



# FORESTRY MUTUAL NEWS

Newsletter of the Forestry Mutual Insurance Company

Vol. 20, Issue 2

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## FROM THE PRESIDENT'S DESK...

**T**wenty-twenty is surely a different year than I have ever experienced before in my life. I am sure you can say the same. Covid19 has changed the economy and lifestyles as we have never seen before.

Fortunately, Forestry Mutual was as prepared as we could be to handle this crisis. We successfully shifted our employees from an office setting to be able to work remotely. People frequently ask me how Covid19 has impacted our business. My answer is simple: Not nearly as much as the forest products industry's downturn.

On a really brighter note, 2019 ended up being another great year for our company as we once again grew our business and surplus. This is important when you consider that workers compensation rates continue to drop, but the cost of claims is increasing. Covid19 has added to these costs in a subtle way since doctor's appointments

and physical therapy sessions have been postponed, adding time for claimant to return to the job.

We had a lot of truck driver training classes scheduled for 2020, but we were forced to postpone them due to Covid19. These classes will begin again once we are able to conduct them safely.

The Loss Control Department has developed individual training material for truck drivers than can be done onsite while waiting to be loaded. They have also produced another training video that pertains to truck driving. They have a couple more training videos scheduled to be produced in the near future. Our staff is never idle always trying to figure out things that can help our policyholders maintain a safe work environment for their employees.

Please be safe and contact me if you have any questions! Thank you for your business.

Sincerely,

*Keith S. Biggs*



Keith Biggs

## CRASH PREVENTABILITY DETERMINATION PROGRAM (CPDP)

**T**he FMCSA announces the start of the Crash Preventability Determination Program (CPDP). Under this program, if you have an eligible crash that occurred on or after August 1, 2019, you may submit a Request for Data Review (RDR) with the required police accident report and other supporting documents, photos, or videos through the Agency's DataQswebsite.

On July 27, 2017, FMCSA announced a Crash Preventability Demonstration Program to evaluate the preventability of eight categories of crashes through submissions of Requests for Data Review to its national data correction system known as DataQs. On August 5, 2019, based on experiences with the demonstration program, FMCSA proposed a new CPDP with a streamlined process. Based on comments received in response to the August 2019 proposal, FMCSA established the CPDP which will expand the types of



eligible crashes, modify the Safety Measurement System to exclude crashes with not preventable determinations from the prioritization algorithm and note the not preventable determinations in the Pre-Employment Screening Program. The following crash types are eligible for participation in the program:

**Struck in the Rear type of crash when the CMV was struck:**

*(continued on page 2)*



# THE SAWSHOP

by Bryan Wagner  
Chainsaw Trainer for  
Forestry Mutual

## THE “OTHER” INCIDENTS

**A**s if we were not already aware, logging is an inherently dangerous occupation. As an industry, we must stay focused and aware of the risks specific to the tasks that we are performing. As an insurance company, we constantly drill loss control and training towards the manual felling and topping areas of a logging job, which is warranted, but we also have seen an increase in “other” types of incidents.

Injuries have been reported while performing “normal” maintenance on logging equipment. Remember, every task on a logging job has its own specific risk or hazard. We must constantly be aware and focused on where the specific risk is on the job that we are doing. Highlighted are some risk areas that seem to need attention, according to recent claims reported.

- *Are lock-out, tag-out procedures being followed? EVERY TIME?*
- *After the machine is properly locked out, do you have a steady, safe place to perform your work? Are your boots muddy? Is the machine free from oil or grease that may cause a slipping incident?*
- *What’s going to happen if this wrench slips? Will I be injured from a fall, or will I injure my hands? Am I using the proper tool for the job?*
- *Are you focused on Slip/Trip and Fall issues associated with the deck area? Loose bark, logging mats, and mud are responsible for numerous “other” claims.*
- *Are your employees using their seat belts? EVERY TIME?*
- *Are eye and face protection being used? EVERY TIME?*
- *Is hearing protection used when needed?*
- *Is proper three-points of contact mounting and dismounting being used? EVERY TIME?*
- *Is care being taken while backing vehicles? Are there “blind-spots”?*
- *Are workers reminded of the dangers around the deck area? This is a very busy place. Is high visibility clothing being used? Can you see me? Am I in a safe place?*
- *Am I visible? Am I in a “blind spot”? Is there “sun-glare” present?*
- *Pulling or pushing stuck trucks or logging equipment, where’s your body? Are you in a safe place if the cable or chain brakes?*



As you notice, most of the safety questions involve being seen, or visible and keeping the body in a safe position. If the body is not in a bad position, it isn’t injured there! We at Forestry Mutual are in the process of requiring all employees to wear high visibility clothing. We feel that this inexpensive requirement gets rid of a lot of risk.

If I can see you, I’m not going to hurt you! The questions asked above seem to be basic, but a great deal of risk can be reduced by following them. The goal is to have employees get in the truck to leave the job, the same way they got there in the morning, healthy and safe! ●

### *Crash Preventability... (from page 1)*

- in the rear or on the side at the rear.

#### **Wrong Direction or Illegal Turns type of crash when the CMV was struck:**

- by a motorist driving in the wrong direction; or
- by another motorist in a crash when a driver was operating in the wrong direction; or
- by a vehicle that was making a U-turn or illegal turn.

#### **Parked or Legally Stopped type of crash when the CMV was struck:**

- while legally stopped at a traffic control device (e.g., stop sign, red light or yield); or while parked, including while the vehicle was unattended.

#### **Failure of the other vehicle to Stop type of crash when the CMV was struck:**

- by a vehicle that did not stop or slow in traffic; or
- by a vehicle that failed to stop at a traffic control device.

#### **Under the Influence type of crash when the CMV was struck:**

- by an individual under the influence (or related violation, such as operating while intoxicated), according to the legal standard of the jurisdiction where the crash occurred; or
- by another motorist in a crash where an individual was under the influence (or related violation such as operating while intoxicated), according to the legal standard of the jurisdiction where the crash occurred.

#### **Medical Issues, Falling Asleep or Distracted Driving type of crash when the CMV was struck:**

- by a driver who experienced a medical issue which contributed to the crash; or
- by a driver who admitted falling asleep or admitted distracted driving (e.g., cellphone, GPS, passengers, other).

#### **Cargo/Equipment/Debris or Infrastructure Failure type of crash when the CMV:**

- was struck by cargo, equipment or debris (e.g., fallen rock, fallen trees, unidentifiable items in the road); or crash was a result of an infrastructure failure.

#### **Animal Strike type of crash when the CMV:**

- struck an animal

#### **Suicide type of crash when the CMV:**

- struck an individual committing or attempting to commit suicide

#### **Rare or Unusual type of crash when the CMV:**

- Was involved in a crash type that seldom occurs and does not meet another eligible crash type (e.g., being struck by an airplane or skydiver or being struck by a deceased driver). ●

# AGENCY CORNER

by Alan Schaefer, FMIC Insurance Agency

## SLOW IS SMOOTH, SMOOTH IS FAST

**T**he trucking industry as a whole is operating on thinner margins than ever before. Contributing factors include driver shortage, rising insurance premiums, mill turn-around time, and overall operating costs.

In an industry with so many external factors affecting your profitability, it is imperative to focus on *controlling the controllables*. When it comes to the mills, rising insurance costs, weather, or economic downturn these factors, for the most part, are out of your control.

The number one controllable is speed. With the feast or famine industry we live in today, speed is more important than ever considering fuel and maintenance costs and increased risk exposure. Receiving mid-week cut-offs from the mill, our industry mistakenly can incentivize unsafe driving behavior. In the Southeastern United States, trucking can account anywhere from 25%-45% of timber harvesting costs thus transportation efficiency is a vital piece of the puzzle (Siry et al. 2006, TimberMart-South 2017).

According to American Trucker Magazine, every 5 mph over 65 mph represents a 7% decrease in fuel efficiency. On top of that, fuel prices are very volatile. An increase of just \$0.25/gallon can increase the cost of operating a log truck by almost \$4,000 per year.

Not only does speeding increase unnecessary fuel consumption, but it also increases annual maintenance costs. A single speeding ticket for 15+ over the speed limit can be the difference between a driver being approved or not approved by the insurance carrier. Given the current shortage of qualified drivers we all know too well, the “reward” of speeding is simply not worth the many risks that will eventually present themselves. This is not a matter of “if” but “when.”

Consider two loaded log trucks headed to the mill; truck A traveling at an average speed limit of 55 mph and truck B traveling 10 mph over at 65-mph. On a 40 mile haul, it will take truck A approximately 43.5 minutes to arrive at the mill and truck B’s trip will take approximately 37 minutes. The round trip “drive time” of Truck A is 87 minutes and round trip for Truck B is 74 minutes. All other factors considered constant, that is a round trip difference of 13 minutes. That being said, it would take almost 7 (6.69) round trips to the mill for Truck B to achieve an “additional load” over Truck A. If both trucks average three loads a day, that would be an additional 2.24 loads per week on a five-day work week. On a four-day week, that is only 1.79 additional loads. At the end of the day, your driver would be traveling at sustained speeds of 10+ over the speed limit to and from the mill for the benefit of roughly two extra loads per week.

When it comes to wear and tear, fuel consumption, endangering the public roadways and overall risk exposure, the juice is simply not worth the squeeze. All it takes is any truck to get stopped for traveling above the posted limit, and that time you were “making up” is completely negated. Not to mention your driver has now been cited for speeding and the repercussions in today’s insurance climate can be monumental.

(continued on page 4)

# THE RISK ASSESSMENT

by David McLean, Forestry Mutual

## ACCOUNTABILITY - A LEADER’S ROLE

**I**n a previous article, Forestry Mutual’s Director of Loss Control, Greg Plumley, wrote about the definition of accountability. I would like to add to those comments and discuss the role of the owner or leader of an operation as it relates to accountability. In this article, we will use the words “owner” and “leader” as one and the same. An owner should always be viewed as a leader.



*David McLean*

As Greg stated in his article, “real, sustained accountability has to come from within the individual doing the work.” Accountability is not something that a leader gives to his or her employees, rather it is a mind-set that a leader should strive to instill in each of his employees. An employee should have the viewpoint that if something within his or her control goes wrong or fails, then it is his or her fault and *the buck stops here*. No one else is to blame if that person could control the outcome themselves.

As a leader, how do you instill this attitude or this frame of mind? How do you get each of your employees to have the mind-set that they are accountable for the outcome of whatever they do? Remember, accountability is saying “I have control over the outcome of this task or operation, and if it fails, it is no one else’s fault – it is on me.”

Well, there are a few key points that a leader must understand and embrace before he or she can expect their employees to take accountability for their work or actions. These points are:

1) Accountability starts with the owner/leader. As a leader, you are responsible for developing your operation’s culture and reputation. Part of that culture should be accountability, and you must demonstrate it at all times if you expect your employees to adopt that philosophy. If you make a commitment to an employee, then you must fulfill that commitment and make it clear that you are accountable for completing the task. If your operation fails to make a commitment to a customer, a vendor, or anyone else, you must demonstrate to your employees that you accept full accountability for that failure of your operation and that you will ensure necessary steps are taken to correct the failure.

2) Be consistent. Accountability can’t just happen when it is convenient or easy. As a leader, you must **ALWAYS** demonstrate that you are accountable for your operation. You should never offer up excuses for why your operation failed – not to those to whom you made the commitment, and certainly never to, or in front of, your employees.

3) Be consistent. Wait, wasn’t that Point 2? Yes, and it is also Point 3. Just as you have to consistently demonstrate your accountability, you also have to hold every employee accountable equally. Accountability can not just apply to your poor performer or an employee you don’t like. It can’t apply to all employees except a relative. It has to apply to **EVERYONE**.

(continued on page 4)

4) Be consistent. See a theme here? Accountability must apply at all times – meaning it has to apply even when you as a leader may understand perfectly why the employee failed. Let's take a situation where you have a great employee that always goes the extra mile. He never says “no” and is fully committed to your operation.

You **KNOW** this employee chose not to follow a safety procedure because he knew your business was under a commitment to get that last load out that day. Shortcuts were taken. While the employee knew better, he made a decision to take shortcuts to meet the deadline and, in his eyes, uphold your company's reputation. However, in doing so, another employee was injured.

So, while you understand **WHY** the employee failed to follow procedures, you must still hold that employee accountable. You never delegated to that employee the authority to make changes to procedures, and while his intentions were good, he still damaged your company's reputation. That wasn't his call to make – you must hold him accountable.

5) Accountability isn't easy, but it is essential. There will be times where one or more of your employees may feel your are being unfair. In reality, it is just the opposite. If you explain “why” an employee is being held accountable, and review the outcome of their actions, while they may not like it, they will understand it and respect the need for it. Eventually, it will establish a culture that everyone has ownership for his or her actions. It creates an environment where everyone will eventually trust one another to do their job.

In the end, if as a leader, you embrace and enforce accountability consistently, your employees will be even more trustworthy, loyal, productive, and safe. Likewise, your company's reputation will be enhanced as a company with integrity. To coin a well-used phrase, accountability isn't for the faint of heart, but not embracing it can be fatal to your business. ●

You cannot afford to have company drivers speeding up and down the road without having the knowledge and ability to address issues and concerns. Today's most effective fleet management solution is a GPS monitoring system. This will allow you to view the speed of your drivers in real time and make solid managerial decisions. A real focus on the details is critical to the health of our industry. Speeding is not a victimless crime and is quite frankly the most controllable aspect of your fleet, so why not take control? You owe it to yourself, your fleet, and others on the public highways to be proactive on the issue. ●

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