



MOBILE CRANE RENTAL *Who's Responsible?*

by David Combs, ASP, ALCM, Sr. Specialist

DID YOU KNOW that crane rental companies today commonly provide only the crane operator ... and that our insured contractors are performing all of the ground support duties for a heavy equipment lift, e.g. rigging the load, signaling the operator & manning the tag lines? This frequent large loss/claim exposure raises some obvious (but often unanswered) questions about liability.

Consider the common job site scenario of an HVAC contractor lifting & placing an air conditioning unit on the roof of a building. WHO IS RESPONSIBLE when ...

- an expensive piece of equipment slips out of the sling and crashes to the ground or onto the roof of the building;
- another contractor's employee on the site is injured by this falling object;
- a rented crane hits an overhead power line; or
- a crane tips over during a lift?

Given the myriad factors involved in any lift, e.g. weight/load, reach, crane capacity, visibility, sling type, angle of sling, outriggers, ground stability, human error, etc., "fault" can be very difficult to assess. Too often, the question of responsibility is unclear until a serious accident occurs and a court decides. And as we already know, contractual wording can play a big part in determining who is financially liable.

The standard wording in a typical O&M (Operation & Maintenance) crane rental contract transfers most liability to the client (contractor) renting the crane. Should such contracts be negotiated beforehand? – YES. In the real world, does this happen? – NO. Typically, the standard rental agreement is simply signed & dated at the job site before the crane is set up.

Although the crane operator has the final say regarding the safety of the crane operation itself, the Site Supervisor (contractor) has the overall responsibility for the lift. Some specific duties include:

- Verifying that the crane certification and inspection records are up-to-date before allowing the crane on the project.
- Establishing a Lift Plan and organizing a pre-lift meeting with all appropriate

personnel.

- Providing a well-prepared work area for the crane, ensuring that:
 - Sites are graded, level & compacted, with adequate room for crane access, set-up and boom extension.
 - Operating locations have adequate clearance from powerlines. (Otherwise, powerlines must be shut down, relocated or specially insulated by the utility.)
 - Operating locations are far enough away from shoring, excavations, trenches, buried utilities, foundations, etc. to eliminate the risk of collapse.
 - Blocking is always used under outriggers (crane company is notified if the ground is soft and if hardwood mats or cribbing are needed).
 - Public access to the lift area is prohibited, with physical barriers positioned to prevent entry into hazardous areas.
 - Traffic controls are in place (when the crane is to be set up on a city street or public road). This may require obtaining approval to close off one or more lanes of traffic.

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- Determining the correct load weight and radius, and informing the operator. (Site Supervisor should know the maximum radius, load weight and lift height of each job before ordering the crane.)
- Ensuring that the rigging crew is experienced and competent, then supervising the rigging crew (ensuring the load is properly rigged).
- Designating the signal person(s) and ensuring their competence in directing the crane and load. Knowing the international hand signals is a must.
- Acting as Lift Director, supervising the overall lift.

How many contractors have qualified personnel to handle such responsibilities? Do they even understand the increased liability they are taking on every time they rent a crane? Other than obtaining Certificates of Insurance from the crane companies, what controls do we have in place?

The policyholder naturally turns to you, the insurance specialist, regarding this common job site exposure and the attendant liability questions and coverage/policy issues. As your Loss Prevention Consultants, we will ask the client about the level of exposure and what control measures may be in place, including such questions as:

- Do you own/operate any crane equipment? (What, How Big, Max. Capacity, Max. Reach, etc.?) Any Equipment Rental TO Others?
- How often do you rent a crane? Typi-

cal job involving a crane, i.e. avg/max height, avg/max. weight, job duration, etc.? Always rent with an operator? Any "bare" crane rentals? Any CCOs (Certified Crane Operators) on staff?

- Crane Rental Companies Used? (Names) Contract wording (copy?) Any contract negotiation?
- What **Site Preparation / Inspection** work is done prior to crane arrival? (e.g. parking lot cleared, adequate site access, stable ground, overhead powerlines de-activated or insulated, traffic control arrangements made, etc.) Documentation?
- Site Supervisor Present? Qualifications, Experience, Training, Certifications?
- Crane Inspection Checklist used?
- **WHO DOES THE RIGGING & SIGNALING?** Are these individuals trained/certified? (Verify)

We also have new tools, services & recommendations to offer contractors with crane exposures:

Crane Inspection Checklist – We recommend that all cranes, whether owned or leased, be checked by the Supervisor or Lift Director upon arrival at the project. We offer a one-page **SAMPLE CHECKLIST** (see copy after page 6) which includes information/verification re:

- Make/Model and Serial Number of Crane
- Maximum Lifting Capacity & Maximum Boom Length
- Valid Certification & Proof of Annual Inspection

- Boom Angle Indicator Operable
- Load Indicating Device if capacity exceeds 3 tons
- Two-Block Device Checks
- Load Chart & Operating Instructions in Cab
- Fire Extinguisher on Crane
- Proof of Operator Certification/Qualifications
- and Signature/Date Lines

New NCCCO Certifications for Riggers and Signal Persons – The National Commission for the Certification of Crane Operators (www.nccco.org) is the recognized ANSI-accredited organization responsible for the long-standing CCO crane operator certificate program (required for ALL crane operators). Starting in 2008, the NCCCO has introduced a similar training & certification protocol for Riggers and Signal Persons. Per Mr. Kerry Hulse, Commission Chairman, "These new certifications are geared towards ensuring that crane operators are given safely rigged loads to lift, along with accurate visible or audible directions on where to place the loads. It's a way of closing the loop with regard to crane safety on construction sites." We are recommending that ALL contractor employees involved in rigging or signaling be certified.

BOTTOM LINE: The loss/claim potential for crane operations is significant, regardless of whether the crane is owned or rented. Our contractor policyholders may not be fully aware of their liability exposures regarding rented cranes. Working together, we can educate these business owners and assist them in implementing proper loss prevention and control measures.

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Beware of Bogus Letters from DOT

ATA has been alerted that additional fraudulent letters bearing Department of Transportation (DOT) letterhead are circulating. These letters request financial and banking information. The most recent fraudulent letter, dated June 3, asks carriers to submit financial information release forms so that DOT can proceed with procurement decisions. The letter was signed by a Robert Dal, "Senior Procurement Officer," with a fax number 202-747-7507.

We have confirmed with DOT that the letter is fraudulent and carriers should not respond. Criminals use the information gained from the financial forms to raid victims' bank accounts using forged wire transfer authorizations. The funds are wired to sham bank accounts and then quickly transferred to offshore banks.

If you have any customers with DOT interstate operations they should be made aware of this identity theft scam.

To view examples of similar fraudulent letters, visit:

http://www.dot.gov/ost/m60/fraudulent_letters.htm

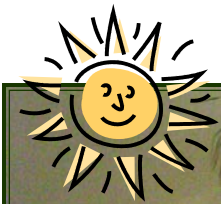
Contacts:

Clayton Boyce at cboyce@trucking.org or

Rick Holcomb at rholcomb@trucking.org.

Happy Summer!

from the Loss Prevention Department



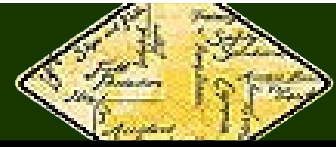
Loss Prevention Resources on Agents' Portal

Our Agents' Portal website is a great source for helpful Loss Prevention information including:

- **Loss Prevention Newsletters**
– timely technical articles written by our Loss Prevention staff based on our book of business.
- **Loss Prevention Training Opportunities** – for both policyholders and agents with convenient "one stop" registration
- **Copper Theft Protection Brochure** – copper theft is on the rise! Provides good control measures
- **Disaster Preparedness Resources** – helpful information for your customers with the disaster planning and recovery process
- **How to Prevent Losses** – specific pointers for auto and property loss avoidance by industry
- **Internet Resources** – convenient links to select online safety websites
- **Liberty Mutual Research Institute for Safety** – online newsletters and other valuable safety tools
- **Liberty Mutual Reference Notes** – features helpful articles such as Americans with Disabilities Title 3

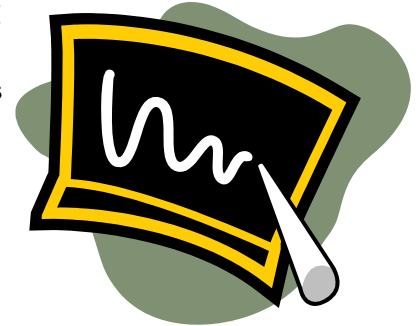
These resources and other valuable information can be found on the Loss Prevention page of our Agents' Portal at:

<http://agents.goldeneagle-ins.com>



Free Loss Prevention Customer Webinars

As a member of Liberty Mutual Group, Golden Eagle Insurance™ is pleased to offer FREE Loss Prevention webinars for our policyholders. These one-hour AT&T phone call/web presentations at your computer are conducted by representatives from Liberty Mutual Loss Prevention, a recognized leader in loss prevention research and innovation. We encourage you to share this information with your Golden Eagle policyholders and invite them to participate in webinars as appropriate.



Encourage your Golden Eagle policyholders to sign up early to ensure space availability. If you have any questions, please contact Matt Glovinsky, Loss Prevention Manager, at 619-744-6077. Our Loss Prevention webinars are a value added service for your Golden Eagle customers!

Optimizing Supervisor Response to Work Injury

July 31, 2008

According to research completed by the Liberty Mutual Research Institute for Safety, Center for Disability Research, improving supervisor response to work injuries can reduce future disability costs by nearly 50%. While true with any injury, this is especially true of musculoskeletal disorders (MSDs) such as low back pain and upper extremity disorders. This presentation will link employer response to work injury with effective disability management, identify best practice employer response strategies that expedite return to work, provide tips to improve supervisor response to work injuries and review a research-based training agenda that improves supervisor skills and knowledge. *Hosted by Wayne Maynard*

Drug Free Workplace Program (DFWP) Development

August 13, 2008

Should I adopt a drug testing program? Your participation in this webinar will help you answer this question and help you understand the various issues, choices and benefits when considering adopting a formal DFWP. This webinar will focus on the following topics: Why Test, the controversy and myths; Reasons to Test, what employers need to know; and the Benefits of Testing, improved productivity, reduced accidents and improved morale. *Hosted by Robin Gruenwald*

Obtaining Commitment for Safety: Influencing Others

August 21, 2008

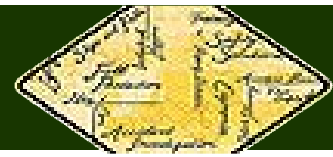
Have you ever have a good safety idea but didn't know how to obtain approval from management? Do you need to know how to obtain the "yes" answer? This webinar reviews the reasons why safety is hard to sell, the key elements that will make your safety proposals more successful and the measures you can use to demonstrate how being safe impacts business results.. *Hosted by Ron Schwartz*

Meeting the Challenge of Disability Management

September 10, 2008

The cost of workers' compensation claims reflects Pareto's rule: 10% of claims are responsible for 90% of the losses. This is particularly true for low back claims where long-term disability is driven by far more than medical issues. This webinar covers both the physical and psychological causes of disability, and gives you research-supported tools to meet the challenge and hone your current program for improved results. *Hosted by Ted Braun*

(Continued on page 5)



(Webinar Schedule, continued from page 4)

Hexavalent Chromium in Welding Operations

September 17, 2008

Do you know the hexavalent chromium exposure risk for your stainless steel welders? The OSHA Hexavalent Chromium Standard (1910.1026) was effective May 30, 2006. This webinar covers highlights of the OSHA Standard and OSHA Field Inspection Directive (January 24, 2008), and provides actual historical exposure evaluation results for a variety of stainless steel welding, cutting and grinding operations. *Hosted by Gary Robinson*

Driver Selection and Qualification (Incidental Fleets)

September 25, 2008

This webinar describes and discusses the critically important driver selection and qualification techniques necessary for incidental fleet operations. Employers often hire employees based on their specialty skills rather than their driving ability or past driving record. This practice may put the business in a precarious liability situation should they put unqualified or unsafe drivers on the road. This webinar covers the use of MVR reports, establishing criteria for “percent clear MVRs,” negligent hiring, negligent entrustment and negligent retention.. *Hosted by Dave Melton*

Mobile Worker Safety and Health

October 9, 2008

Thanks to advances in information technology, where you work is not as much an issue as the work you do. The central work location is being replaced by mobile or virtual work locations such as the home, hotel, airport, shared and satellite offices, client locations and vehicles. Mobile worker hazards include long work hours, mental fatigue, ergonomics (laptops, PDAs, etc.), vehicle crashes and more. This webinar includes an overview of the mobile worker safety problem and provides a systems approach to prevention, including guidelines on incident and hazard surveillance, use of employee safety surveys, RTW and disability management, vehicular safety, laptop and PDA ergonomics and more. *Hosted by Wayne Maynard*

Fall Protection in Construction

October 30, 2008

Falls from heights are not a high-frequency occurrence but they have a high-severity consequence. This webinar looks at falls from heights and highlights a number of unsafe practices and solutions to correct them. We will discuss “total fall distance,” fall arrest equipment, and methods and procedures for properly using this equipment. *Hosted by Ted Christensen*

Preventing Outdoor Slips, Trips and Falls

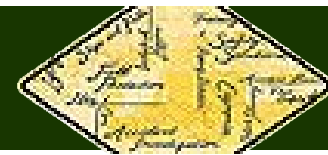
November 6, 2008

Outdoor slips, trips and falls can be just as costly as indoor slips, trips and falls. This webinar will review causes of outdoor same-level falls and address controls associated with walkway/curb design, ramps, parking areas, entrances, stairways and seasonal issues. *Hosted by Wayne Maynard*

Establishing Supervisor Accountability

November 19, 2008

Are you having a tough time getting your managers or supervisors on board with your company safety efforts? Is safety a measurable objective in everyone’s review? Are the activities in your safety program proactive and measured upstream to ensure they are quality activities? This webinar will review how to use performance-management techniques to get everyone in your organization on board the safety train. *Hosted by Ron Schwartz*



LIBERTY MUTUAL Customer Training Registration Form

To register

Visit the Liberty Mutual Group Customer Training Center

1. Log onto our Golden Eagle consumer website at www.goldeneagle-ins.com
2. Click on *Loss Prevention* under *Business Insurance* in the header bar.
3. Click on *Liberty Mutual Customer Training Center* and follow the instructions.

or

Send this completed form to:

E-mail: lped@libertymutual.com

Fax: 508-497-0170

For additional information please call 877-588-2016.

Attendee Name	
Title	
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Policy Number	
Email Address	
Webinar Name	
Webiinar Date	

Prior to the scheduled start of the training session, you will be sent the additional information and instructions by email. This information will include the webinar meeting number and a participant code, both of which will be needed to access the audio (telephone conference) and web-based portion of the session.

- Webinars are available to insured customers only.
- While there is no charge for the session, you may incur a long distance charge when accessing the audio portion of the training, based on your companany’s long distance rates.

Refer to the Webinar schedule for sessions and dates. All training sessions will begin at 11:00 a.m. Pacific Time and last for approximately one hour. If you have any questions, please call the Customer Training Department between 8 a.m. and 4 p.m. Eastern Time at 877-588-2016 or email us at LPED@libertymutual.com.