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# Risk Manager

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## Dangerous Gases: Unseen Hazards in the Workplace

You can't see them, taste them, or even smell them, but they may be lurking in your place of business.

Both **carbon monoxide** and **radon** can be a danger to you, your employees, and your customers. Similar to lead, carbon monoxide and radon enter the bloodstream through breathing, and high levels of ingestion can cause serious health problems.

### *Carbon Monoxide*

Carbon monoxide (CO) is a gas produced by internal combustion engines, including diesel and propane-powered engines, and other items that burn fuel, such as gas stoves, furnaces, water heaters, and space heaters. CO is also produced by burning wood, paper, or plastic products, as well as from welding, if carbon dioxide shielding gas is used. Workers can be exposed to CO in warehouses that use propane-powered forklifts or packing facilities. Exposure can also occur when operating small gasoline engines, such as pressure washers, concrete cutters, water pumps, generators, and air compressors. If your business lacks

adequate ventilation, or if any equipment is not properly maintained, you and your employees may be exposed to carbon monoxide poisoning.



The symptoms of CO poisoning are similar to those of the flu or even the common cold, including nausea, vomiting, headache, fatigue, dizziness and chest pain. Because these symptoms are present in many

common illnesses, it may be difficult to recognize CO poisoning at first. If left untreated, CO poisoning may lead to neurological damage and death. In fact, CO is the #1 accidental fatal poisoning agent in the U.S. (Medscape, 2011).

If you have not already done so, consider contacting your local utility company to inspect any equipment you suspect may be faulty or contributes to the air quality of your business. The following steps can help minimize exposure to CO poisoning:

- Allow fresh air into your business regularly.
- Do not operate internal combustion engines in enclosed spaces or indoors. If this equipment must be used, increase ventilation.
- Provide safety training and warning labels for all gasoline-powered equipment.
- Be diligent about equipment maintenance to reduce CO emissions.
- Conduct a workplace survey to identify all potential sources of

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# Did You Know?

## What Businesses Should Know About Environmental Liability Insurance

In today's marketplace, evolving attitudes, new legislative and regulatory initiatives, and ongoing product and process innovations continue to create environmental compliance concerns for business owners. Since pollutants are surprisingly common and exist in different forms, most businesses, regardless of whether or not they handle hazardous materials, may have some type of environmental liability. However, a general liability policy may not provide your business with sufficient protection to keep up with the frequent changes that occur in environmental rules and regulations. For many businesses, obtaining **environmental impairment liability insurance** coverage, either through a separate policy or a specific endorsement, may be a necessary component of a comprehensive risk management plan.

### *What Is Environmental Impairment Liability Insurance?*

Environmental impairment liability insurance can protect your business from environmental damage caused by contaminants released into or on land, the atmosphere, or any watercourse or body of water. These policies may cover the expense of both on- and off-site environmental cleanups mandated by the government; bodily injury or

property damage liability; defense costs for environment-related lawsuits; business interruption costs; loss of value of third-party property as a result of contamination; and liability of parties contracted by your business.

### *How Can You Be Sure?*

Environmental problems can surface from previous business activities unknown to you. There may be existing pollutants on your property, or your company's disposal procedures may be inadequate. Environmental liabilities often have unlikely origins, and there may be no indications that particular problems exist. Consequently, consider the following steps to help minimize the risk of environmental liabilities on your business:

- 1. Evaluate your history.** Check for problems, both past and present, on any land your company owns, and be cautious when purchasing new sites.
- 2. Examine your risks.** What chemicals do you use? If you have a subsidiary company, what chemicals does it use? Do you store hazardous materials on site? What are your disposal procedures? These are just a few of the questions to consider when assessing your overall risk.

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### *Online Marketing Increases*

The greater a company's on-line leads, the greater the overall profitability, according to a 2011 survey of high growth firms sponsored by Hinge, a leader in marketing services. Results showed that over 77% of study participants generate new business leads on-line. Businesses generating 40% of their leads online have grown four times faster. In addition, companies with high growth got 64% of their leads online, while average growth firms got only 12% online.

### *Corporate Responsibility Reporting Up*

Among top-performing U.S. companies, 83% are now reporting their corporate responsibility (CR) activities, up from 74% in 2008. The KMPG International Survey of CR reporting for 2011 revealed that accountability impacts participants' branding and reputation (67%), ethics (58%), employee motivation (44%), innovation (44%), and risk management (35%), and is part of their overall business strategy.

### *Solar Energy-Made Products Poised for Growth*

With the rising concern over power consumption coming from businesses and consumers alike, a 2011 survey by the Kelton research firm, shows that 9 out of 10 Americans support U.S. solar manufacturing and solar energy development using Federal tax credits and grants. Of those surveyed, 51% say they are more likely to buy products made by companies that use solar energy over other sources, such as natural gas, wind, nuclear, or oil.



# For Your Information



## Financial Wellness Programs

More U.S. employers understand the importance of providing financial literacy programs in the workplace to enhance employees' financial well-being. In 2011, the President's Advisory Council on Financial Literacy recognized business leaders that provide financial education to help employees make better decisions concerning credit use, budgeting, and enrolling in company-sponsored retirement savings plans. To receive a toolkit for developing a financial wellness program, go to [www.wlife.org](http://www.wlife.org).

## Taking Your Business Global

Do you know where your next customer will come from? Since almost two-thirds of consumers with purchasing power live outside the U.S., many small businesses nationwide are exploring exporting to increase sales and profits. The Small Business Administration (SBA) offers small business owners the online Export Business Planner, a free customizable tool that helps gauge export readiness of products or services. For more information or to download the Planner, visit [www.sba.gov](http://www.sba.gov).

## Veteran-Owned Small Businesses

The Center for Veterans Enterprise in the U.S. Department of Veterans Affairs provides free services to assist veterans and service-connected disabled veterans with small business ownership, including access to professional business development organizations that help with startup financing, coaching, and networking. Veterans can also list their businesses for procurement opportunities in a vendor information database searched by Federal agencies and prime contractors. To learn more, visit [www.vetbiz.gov](http://www.vetbiz.gov).

## Ergonomics for Improving Productivity

As a business owner, did you know you can cut costs and boost productivity by establishing an ergonomics program? Ergonomics is the science of modifying job tasks, equipment, tools, and the work environment to an individual worker's needs.

One of the most common types of work-related injuries is musculoskeletal disorders. While such injuries can occur outside the workplace, repetitive stress or sustained physical exertion in the workplace can result in a variety of musculoskeletal disorders, such as chronic neck or back pain, carpal tunnel syndrome, tendonitis, and osteoarthritis. So, why wait until you have an injured worker and a **workers compensation** claim on your hands? The sooner you implement an ergonomics program in your workplace, the sooner you and your employees will reap the rewards.

### Outlining Ergonomic Objectives

To start tackling ergonomic concerns, appoint a committee comprised of management and other relevant departments such as human resources, engineering, and health and safety. Be sure to also include employees from work areas that may involve repetitive or hazardous tasks. Ask the committee to draft a policy outlining ergonomic objectives. They may also be responsible for tracking the progress of ergonomic projects and monitoring the outcomes.

Begin by identifying potential hazards. Records of injuries, accidents, absenteeism, and workers compensation claims can reveal problem areas. Solicit input from employees because a lot can be learned from workers' complaints. Another approach is simply to observe employees at work. Many workplace conditions that lead to musculoskeletal disorders are easily recognizable. For instance, do work stations provide appropriate height, depth, and clearance? Pay particular attention to jobs that involve

repetitive motions, or require excessive force or unnatural movements.

### Safety Procedures

Teach employees to recognize the early symptoms of musculoskeletal disorders. Educate them about ergonomic principles and encourage them to follow safety procedures. Review work station arrangements and, if necessary, modify them with safer, more comfortable equipment to reduce unnecessary physical strain. Encourage workers who perform repetitive tasks to rotate duties or take periodic breaks, as needed.



If you recognize potentially hazardous conditions, or receive complaints from several employees, address the problem as soon as possible. Injuries can occur, and symptoms of strain or discomfort may progress to more serious or chronic conditions. The sooner a problem is addressed, the better it can be managed.

Implementing an ergonomics program before problems occur can save thousands of dollars in workers compensation premiums. When workers are safe and comfortable, you may see a boost in productivity. Besides, what better way to show appreciation for your employees than by addressing obstacles to their health, safety and well-being? In the long run, it will save you time, money, and aggravation, while creating a more productive work environment.



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CO exposure and educate employees about CO poisoning.

### *Radon*

Another deadly gas that may be lurking in your place of business is radon. Radon gas is produced as uranium decays. It is prevalent in soil and rock, which decay underground. Like CO, radon is odorless and colorless. According to the Environmental Protection Agency, radon gas is responsible for approximately 20,000 deaths in the U.S. and 100,000 deaths worldwide each year (EPA, 2011).

Unlike CO poisoning, radon exposure does not cause any physical symptoms. In fact, it takes years of exposure at relatively high levels before any symptoms occur, and even then, the only documented symptoms are the same as those for lung cancer, such as persistent cough, shortness of breath, coughing up blood, and wheezing.

Underground workplaces, such as mines, caves, and utility industry service ducts, can have significant levels of radon. However, worksites including factories, offices, shops, classrooms, and nursing homes can also be affected. Businesses who only occupy parts of buildings from the first floor and above are unlikely to have significant radon levels, but those in cellars, basements, and poorly ventilated ground floor rooms may have higher radon levels. Any building below three stories should be tested for radon.

Here are some tips to help you better understand how radon could affect you and your employees:

- Radon enters buildings through openings such as foundation cracks and porous floors.
- Even if neighboring buildings have normal levels of radon, your building may not.

- Radon may be present in your water supply.
- Radon has been found in all 50 states.

If you are concerned that radon may be present in your place of business, you can purchase either a short- or long-term test kit to find out. Be sure that the kit has EPA approval to help ensure accurate results. If you want to hire a professional, qualified radon mitigation contractors are available across the country.

### *Education Is Protection*

Awareness and education may help protect you, your staff, and clients against the possibility of undetected dangerous gases in your place of business. For more information about carbon monoxide, radon, and other hazardous gases, visit [www.epa.gov](http://www.epa.gov).

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### **3. Create an emergency procedure.**

Have a detailed plan for handling potential accidents and provide training for your employees accordingly. Keep the plan accessible to staff at all times and store a copy at an off-site location.

### **4. Be aware of Federal, state, and local regulations.** These may vary according to area and type of business. Also, be sure you understand

reporting requirements in case of an accident.

### **5. Report any accidents immediately.** Notify the appropriate regulatory agencies of any accidents that may lead to environmental contamination. Begin containment and cleanup immediately. Also, give us a call so we can begin working on your behalf.

Businesses of all types and sizes can face pollution liability, the effects of which could be devastating to a company's finances and its ability to continue business operations. While some businesses may need an endorsement to their general liability policies, others may need separate environmental impairment liability coverage for full protection. Please feel free to contact one of our qualified insurance professionals to determine if your business is at risk.