line of defense in ensuring a safe workplace environment. ■

LOCKOUT FAILURES...(from page 3)

standing on the ground, but he had to step up on the front spring to access the radiator to check the water level. His foot slipped while standing on the spring. He tried to stop his fall and his gloved hand went into the alternator belt pulling it into the alternator pulley, which severed his index finger and crushed his middle finger. If the claimant had performed the maintenance with the truck turned off and locked out, the injury would not have occurred.

The injuries listed above show just how important it is to perform lockout/tagout on machines and equipment. ■



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