



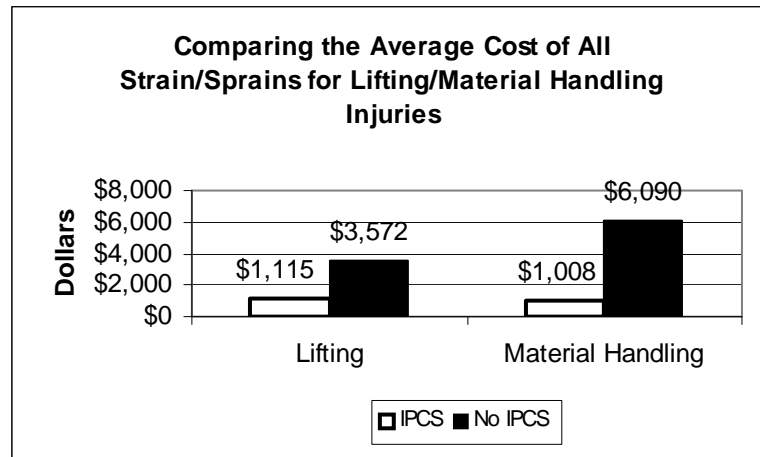
Case History for a Logistics Trucking Company Executive Summary

Industrial Physical Capability Services, Inc (IPCS) provides industry an objective and defensible physical capability evaluation for new hires and injured workers. The purpose of the evaluation is to reduce overexertion injuries to the shoulders, knees and back which have a high prevalence in the trucking and distribution industries. The following executive summary represents injury data analyzed from January 1993 through August 2000 for the Logistics company.

- From January 1993 and through August 2000, there were 1,160 injuries costing the Logistics company \$4,409,085.
- Industrial Physical Capability Services (IPCS) has been providing physical capability testing services to the Logistics company since December 1998 for certain select locations.
- As a result, the injury data can be divided into two groups: one group tested by IPCS and the other group (OTHER) not tested by IPCS. It should be noted that some of the individuals from the Other group might have had a physical capability evaluation performed by other vendors.
- The average cost for a Lifting Improperly injury causing a sprain to any part of the body for the IPCS group is \$1,115 in comparison to the average cost for the Other group of \$3,572.
- The average cost for a Material Handling injury causing a sprain to any part of the body for the IPCS group is \$1,008 in comparison to the average cost for the OTHER group of \$6,090.
- The average cost for a Lifting Improperly injury causing a sprain to the knee, shoulder, or back for an IPCS tested person is \$1,663 versus \$4,265 for the OTHER group.
- The average cost for a Material Handling injury causing a sprain to the knee, shoulder, or back for an IPCS tested person is \$1,008 versus \$5,123 for the OTHER group.
- Using the average cost for injuries from the IPCS group and applying it to the Other group, the net savings for the Logistics company would have been \$384,813 assuming the Other group had an IPCS evaluation. The savings could have been greater if the incidence rate of injury for the Other group was greater than the IPCS incidence rate.

- From December 1998 through September 2000, IPCS tested 513 individuals of which 406 were recommended. Of these 406 individuals, 52 of them had injuries. There were 5 Lifting/Material Handling injuries resulting in sprains to the shoulders (1) and low back (4) – this is an incidence rate of 1.2%. This incidence rate is significantly lower than what is typically found in the trucking industry (usually greater than 10%). No knee injury sprains occurred. The Other group accounted for 103 back sprains, 25 shoulder sprains and 10 knee sprains. It was not possible to calculate the incident rate for the Other group since the number of hires during this period was not available.

The first chart shows the average cost of a sprain caused by Lifting Improperly and Material Handling for those tested by IPCS versus Other group. For Lifting injuries, the average cost is 3.2 times greater for Other group in comparison to those tested by IPCS. The average cost was 6 times greater for the Other group for Material Handling injuries resulting in sprains in comparison to the IPCS tested group.



The next chart shows the differences in average costs for sprains for the knee, shoulder, or back caused by Lifting Improperly or Material Handling. The Other group's average costs were 2.5 times greater and 5 times greater in comparison to the IPCS tested group for Lifting and Material Handling sprains, respectively, to the knees, shoulders or back.

