

## Press Release

### **Alan J. Ruben of the DRI Companies Recognized for Workplace Safety & Construction Risk Management**

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IRVINE, Calif.--(BUSINESS WIRE)--Alan J. Ruben, Chief Financial Officer of the DRI Companies, was recently recognized at the 26th IRMI Construction Risk Conference for restructuring the loss prevention and cost control techniques related to DRI's risk management program.



"At the end of 2003, we were projecting a workers' compensation insurance premium that, coupled with the two annual previous increases, would have resulted in a quadrupling of our cost over a three year period," said Ruben. "We recognized the urgency of changing our risk management methodology towards workers' compensation as well as reinventing all our processes and policies related to safety and claims management."

As a result of implementing numerous safety initiatives, policy changes and the utilization of a patented personal fall arrest system to make the workplace safer, the DRI Companies were able to dramatically reduce their experience modification rate. The rate is expected to further decline upon the next unit stat filing.

In addition, the DRI Companies changed their risk management strategy by switching to a large deductible workers' compensation insurance program, which resulted in substantial financial savings.

"Our new broker at the time, Lockton Insurance Brokers, Inc., was instrumental in saving our organization a significant amount in workers' comp premiums by moving us from a guaranteed cost policy to a large deductible workers' comp program," explained Ruben. "And they moved quickly. We first met with them the week before the holidays in 2002 and had a policy in place on February 1, 2003."

"The California workers' compensation market was continuing to worsen and guaranteed cost policies were only going to become more costly," recalled Mark Kiger of Lockton Insurance Brokers, Inc. "With their commitment to safety and focus on loss prevention and cost control, we were confident the DRI Companies could effectively assume a substantial portion of risk and benefit by the cost savings of a large deductible program."

DRI's loss prevention and cost control has lowered claims costs as a percentage of payroll by almost 90% over a six-year period, from a claims-cost-to-payroll ratio of 19% in 2002 to 1.7% by year-end January 2006. This is particularly significant considering the companies' revenues have almost tripled since 2002 and payroll has grown tremendously during that period of time.

"We are thrilled with the results of our various programs. However, it is about more than just the numbers...it is about our obligation to protect the safety of our employees," emphasized Ruben. "If employees come to work healthy and safe, they should return to their family and friends the same way."

The DRI Companies are one of the West's leading commercial and residential roofing contractors, headed by a management team of executives who have been leaders in the field since 1978. Headquartered in Irvine, the DRI Companies work with the leading homebuilders in California and Nevada as well as many of the area's most prominent developers, retailers, commercial property owners and managers, and industrial companies.

Lockton Insurance Brokers, Inc. is the Southern California subsidiary of Lockton Companies, which has recently become the largest privately owned commercial insurance brokerage firm in the world with the acquisition of Alexander Forbes International Risk Services. The company is recognized for providing consistent, innovative solutions to a diverse range of clients and industries in the areas of risk management, loss prevention and loss cost reduction.