

TRANSNEWS

A publication of Post Financial Services Group, L.L.C.

Volume I



*A newsletter dedicated to
the transportation industry
to inform and stimulate dialogue.*

WELCOME to the first edition of "Transnews."

This will be a bi-monthly newsletter designed for the transportation industry. However, unlike similar trade news publications our aim is to involve our readers in dialogue that has interest either in their area of business or in some aspect of insurance not necessarily related to their business.

We will...

- Endeavor to keep you informed of events happening in specific states as well as the national level.
- Give you insight into the insurance marketplace in order to give you some reference as to why pricing is going up or down, why coverages are being amended, etc.
- Provide safety tips and loss control information that we hope will be informative and helpful.
- Give you our unbiased and candid opinions of issues that relate to your business.
- Provide tidbits of information that we have heard on the street or insurance matters that are not necessarily related to transportation.

We need your feedback...

We will have a "mail bag" segment within this newsletter that will serve the purpose of answering any questions you have. And, it does not have to pertain to your business or insurance. If we can find a logical answer, we will print a response. We would also like to promote local associations by publicizing upcoming events such as school bus rodeos, annual state meetings, personal awards, etc.

If you would like to contact us, you may send a fax to:

Transnews at (201) 342-7986

OR

Email us at jbyrne@postfinancial.com

We hope you enjoy Transnews and we encourage you to share it with your friends and associates.

Think Safety!

"The Driver's Seat"

Several years ago at the United Motor Coach annual convention, an operator who casually suggested that we in the insurance industry didn't know what we were doing approached me. I had known that for many years but I was curious how a bus operator could come to the same conclusion? He went on to apologize for his abruptness but explained that his fuel costs were rising, his employee compensation was going up, his cost of equipment was escalating, etc. He said the only thing that was keeping him in the black was his decreasing cost of insurance. I'm sure you all remember when insurance companies were competing for your business and your annual premiums were dropping year after year. It was your last renewal wasn't it?

Well, there is a thing in the insurance industry commonly referred to as a "cycle." This mystical word conjures up all sorts of mental images, none of them having a thing to do with insurance. In baseball, one hits for the "cycle." Some of us ride a "cycle."

is down along the boards, the forwards "cycle." And our dear friend Noah Webster tells us that a "cycle" is a "recurrent series or period; rotation of events; complete series or period..." In the current day vernacular it's what goes around comes around. In short, the period of cheap insurance or lower cost insurance has ended its cycle and we are now in the counter-cycle period.



If you trace the "down" cycle, it began around 1989 or 1990 and has lasted longer than any cycle I have ever experienced. And, without divulging personal information, I've been in the insurance business for 36 years. Which means I started at the age of three. I guess the two most poignant questions

how long will it last and how severe will the increases be? All indications from the seers in the insurance fraternity suggest that this upturn will last for at least the next several years and the costs will be deep, although no one knows for sure. In the public auto sector, we are seeing rate increases ranging anywhere from 10% to well in excess of 100%. Certain operators are desperate and are finding it difficult to absorb the additional premium costs. Some operators may not be able to continue their businesses and others may be faced with cutbacks. Many insurance companies that used to be in the public auto market have pulled out or in some cases, have gone out of business entirely. But while we would like to blame the insurance industry for this dilemma, the public auto operators must share some of the responsibility as well.

Premium pricing is directly related to loss experience. And losses can be further modified to a specific industry's losses and then to an individual's

"The Drivers Seat" cont'd...

poor loss experience for a number of years. Since the foundation of insurance is predicated on "the law of large numbers" (insurance 101), everyone, including the relatively loss free operators, are going to pay. The insurance industry's profitability based on the aforementioned rule is simply that many pay for the losses of the few. But when the losses exceed the premiums collected, the balance becomes reversed and increased premiums are the only counter measure. By way of passing guilt around the table, how much of your internal budget is spent on safety and loss control? Do you as a company adhere to strict hiring practices and do all the necessary background checks prior to hiring?

Or has it been the attitude that it is easier and less expensive to shop my insurance every year than to put the necessary capital into safety, maintenance, etc. Had the insurance industry taken a more aggressive approach to monitor their clients safety programs and the things that matter most in loss prevention, perhaps the current dilemma wouldn't be as onerous. Although that would have required joint cooperation and resources which I dare say neither side was willing to absorb.

So, do you agree with my opinion or do you feel the insurance industry is nothing more than a bunch of thieving thugs? Or would you like a bit more detail into how rates are individually established by the insurance company? Do you want to know the inner workings of rate make-up? All it takes is one response and I'd be glad to accommodate.



By the way...

What's happening in your State organizations? Upcoming conferences, Rodeos, etc. Anything you want to relate to your fellow operators? Do you want my wife's recipe for Roast Duck and Dumplings? Just drop me a fax at 201 342 7986 or E Mail at jbyrne@postfinancial.com.



SAFETY TIPS

Summer Fun Safety

Summertime is here. Typically, this means cooking out, hanging out poolside, and, of course, fireworks!

These activities are all part of what makes summer so much fun. However, each year, many senseless injuries occur during these activities. And, while they may not occur while you are on-the-job, your employer still needs you healthy and happy. An injury to an employee, whether the injury occurs on-the-job or not, is never welcome. The fact is, a worker's skills and experience are difficult to replace. With that in mind, here are some summer safety tips.

Fireworks Safety.

Fireworks and summer go together. But, fireworks can be dangerous, causing serious burn and eye injuries. If you decide to set off fireworks on your own, be sure to follow these important safety tips:

- Never allow children to play or ignite fireworks.
- Never try to re-light fireworks that have not fully functioned.
- Read and follow all

warnings and instructions.

- Only light fireworks on a smooth, flat surface away from the house, dry leaves, and flammable materials.
- Keep a bucket of water close in case of a malfunction or fire.

Diving Safety.

Many accidental deaths and drownings result from diving injuries. Diving into shallow water, or striking an unseen object, can lead to unconsciousness, spinal cord injury, and, all too often, death. When diving, follow these tips:

- Always test water depth before diving.
- If you are unable to see below the water's surface, don't dive.
- Even if your path is clear, keep your arms extended above your head when diving. Your hands (not your head) will hit an unseen obstacle first.

The FED Update

FMCSA Proposes to Require Disqualification Of Commercial Drivers Convicted of Serious Driving Violations

The U.S. Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA) today proposed a requirement that drivers of large trucks or buses who are subject to the Commercial Motor Vehicle Safety Act of 1986 (CMVSA) be disqualified from driving if convicted of certain offenses while driving any vehicle.

The proposed rulemaking would require states to disqualify a driver's commercial drivers license (CDL) upon conviction, and employers would be required to prohibit these disqualified drivers from operating commercial motor vehicles (CMV).

Offenses that would disqualify a convicted driver include drunken driving, leaving the scene of an accident, committing a general or substance-related felony, violating railroad-highway grade crossing signs, excessive speeding, and reckless driving. Disqualification would mean suspension, revocation or cancellation of a CDL by the issuing state. The time period for disqualification would vary according to the offense involved.

The FMCSA proposed that CDL holders convicted of serious traffic violations and other offenses in either a non-CMV or CMV serve the same period of disqualification that would occur had the convicted driver been driving a CMV.

Written comments on this notice of proposed rulemaking should be sent by Aug. 4, 2001, to the USDOT Docket Facility, Attn: Docket No. FMCSA-00-7382,

Room PL 401, 400 Seventh Street, SW, Washington, D.C. 20590-0001; FAX: (202) 493-2251. The rule also is posted on the Internet and can be viewed after searching at: <http://dms.dot.gov/>. Comments may be submitted electronically at <http://>

Handling ADA Requirements

The Americans with Disabilities Act (ADA) became law over ten years ago. Since then, many wheelchair-bound members of the disabled community have been safely transported by motor coach or bus. But, occasionally, errors occur and disabled passengers can and do get hurt. Your job, as a transportation professional, is to prevent all passenger injuries. In special cases, that means making extra efforts to assure safety.

Painful Lessons Learned

Experience has shown us that, when transporting disabled passengers, safety problems can occur for a number of reasons. Many occupants of wheelchairs and scooters have been thrown from them when the chair wasn't properly tied down; they weren't belted in; or the device itself

was difficult to tie down. Securing the wheelchair ought to be simple, but seldom is. There are dozens of types and styles of these mobility devices. And scooters, those SUV's of mobility devices, are the worst of all; they are top heavy, narrow-tracked, frequently unstable vehicles that are very hard to restrain.

Here are a few tips to reduce the risk of mobility device accidents:

1. Place the chair carefully in position, facing front, so the rider is comfortable;
2. Examine the mobility device before tying down to be sure it's in good repair and structurally sound;
3. When possible, offer to assist the passenger into a regular seat - eliminating the safety risk is the best choice;
4. You can't order the use of a seat

belt, but make a courteous request for its use for safety purposes;

5. Riders have the right to stay in their mobility device, so *suggesting* seat changes or seat belt use are your only option;

6. Tie down correctly. That means all four points, firmly attached to rigid frame members at the seating area of the chair. Straps should be taut, and angle out and to the sides, front, and back to create maximum security. *Never accept a questionable tie down - if you think it might fail, it will.*

Courtesy and Care Are Key

Work with your riders to create the safest possible transportation experience. Cooperation and courtesy work wonders. If you truly care about the safety of your riders, it will show in your actions. Take the time to work with disabled passengers so they can safely enjoy the benefits of your transportation service.

How to Reach (and Lift) Safely

Workplace injuries cost employers and employees billions of dollars each year. Not only do they affect company productivity, but they also have a profound effect on the injured employee, and, in many cases, on his/her co-workers. An injured employee's need to be off work can be costly, financially and emotionally. Time required may force an injured employee to "use" up any sick or vacation time to maintain the same income level as when working. If the injured employee does not maintain the same level of income as when working, his/her family may also be affected by the injury. And, co-workers may be forced to 'take up the slack' caused by injury to an employee.

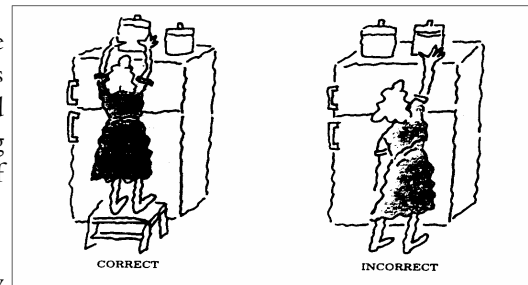
Some of the most common workplace injuries result from improper lifting and reaching. Whether it be reaching for a box of copy paper on the floor or

reaching for tools or supplies on the top shelf in the garage, employees who perform routine reaching and lifting tasks carelessly are putting themselves in serious danger of getting hurt.

Here are a few simple steps on how to reach (and lift) properly:

1. Stand on a sturdy, wide-based step stool if necessary, so that you *don't* have to stretch to reach
2. Lift one corner of the load to test its weight. (If it's heavy, call for help from a taller and stronger person.)
3. Grasp the object firmly with both hands and, tightening your stomach muscles, bring it down slowly and smoothly.
4. Set the object down on a waist-level table without twisting at the waist.
5. If the object belongs on the floor, after placing it on the table, readjust

your grip, and use reverse lifting



procedures (i.e. keep your back straight, bend your knees, and squat.)

Bend your hips, knees

Bend your hips and knees whenever you have to lean forward. Bending over at the waist with knees locked is a backbreaker.

