

Speed, Reliability and tons of features for only \$19.99/mo!

Comcast High-Speed Internet call 1-800-COMCAST



Help Toolbox >

Subscribe

Advertise

About us

Contact us

XML RSS feeds

LOCAL SEARCH  
BETA: What's this?

News  Local search

HOME • NEWS • SPORTS • **BUSINESS** • OP-ED • PHOTOS • A&E • SOUNDLIFE • ADVENTURE • HEALTH • CLASSIFIEDS • OBITUARIES

Technology • Aerospace • Consumer news • Markets • Real Estate • The Wall Street Journal Sunday • Taxes • Columnists

# BUSINESS

Tacoma, WA -

Welcome, **Guest**  
Log in | Sign up!

**New:**

## Safety training pays dividends

**KELLY KEARSLEY; The News Tribune**  
Published: July 22nd, 2005 12:01 AM

Labor Ready's new focus on safety is saving the company lots of money.

The Tacoma-based temporary staffing company saved \$3 million in the second quarter – primarily because of reduced workers' compensation expenses, said Steve Cooper, Labor Ready's chief financial officer.

The safety initiatives and improving sales at 890 branches helped the company report a \$15.4 million profit for the quarter, which ended July 1. That's a 52 percent increase from the same quarter a year ago.

The company's safety initiatives began in the spring of 2003 after the company realized that money it was spending on workers' compensation insurance wasn't going down on its own. And skyrocketing medical costs weren't helping, Cooper said.

"We couldn't remain profitable if we couldn't get this under control," Cooper said. "This wasn't just a blip, it was serious."

For the first time, Labor Ready placed full-time safety professionals at its branches. These people contacted the company's customers – such as light industrial and construction companies – to inspect job sites and provide safety training at Labor Ready branches. The company also began screening some of its workers, using a questionnaire to determine whether the person had a high risk of accidents.

The effort paid off.

The company won't give out the number of accidents its workers have had, but managers said Labor Ready has seen a 10 percent reduction during the past year. The \$3 million savings represents 1 percent of the company's annual revenue.

Sales at the company's 890 branches were up. As the nation's economy continues to recover, Labor Ready has reaped the benefits of boom in construction and increased hiring by other companies. And the company's May acquisition of a CLP Resources, a skilled construction trades staffing company, helped. CLP accounted for 5 percent of Labor Ready's second quarter revenue.

Joe Sambataro, the company's CEO, said during a conference call Thursday with analysts and investors that the company has the strategy, business model and financial strength to continue to grow. Labor Ready has been one of the top-performing Northwest stocks this year, reaching its 52-week high on Wednesday.

Analysts who follow the company anticipate its success to continue, despite a \$4.46, or 17 percent, decline Thursday.

ADVERTISING

## TOP JOBS

**Health/Pharm/Pers**  
GROUNDSKEEPER Franke  
Tobey Jones has a...  
• [View job ad](#)

**Health/Pharm/Pers**  
Healthcare Opportunities  
Madigan Army...  
• [View job ad](#)

**Health/Pharm/Pers**  
I LPN/RN E VENING S  
HIFT – N EW W...  
• [View job ad](#)

**Health/Pharm/Pers**  
MDS Coordinator (RN)  
Bremerton Health...  
• [View job ad](#)

**Health/Pharm/Pers**  
Mental Health Greater  
Lakes Mental...  
• [View job ad](#)

**Health/Pharm/Pers**  
NAC Evenings Excellent  
benefits Wages...  
• [View job ad](#)

[View all top jobs](#)

southsoundjobs.com



ADVERTISING

**Are you paying too much for auto insurance?**

ZIP code where you park at night.

Do you currently have auto insurance?  Yes  No

Have you had a U.S driver's license for more than 3 years?  Yes  No

Has any driver in your household had 2 or more accidents or moving violations in the last 3 years?  Yes  No

"I think the company continues to build on a trend of business momentum that it's developed in the last year," said Jim Janesky, an analyst with Ryan Beck in New Jersey. "It's well positioned in a growing market. There's limited if any competition, significant increases in commercial construction and on top of it, they are improving their margins through ... the focus on workers' compensation."

Janesky attributed Thursday's stock sell-off to profit taking.

Kelly Kearsley: 253-597-8573

kelly.kearsley@thenewstribune.com

By the numbers

**\$3 million:** Savings during the second quarter attributed to safety programs

**\$15.4 million:** Second-quarter profits

**10 percent:** Reduction in accidents

**890:** Number of branches

**\$21.76:** Closing stock price Thursday

**New:**  Add or View comments to this story; 0 Comments

[→ Read more Business headlines](#)

[✉ E-mail this story](#)

[🖨 Print this story](#)



[Privacy Policy](#) | [User Agreement](#) | [Contact Us](#) | [About Us](#) | [Site Map](#) | [Jobs@The TNT](#) | [RSS](#)

1950 South State Street, Tacoma, Washington 98405 253-597-8742

© Copyright 2005 Tacoma News, Inc. A subsidiary of The McClatchy Company 