

**SAFETY
PAYS**

INSIDE

P. 2

- Avoid Wrong Field Trap
- Time is Critical in Misapplication Claims

P. 3

- New CDL/Medical Card Requirements

P. 4

- Why Preventive Maintenance Matters

P. 5

- Propane Cylinder Certification Check

GET CREATIVE WITH VIDEO

When contractors such as millwrights or electricians first step onto the premises of Badger Grain Co., they do so with a good understanding of the facility and the company's safety policies. That's because they've been required to watch the company's personalized safety video and take the accompanying online quiz before even setting foot on the site of the Darien, WI, facility.

The Badger Grain Co. Safety Video and Quiz is a creative effort to expand an already vigorous employee safety program to include anyone working at this grain-only truck and rail facility. Contractors can find the video and quiz on the safety side of the Badger Grain website: badgergrain.com.

"This video was developed to inform our contractors—and new hires—about Badger Grain," explains Eric Lawton, general manager and the second generation of this 30-year-old family-owned business. "There are generic and professionally produced safety videos available that deal with the grain industry," he says. "But we wanted a safety video specific to our location."

With today's technology, the task of developing a custom-made video specific to a company is relatively simple and inexpensive, says Eric. Badger Grain wrote a script based on the information it wanted to share with contractors who would be working on-site and hired a local photographer/videographer to do the filming. The video, with Eric narrating, walks the viewer through a wide range of safety information from Badger Grain including sign-in policies, maps of the layout of the facility, location of fire extinguishers and eye wash stations, use of personal protection equipment, emergency evacuation and lock out-tag out procedures, as well as fall protection gear policies. Badger Grain's own employees are featured in the video.

Once the video was complete, Badger Grain worked with its web hosting company to incorporate an online quiz which is based on information from the video. The quiz, which is

changed each year, must be taken before a contractor can work at the facility. The software system notifies Eric by email when a completed quiz has been submitted. He then reviews the quiz and if there are incorrect answers he can call the individual contractor to discuss questions they may have before they come on-site.

The project, implemented in 2010, cost approximately \$2,000 from start to finish. "We are trying to inform people of the hazards in our industry and wanted to make it specific to our own location," he explains. In addition to the video and quiz, contractors also receive a written copy of safety policies. Contractors, who Lawton says are selected, in part, based on their own safety commitment, must re-watch the video and take the quiz every year. He adds that the video can also be updated as conditions at the facility or safety policies change.

The Badger Grain Co. video and quiz is only one part of an extensive safety program focused on keeping the company's 10 full-time employees and staff, plus seasonal employees, safe. "I've witnessed tragedies and how they affect people's lives and communities," says Eric, who is also a volunteer EMT and firefighter. "We not only work with our employees but we know their families, as well. Keeping these people, including our contractors, safe is a big thing for someone who owns or manages a facility. We want our employees and contractors to go home each night to their families."

Eric knows that management must take the lead in building a strong safety culture, but he acknowledges the important role employees play in living that culture day-in and day-out. "I credit our employees for seeing the value in the safety program and being committed to it," says Eric. To its credit,

Badger Grain has extended that circle of safety to include contractors in a new and creative way. ▀



Avoid Wrong Field Trap

Unfortunately, there's nothing new about applicators applying products to the wrong field. Application errors continue to be a source of numerous claims for Austin Mutual and other insurers of retail ag businesses. What has changed, however, is the value of the commodities impacted when a product is applied incorrectly. It is more important than ever to take a proactive approach in preventing these claims that are predominantly due to human error.

Now is the time to sit down with your agronomy and applicator crew to put into place some common sense guidelines that will keep your business from avoiding the "wrong field" trap.

Map it

Provide your applicator with a current map of each and every field to be sprayed. Depending on phoned-in directions like "Go two miles south of the water tower and the field is on the east side of the road" is asking for trouble. Even physical addresses are not mistake-proof. For example, an order to spray at the intersection of County Roads 16 and N Ave can be easily confused with the intersection of County Roads 16 Ave and N Blvd.

Customer map/verification

Ideally, maps should be provided by the farmer. If that's not possible, use your own mapping system to print off a field map and then have the farmer come in to verify that you have properly identified the field on the map. This

is extremely important, especially with new customers or an existing customer who has acquired a new field. Several previous claims have involved a salesman drawing up the map and sending it to the applicator. After application was complete, it was discovered that the wrong field was mapped. That problem could have been avoided by having the farmer verify the map before application.



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Know the area

When a farmer comes in to review the maps with you, help avoid additional claims by asking about surrounding areas. For example, if you notice an acreage on the map near the field, ask if the farmer knows who lives there. Is it someone who is understanding of agriculture, or is it someone who will have concerns when they see a sprayer out in the neighboring field? Ask if the farmer is aware of any sensitive crops in the area. Examples would include vineyards, certified organic farms, orchards or tree farms, honeybees, sod farms, gardens, greenhouses, etc.

Also, if your state has a website identifying sensitive crops, check it periodically to keep yourself up-to-date.

Taking these proactive steps can help prevent the majority of "wrong field" claims. ▶

Time Is Critical in Misapplication Claims

Timely reporting of claims is always encouraged, but when you're dealing with crops and the misapplication of chemicals, time is especially critical.

In most cases, our policyholders report these claims in a timely fashion. However, last year many of these claims were reported to Austin Mutual well after the insured was aware of the incident. In fact, some claims were not reported until after the alleged damaged field was harvested.

Why? In many cases, ag businesses delayed reporting the incident because they did not expect the claim to amount to any sizeable amount and anticipated they could handle the cost themselves without filing a claim. When damages were determined to be greater than expected, the policyholder turned in the claim to Austin Mutual. Unfortunately, the window of time to mitigate damage to crops is short, and once the field has been harvested, any investigation and the ability to adequately document the loss is difficult, if not impossible. With the high dollar amounts involved in today's crops, time is of the essence.

In fact, timely reporting of claims is an essential part of your general liability policy which includes the following language regarding the timely reporting of claims:

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

2. Duties in the Event of Occurrence, Offense, Claim or Suit

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

2

- (1) How, when, and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

Failure to comply with this policy condition could result in a coverage denial or lessened insurance coverage. In addition, even if a policyholder expects to be able to handle the cost of damages on their own, it is important to report every claim to the insurance company. Once we get the claim, we will partner with you to get the claim resolved. We will be able to complete an investigation, determine liability, estimate damages, and determine the best way to mitigate the loss. Once the loss is settled, we also make sure the proper releases are signed so that the claim cannot be opened again, protecting mutual interests.

As we head into the growing season, if you have any questions or would like to discuss this matter further, please give me a call at 402-408-9048. ▶



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New CDL/Medical Card Requirements

If your drivers have renewed their commercial drivers' licenses (CDL) since Jan. 30, 2012, you're probably aware of changes in policies concerning the driver's medical certificate. Basically, the new CDL program is designed to eventually eliminate both the need for the carrier to have a copy of the driver's medical certificate and the requirement that the driver have their medical certificate on them when operating a commercial motor vehicle.

The revised program requires drivers who operate interstate commercial vehicles to submit a copy of their medical certificate when being issued a new CDL license, permit, or renewing their current CDL. This program, which was initially posted in 2008, was initiated on Jan. 30, 2012, and must be fully implemented by January 2014. It has yet to be announced how state licensing departments will collect medical certificates from CDL holders who already have a CDL and do not need to renew their licenses prior to the full implementation date. It may involve the state notifying the CDL holder to submit the medical information to the licensing department prior to their renewal date.

Another change in the program is that drivers renewing their CDL must select their driver classification from four categories. The category they select will determine their next actions in reference to their medical certificate.

Four driver categories and medical card requirements:

- 1. Non-excepted interstate:** These drivers drive in interstate commerce, are qualified under Part 391, and are required to obtain a medical card. These drivers will have to provide the state with a current medical card and future medical cards before the card's expiration date.
- 2. Excepted interstate:** These drivers drive in interstate commerce but are exempt from needing a medical card under Part 391. They will have to provide the state a copy of their medical variance and carry that document in the vehicle at all times.
- 3. Non-excepted intrastate:** These drivers drive in intrastate commerce and are subject to state qualification rules. They will have to follow state requirements, which may include submitting their medical card.
- 4. Excepted intrastate:** These drivers drive in intrastate commerce but are exempt from state

qualification rules. These drivers will also have to follow state requirements.



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If a covered driver fails to provide the medical card information or variance to the state by Jan. 30, 2014, or if their medical card expires, the state must update the driver's driving record within 10 days to show that the driver is not certified and notify the driver. The state will then downgrade the driver's CDL within 60 days. This means that the driver is no longer qualified to drive in interstate commerce under Part 391.

As the carrier, you will also need to determine which of the four categories your drivers fall into. If you have intrastate drivers who transport hazardous materials—which currently requires a medical certificate—they will fall into the non-excepted intrastate category. If you only have intrastate drivers that do not cross state lines and do not transport hazardous materials, they could fall into the excepted intrastate category. If a driver does fall into this category, that driver may not cross over state lines or transport hazardous materials until they obtain a medical certificate and update their CDL status with the state. The DOT and highway patrol will pull this information up when they check their license should they be pulled over for inspection or citations.

In 2014, the motor carrier will no longer be required to retain a copy of the driver's medical certificate in the driver's qualification file. Instead, you should make sure that your company pulls the driver's MVR prior to hire along with the mandatory annual review MVR. It would also be prudent to check a driver's MVR if you know that their medical certificate is close to expiring to ensure that they have renewed the information with the state.

Drivers will be required to continue to carry a copy of their medical certificates until Jan. 30, 2014, even if they have given that information to the state licensing bureau. After that date, unless extended by the DOT, they will no longer have to carry a copy of the medical certificate.

When checking the driver's MVR, the information should show up within 15 days after the information was updated with the state. After Jan. 30, 2014, it is recommended that the driver carry their medical certificate with them for the 15 days after providing the information to the state as proof of a current medical certificate. ▶



FEED & GRAIN: WHY PREVENTIVE MAINTENANCE MATTERS

Over the years, I have had the opportunity to compare preventative maintenance (PM) programs at dozens of feed and grain operations. The gambit runs from virtually no documented program to comprehensive computerized programs costing several thousands of dollars.

While programs at individual businesses vary, OSHA requires a documented PM program as part of 1910.272(m)(3):

A certification record shall be maintained of each inspection, performed in accordance with this paragraph (m), containing the date of the inspection, the name of the person who performed the inspection and the serial number, or other identifier, of the equipment that was inspected.

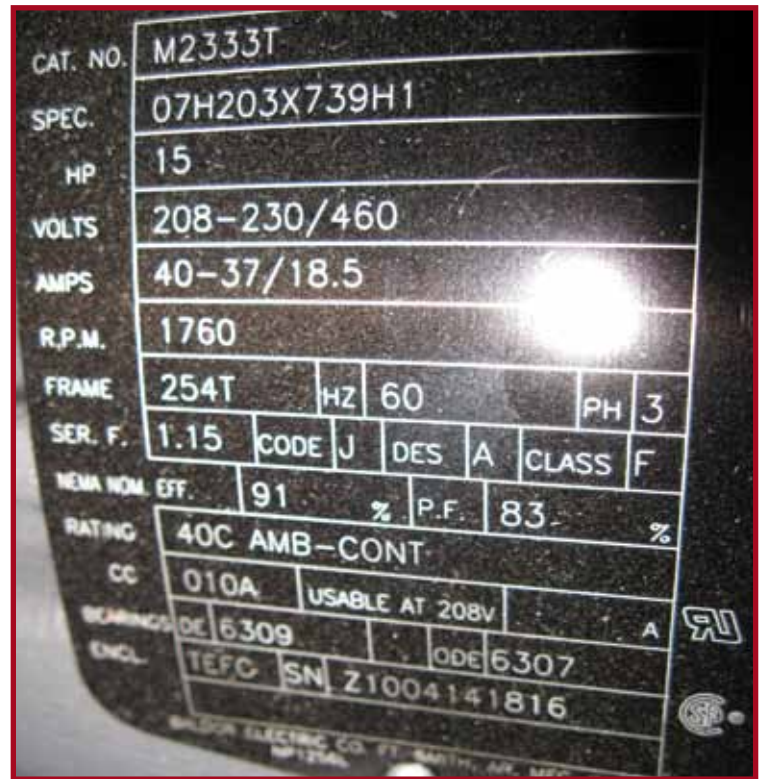
The standard does not require a specific frequency for preventive maintenance. OSHA permits flexibility in determining the appropriate interval for maintenance, provided that the effectiveness of the maintenance program can be demonstrated.

Organize the information

The first step in developing an effective PM program entails collecting good information and organizing it in a useful form. One suggestion is to gather the information under five categories:

- 1. Equipment identification:** At some point, every piece of equipment in your feed and/or grain operations will need maintenance of some type. In order to track the type and frequency of needed maintenance, as well as its cost, each piece of equipment must be identified in some manner. One simple solution is to draw a flow chart of the entire process showing each piece of equipment and its identification number.
- 2. Equipment information:** Having an equipment ID system is the key to getting and keeping information about each machine. You can accomplish this most easily by filling out an information sheet on each piece of equipment. The information, which can be gathered from operating manuals, purchase records, visual inspection, supplier information, or other sources, should include key part data and sizes as well as a supplier code indicating a supplier's name, address, and phone number.
- 3. Equipment maintenance requirements:** Each manufacturer can provide recommended routine maintenance procedures and schedules for their equipment. This information may be found in installation and operating manuals, catalogs, or by direct supplier contact. Lubrication frequencies depend on operating conditions and time intervals. Regular equipment checking and maintenance will help to identify proper preventative maintenance scheduling and types. Emergency maintenance situations, especially as a history is developed for a machine, will determine routine and preventive maintenance scheduling. Maintenance procedures, except for emergency maintenance, should be tied to a calendar to ensure that required maintenance occurs as scheduled.
- 4. Parts inventory:** Having the necessary parts on hand for each and every emergency maintenance situation is neither feasible nor cost-effective. Instead, a sensible alternative is to classify parts into three categories:
 - Critical hard-to-get parts,
 - Parts readily available from a supplier,
 - Parts that allow sufficient time for securing.

Parts that are crucial and/or hard to get should be kept on hand or where they can be immediately obtained. Noncritical parts may be ordered from suppliers as needed.



- 5. Maintenance records:** As maintenance work is performed, a separate record should be kept of what is done, parts and/or special equipment required, and other cost items. A total cost for each maintenance operation should be included. This information will establish the maintenance cost for each machine and indicate potential and continuing trouble spots. The form will assist in scheduling preventive maintenance, and knowing what should be done to avoid emergency maintenance situations. It will also be helpful when deciding whether to repair or replace equipment, or even whether or not to eliminate an operation or process.

If your company does not yet have a preventive maintenance program, Kansas State University (KSU) provides a comprehensive program outline that can be used to help build a program. You can find information about the KSU resource on Austin Mutual's *Safety, Compliance and Training* CD under the heading of Grain Handling Safety Program, or at <http://www.ksre.ksu.edu/library/grsci2/mf2041.pdf>.

The importance of a good PM program in reducing the potential of primary grain dust explosions, maintaining feed integrity, and reducing expensive down time is well documented. In addition, consider the value of a detailed PM program, should an employee knowledgeable in maintaining equipment suddenly leave or be injured and unavailable. Having a comprehensive PM program that includes detailed equipment information and maintenance intervals could certainly help you sleep better at night knowing there are guidelines in place to keep your feed and grain business operating smoothly. ▀



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Cylinder Certification Check: *DON'T FORGET*



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As the weather warms, and grilling and camping activities increase, so does cylinder refilling at your propane cylinder plant. When you get busy, it's easy to overlook the need to check the recertification date on the DOT cylinders before they are filled. However, it's an important step. Regulations specify that if a cylinder is due for recertification, it should not be filled until it is recertified. Failure to do so could make your company liable, should there be an issue with an outdated cylinder that you fill.

Check the specifics

- ✓ Cylinders need to be recertified 12 years after the date of manufacture. You can find the date of manufacture stamped on the cylinder along with other information including the tare weight (TW)—the weight of the cylinder empty—and the water capacity (WC) of the cylinder. On smaller cylinders, this information is usually stamped on the cylinder's collar; on larger cylinders, the information is generally found near the valve on the tank shell.
- ✓ A new date will be stamped onto the cylinder once it is recertified.
- ✓ Most cylinders are recertified utilizing the visual recertification method. This involves a trained employee inspecting the tank according to the guidelines found in CGA (Compressed Gas Association) Pamphlet C-6, Standards for Visual Inspection of Steel Compressed Gas Cylinders. Pamphlet C-6 gives requirements on how much corrosion a cylinder may have, how deep cuts, gouges, and dents can be, and other possible defects with the tank.
- ✓ Once an employee has inspected a tank following these requirements, he or she will stamp a new date on the tank followed by the letter "E," indicating that the cylinder was recertified using the visual method. The cylinder will need to be recertified five years from that date.
- ✓ A tank may also be recertified using a hydrostatic test—a more complex and less common recertification method. This type of test is indicated by the stamping of the date of the test followed by the letter "S." A cylinder undergoing the hydrostatic test must be recertified seven years after the test.

Who can recertify?

A company must have a Requalification Identification Number (RIN) in order to recertify cylinders using the visual method. A company can obtain a RIN number by sending an application to the Department of Transportation. That RIN must be renewed every five years. When a company recertifies a tank, they must identify their recertification by stamping their

RIN number on the tank.

Many companies elect not to recertify cylinders, which is fine. However, if a customer brings in a cylinder that needs to be recertified, companies without a RIN must refuse to fill the tank and either sell the customer a new tank or direct them to where they can take their tank to be recertified.

If your company does recertify cylinders, make sure to document all cylinders that you either recertify or reject. The information you document should include:

- Date of inspection (month and year)
- DOT specification number (stamped on cylinder)
- Type of cylinder's protective coating
- Conditions checked (example: leakage, corrosion, gouges, dents, broken or damaged foot ring, or fire damage)
- Disposition of cylinder (indicate whether the cylinder was returned to service, returned to manufacturer for repairs or scrapped).

Making certain a cylinder has been recertified will help eliminate a code violation that could cause your company problems down the road. Take these proactive steps to help avoid future claims and expenses associated with your propane cylinder refilling business. ▶





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NEBRASKA -

The first meeting of the Ag Cooperative Safety Directors of Iowa for 2012 was held on January 10 in Nevada, Iowa. Nominations for officer vacancies were discussed, and Brian Anderson (Winneshiek Co-op) and Jeff Mericle (Gold Eagle Co-op) were named secretary/treasurer and communications officer, respectively. Attendees heard from various speakers regarding tax liabilities and organizational structure, feed and grain traceability and quality assurance, and the process of using grain rescue tubes.

IOWA -

At the January 2012 meeting of the Ag Cooperative Safety Directors of Nebraska, members heard from Doug Fletcher of OSHA. Some of the topics he touched on were OSHA becoming more enforcement-minded, the top 10 violations, Severe Violator Enforcement Program, inspections, emergency response, electrical, confined space, ladders, lock out-tag out, fall protection, and record keeping.

Officers for 2012 are: Brad Bousquet, chairman; Jim Brokaw, vice-chair; Roberta Christiancy, secretary/treasurer; Phil Pelc, communications officer.

SOUTH DAKOTA -

Mitchell, South Dakota was the location of the first Ag Cooperative Safety Directors of South Dakota meeting, held on January 25. Steve Brunette, battalion captain of Sioux Falls Fire and Rescue, spoke about regional emergency response services, particularly regarding emergency management, spill response, fire response, and incident command structure. Attendees also viewed a video relating to dust hazards and explosions, and discussed bringing in a speaker to review the new HACCP regulations concerning feed mills and grain elevators.