CORPORATE FOCUS

Safety Issues Beset Industrial Laundries

Cintas Is Hit by Fines Including $2.8 Million From Worker's Death

By KRIS MAHER

Regulators and work-safety experts are putting greater scrutiny on the industrial laundry business, particularly **Cintas** Corp., long the target of a union-organizing effort.

In August, the federal Occupational Safety and Health Administration fined the Cincinnati company $2.8 million related to the March death of a worker in its Tulsa, Okla., facility. OSHA says the fine was its largest ever against a service-industry company.

In October, OSHA proposed a fine of $196,000 at the Cincinnati company's facility in Mobile, Ala., for 15 violations for not following safety procedures, according to the agency. Federal safety officials said they have also opened an investigation at a Cintas facility in Arkansas; and in August, OSHA fined a Cintas plant in Columbus, Ohio, $117,500.

Cintas is "a large, national employer with a history of OSHA inspections and citations for hazards at other facilities," said Ken Atha, OSHA's area director, in proposing the Mobile fine. He added, "We are disappointed to find so many of the same or similar hazards at this facility."

Cintas has appealed OSHA's findings in Mobile, Tulsa and Columbus. It cites a dropping injury rate companywide and an increased emphasis on safety. Recent inspections have turned up no safety violations at other facilities, according to OSHA records.

The Textile Rental Services Association, a trade group, argues industrial laundries in general have grown safer as they have invested in new equipment and automated much of the work. Federal data show injuries at laundries have dropped significantly in the most recent two-year period.

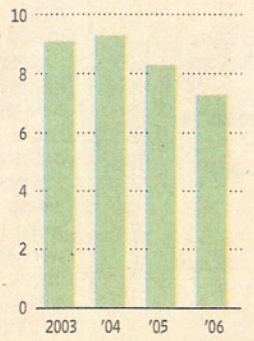
The linen-supply and commercial laundry business has grown as more nursing homes, hospitals and hotels outsource the task. It posts $12 billion in annual revenue, according to the laundry-association trade group, though profit margins at many companies are thin. "To be successful in the industry, you're going to have to push as much poundage through the plants as possible," says George Ferencz, vice president of the trade group.

Eye on Cintas

Cintas has been fined more than $3 million for health and safety violations since August

Fine	Location
$13,650 AUGUST 2007	Yakima, Wash.
117,500 AUGUST	Columbus, Ohio
2.8 million AUGUST	Tulsa, Okla.
196,000 OCTOBER	Mobile, Ala.

Note: Fines levied by OSHA except Yakima, Wash., which was levied by the Washington Industrial Safety and Health Administration



Sources: OSHA (fines); Bureau of Labor Statistics (injuries)

Commercial laundries have automated many functions, using conveyor belts and robotic shuttles to move hundreds of pounds of linens. They also have sped up the equipment that workers manually feed. That has reduced some kinds of injuries and increased efficiency.

But new and faster equipment creates its own risks, often involving the repetitive-strain types of injuries that have received new regulatory focus in recent years. "Laundry work is more dangerous than people realize," said Bradley Evanoff, an occupational-health physician at Washington University in St. Louis.

Watching Laundries

- **The News:** Regulators have proposed fines for several safety violations against laundry operator Cintas.
- **The Regulators:** Government safety officials have been focusing scrutiny on the industry as a whole as it grows.
- **The Response:** Cintas and others point to improved safety measures, and federal data show industry injury rates declining.

Says Barbara Silverstein, an ergonomics expert and researcher at the Washington State Department of Labor who recently studied ergonomic injuries among laundry workers: "It wouldn't seem like such a high-risk job. But because of the fact that you're doing the same thing all day long, it is."

The Washington Industrial Safety and Health Administration, the state's equivalent to OSHA, fined Cintas $13,600 in August, following an accident earlier this year at a Yakima, Wash., facility in which a worker's arm was caught in a washing machine and broken. Cintas has filed an appeal, a company spokeswoman says.

According to data compiled by the federal Bureau of Labor Statistics, the rate of injuries and illnesses for laundry and dry-cleaning establishments with 50 to 249 workers—an industry category that includes most commercial laundries—was 7.3 per 100 full-time workers in 2006. The rate marked a decline from 8.3 injuries in 2005 and 9.3 injuries in 2004.

By comparison, the rate of injury for workers drilling oil and gas wells in 2006 was 6.7; in chemical manufacturing, it was 3.7. Industries with higher injury rates in 2006 included forestry and logging, where it was 9.9, and sawmills, where it was 7.8.

Sam Garofalo, an industry consultant based in Syracuse, N.Y., said greater attention to safety in recent years, partly driven by rising workers'-compensation costs, "is showing up" in government data. He added that the big Cintas fine is "reverberating" through the industry. "People are being more careful. I know it's going to save injuries and save lives," he said.

Cintas says its rate of recordable injuries dropped 12% in fiscal 2007 over the prior year, as a result of additional training programs.

Some of its facilities have installed adjustable-height tables and bins that rise as they empty, reducing backbending. The company also has instituted a pre-work stretching regimen and gives workers cushioning mats to stand on. "There may be a few people" who have been injured, "but I don't think it's a real problem here," said Jeanne Rugg, 52 years old, who places clean uniforms on hangers at a Cintas laundry outside Pittsburgh.

Some laundry workers, often immigrants who are paid a few dollars per hour above the federal minimum wage, could be reluctant to report their injuries, said Thomas Waters, a senior safety research engineer at the National Institute for Occupational Safety and Health. "Like meatpacking, they have a lot of immigrant labor," he said. "They may not be documented." Cintas says it pays hourly workers more than 1½ times the federal minimum wage of $5.85 an hour.

At a Cintas plant in Oakland, Calif., supervisors check workers' pace every hour. "You have to hit your numbers," says Julian Fuentes, a 57-year-old immigrant from El Salvador whose job is to take clean overalls from a bin, turn them right-side out and put them on a hanger. His quota is 110 denim overalls an hour, or nearly two a minute. That is up more than 20% from the old quota of 90 an hour. Mr. Fuentes, who is involved with the union campaign there, says the work causes pain in his shoulders and numbness in his arms and hands.

Cintas spokeswoman Pamela Lowe says new employees are instructed to report any muscle strain or stress for evaluation and treatment. She said Mr. Fuentes was paid workers' compensation claims, and added that the company, while it continually re-evaluates production requirements, believes his quota is reasonable.

Unite Here, which represents garment and hotel workers, has for several years tried to organize Cintas. Investors have been largely unconcerned, in part because the union has made little headway.

For the fiscal first quarter ended Aug. 31, Cintas reported net income of $81.1 million, down 4.6% from $85 million, on revenue of $969 million; it blamed a restructuring of its sales organization.

The Tulsa fine resulted from the death of 46-year-old Eleazar Torres-Gomez, who fell from a conveyor belt into a large dryer. According to police, he was trapped for 20 minutes in temperatures reaching 300 degrees. Cintas in March said he wasn't following safety rules, which his family disputes.

Since then, Cintas has created a new executive safety council and hired three outside safety advisers, including a former director of OSHA. Scott Farmer, Cintas president and chief executive, said the recent accidents "have shaken all of us, and we have redoubled our efforts to be the safest operating company in our industry."