

September 10, 1943

Mr. P.J. Flaherty
Chairman Board of Directors
Johnson Bronze Company
500 South Mill Street
New Castle, Pa.

Dear Mr. Flaherty:

An analysis of accidents occurring at your New Castle, Plant from July 1st, 1939 to July 1, 1943, drawn from your reports in my office reveals the following figures:

	<u>No of accidents</u>	<u>Medical Cost</u>	<u>Hospital Costs</u>	<u>Compensation Paid</u>	<u>No of lost hrs.</u>	<u>TOTAL COST by year</u>
1939	123	1871.63	537	2441.78	1936	4850.41
1940	288	3130.40	570	3529.01	1743	7229.41
1941	400	3290.89	1616.78	16,309.27	1625	21,216.44
1942	349	4177.93	1479.98	7,181.27	3836	12,839.18
	<u>1210</u>	<u>12,470.85</u>	<u>4302.26</u>	<u>29,401.32</u>	<u>9130</u>	<u>46,135.44</u>
4 years						<u>13,468.48</u>
Fee paid for New Castle Plant only				TOTAL COST		59,603.92

CAUSE OF EXCESSIVE ACCIDENT COSTS:

Lack of constant one man supervision of all accidents. Lack of enforced safety Rules and Regulations. Unsubstantial diagnosis of lead poisoning, causing unwarranted compensation costs and lost man power hours.

Unwarranted excessive hospitalization Costs.

Unwarranted expense in Non-Industrial cases.

REMEDY

Establish a Department within your own Companies at New Castle which

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taining to, -

ACCIDENTS
INSURANCE
OCCUPATIONAL DISEASE
SAFETY
WELFARE

The size and problems of your Plants justifies your organization such a Department.

Now is the time to organize such a Department before the seasonal lead epidemic begins. The conduct of such a Department is a one man all time job. I want this job, working directly and solely for your Companies.

In my present relationship to you the desired Standards of Accident Prevention, Reduction of Accident Costs and the Promotion of greater goodwill between employees and plants cannot be attained and can only be attained by One Man devoting his entire time to those jobs. A review of your accident files from July 1939 discloses no constructive plans were offered you to reduce your hazards and costs, until March 1943, when Acting solely upon my own initiative I conducted a personal research and study to obtain these reductions for you, which have secured the following results to date:

Survey of Plant by Dr. Kekoe for the elimination of lead hazard and the proper treatment of lead cases.

Installation of a Complete Pre-Employment Medical Examination arrangement
Medical Contract covering Injuries and Pre Employment Medical Examination.

This contract alone will save you this year at least \$3000.
By establishing this Department you will derive further reduced costs:

Reduction in your Shop-Loss Insurance premium, through the reduction in your basic Compensation Insurance premium rate by the reduction

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of hazards and compensation costs.

Reduction in fire insurance premium by reduction of fire hazard by personal supervision of all accident and Occupational Disease Claims these results will be secured by Immediate personal investigation of all accidents -

Immediate determination of

- (1) Cause of accident
- (2) Prevention of like accidents
- (3) Immediate decision limit of Company's liability for Accident Occupational Disease, Hospital Compensation and other expenses.

Reduce Lost Man Power Hours by returning employees to work at earliest possible moment,

Special procedure for substantiating diagnoses of all lead effections, with proper relief treatments, without the loss of working days, except in extreme bonafide lead cases has been worked out with Dr. Kehoe.

This procedure and treatments will convince foundry employees of the elimination of the lead hazard.

Plans are in prepatation, drawn from the study of the latest approved methods and practices for Plant Safety, Plant Hospital, Welfare Department, Doctors of Industrial Medicine and Surgery Consultation and study with Authorities upon these subjects to increase efficiency and reduce costs in each of these operations.

Your establishing this Department within your own companies eliminate all necessity for any outside agency handling any of this work in any of your plants.

A 30 day notice of cancellation of your present contract is all that is required.

Such a Department covering all of your Plants will produce a saving for you of at least 25% below your average compensation costs for the next four years and another saving of at least 25% over your

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three Plants.

For your consideration and for the privilege of discussing your reaction to this suggestion with you Monday, please accept my best thanks,

Yours very truly,