STATE OF INDIANA  )
COUNTY OF MARION  )

IN THE MATTER OF THE
COMMISSIONER OF LABOR,

Complainant,

v.

RED GOLD DISTRIBUTION CENTER
AND ITS SUCCESSORS,

Respondent.

CASE DOCKET NO. 11-002

FINAL ORDER

The parties to the above-referenced proceeding, through their duly authorized representatives, have filed with the Board their Agreed Entry. The Board, being duly advised, now accepts the Respondent’s withdrawal of its Notice of Contest, and adopts the Safety Orders and penalty issued by the Commissioner of Labor, as modified by the Agreed Entry, as its final order in this matter.

IT IS ORDERED that the Respondent’s withdrawal of its Notice of Contest is accepted and the Safety Orders and penalty issued by the Commissioner of Labor, as modified by the Agreed Entry, is adopted as a final order.

Dated: 7 November 2012

Danny Deighton, Chairman
Copies to:

Julie C. Alexander  
Department of Labor  
402 W. Washington St., Rm. W195  
Indianapolis, IN  46204

Gregory N. Dale  
Faegre Baker & Daniels LLP  
300 N. Meridian Street, Suite 2700  
Indianapolis, IN  46204
STATE OF INDIANA )
COUNTY OF MARION )

BEFORE THE IOSHA BOARD OF SAFETY REVIEW

IN THE MATTER OF THE COMPLAINT OF LABOR,

Complainant,

v.

RED GOLD DISTRIBUTION CENTER,

Respondent.

CASE DOCKET NO. 11-002

AGREED ENTRY

The parties to the above-captioned proceeding, the Complainant, the Commissioner of the Indiana Department of Labor and the Respondent, Red Gold, Inc. (cited as "Red Gold Distribution Center"), through their duly authorized representatives, being desirous of entering into this Agreed Entry prior to hearing do hereby stipulate and agree as follows:

PART I.

1. From October 26, 2010, through November 5, 2010, authorized employee(s) of the Indiana Department of Labor conducted an inspection at the Respondent’s place of work, at the Red Gold Distribution Center ("DC"), 2595 West State Road 28, Alexandria, Indiana, 46001.

2. On March 9, 2011, the Commissioner of Labor issued Safety Order No. 1, Safety Order No. 2, and Safety Order No. 3 (Indiana Department of Labor Inspection No. 313905028) alleging that Respondent, had violated the Indiana Occupational Safety and Health Act (IC 22-8-1.1 et seq.) (the "Act") or the standards or rules adopted thereunder.

3. On or about March 31, 2011, Respondent duly and timely petitioned for review of
Safety Order No. 1, Safety Order No. 2, and Safety Order No. 3, and all items/subparts thereunder (Safety Order No. 1, Safety Order No. 2, and Safety Order No. 3 are attached hereto as Exhibit A and are incorporated herein).

PART II.

1. Petitioned for review Safety Order No. 1 consists of Items 1 and 2.

2. Safety Order No. 1, Item 1 alleges a “Serious” violation of I.C. 22-8-1.1-2 and assesses a total penalty of One Thousand Eight Hundred and Seventy-Five Dollars ($1,875).

3. Safety Order No. 1, Item 2 alleges a “Serious” violation of 29 CFR 1910.178(n)(7)(iii) and assesses a total penalty of One Thousand Eight Hundred and Seventy-Five Dollars ($1,875).

4. The total penalty for all alleged violations and all subparts thereunder for Safety Order No. 1 is Three Thousand Seven Hundred Fifty Dollars ($3,750).

5. Petitioned for review Safety Order No. 2 consists of Items 1a and 1b.

6. Safety Order No. 2, Items 1a and 1b allege, respectively, a “Knowing” violation of 29 CFR 1910.178(o)(2) and 29 CFR 1910.178(o)(3) and assess a total penalty of Forty-Nine Thousand Five Hundred Dollars ($49,500).

7. The total penalty for all alleged violations and all subparts thereunder for Safety Order No. 2 is Forty-Nine Thousand Five Hundred Dollars ($49,500).

8. Petitioned for review Safety Order No. 3 consists of Items 1 and 2.


1910.178(l)(6) and assesses no penalty.

11. The total penalty for all alleged violations and all subparts thereunder for Safety Order No. 3 is Zero ($0).

12. The total penalty amount for Inspection No. 313905028 including Safety Orders 1, 2, and 3 (and all Items and subparts) is Fifty-Three Thousand Two Hundred and Fifty Dollars ($53,250).

PART III.

1. Complainant deletes Safety Order No. 1, Item 1 in its entirety in consideration of Respondent's agreement to cease its current method of scooting loads with forklifts at the Distribution Center. The parties agree that Respondent may position loads by scooting or bulldozing them (in either the forward or reverse direction), as permitted by this Agreed Entry and federal OSHA in any applicable federal OSHA Interpretation(s). The parties expressly agree that positioning such loads means scooting/bulldozing (in either the forward or reverse direction) them on the floor for 50 feet or less in distance.

2. Complainant upholds Safety Order 1, Item 2 but amends Safety Order 1, Item 2 by reducing the penalty to One Thousand Dollars ($1,000) and by correcting the grade of the slope at issue from the alleged 12.41 degrees to the actual slope of 3.75%, as noted in an opinion from Briner Building, Inc. dated March 15, 2011 which was provided by Respondent to Complainant in this matter.

3. Complainant deletes Safety Order 2, Item 1a in its entirety and reduces Item 1b to a Serious violation with a total penalty of Four Thousand Nine Hundred and Fifty Dollars ($4,950), subject to Respondent's agreement to lease forklifts that are
safely capable of lifting (and manufacturer rated to lift) off of the ground the entire weight of any loads being scooted by the forklift. Complainant also entirely deletes the wording of the alleged violation shown in Safety Order 2, Item 1b and replaces it with the following: "Forklift drivers were carrying loads on their Caterpillar, C5000 LP forklift trucks, that were two (2) full pallets, which may have affected capacity, without adjusting them." Respondent acknowledges that it has already secured and placed in to operation a sufficient number of such forklifts (along with Respondent's new procedures regarding use of such forklifts) at its Distribution Center. The parties agree that Respondent will, in good faith, move expeditiously to replace its current fleet of forklifts at all other facilities operated by Respondent and that Respondent has until the later of 30 days following approval of this Agreed Entry by the Indiana Board of Safety Review or October 31, 2012 to train operators and transition forklift operations at such other facilities of Respondent to cease Respondent's current method of scooting loads with forklifts at such other locations. The parties agree that Respondent may position loads by scooting or bulldozing them (in either the forward or reverse direction), as permitted by this Agreed Entry and federal OSHA in any applicable federal OSHA Interpretation(s). The parties expressly agree that positioning such loads means scooting/bulldozing (in either the forward or reverse direction) them on the floor for 50 feet or less in distance.

4. The Commissioner upholds Safety Order No. 3, Item 1 in its entirety.

5. The Commissioner upholds Safety Order No. 3, Item 2 in its entirety.

6. The AGREED total penalty for all violations and all subparts thereunder subject
to this Agreed Entry is Five Thousand Nine Hundred and Fifty Dollars ($5,950).

7. It is understood and agreed by the Respondent and Complainant that this Agreed Entry and attachments will constitute a final, enforceable IOSHA Safety Order(s) and penalties for the purposes of the Act.

8. Respondent confirms Complainant’s right to reinspect its workplaces, in accordance with the Act and to verify abatement of the alleged violations.

9. Respondent hereby withdraws its petition for review previously filed in this matter.

PART IV.

1. Nothing contained in this Agreed Entry shall be construed to affect the Commissioner’s interpretation of the Act or any standard or regulation enforced pursuant thereto or the applicable classification thereof.

2. Except for these IOSHA proceedings, and IOSHA matters arising out of these IOSHA proceedings and any other subsequent IOSHA proceedings between the parties, none of the foregoing agreements, statements, findings, and actions taken by the Respondent shall be deemed an admission. The agreements, statements, findings, and actions taken herein are made in order to compromise and settle this IOSHA matter economically and amicably, and they shall not be used for any other purpose, except as herein stated. Nothing contained in this Agreed Entry shall be construed to affect the Respondent’s right to submit a variance application or variance request to federal OSHA, the Secretary or Assistant Secretary for Occupational Safety and Health, United States Department of Labor, Indiana Occupational Safety Standards Commission, or other applicable agency.
Occupational Safety Standards Commission, or other applicable agency (collectively, the "Agency") regarding matters raised or at issue in the safety orders or in this Agreed Entry in this matter. Should the Respondent submit or file such a variance application or request to the Agency, nothing in this Agreed Entry shall be construed to impede or affect the Agency's ability to make a determination regarding such variance application or request based upon the merits of such application or request.

3. Respondent, upon full execution of this Agreed Entry, will post this Agreed Entry for three (3) working days or until abatement is completed, whichever period is longer, pursuant to Board of Safety Review Rules of Procedure, 615 IAC 1-2-18(b)(3).

AGREED this 19 day of October, 2012.

RED GOLD, INC.
By: ___________________________
   Robert Savage
   Director of Risk Management

FAEGRE BAKER DANIELS LLP
By: ___________________________
   Gregory N. Dale
   Counsel for Respondent

COMMISSIONER OF LABOR
By: ___________________________
   Tim Maley
   Deputy Commissioner
   IOSHA

By: ___________________________
   Julie C. Alexander
   Deputy Attorney General

-BBDB01 9438394v2-
Safety Order and Notification of Penalty

To:
Red Gold Distribution Center,
and its successors
622 South 22nd Street
Elwood, IN 46036

Inspection Site:
2595 West State Road 28
Alexandria, IN 46001

Inspection Number: 313905028
Inspection Date(s): 10/26/2010 - 11/05/2010
Issuance Date: 03/09/2011

The violation(s) described in this Safety Order and Notification of Penalty is [are] alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

An inspection of your place of employment has revealed conditions which we believe do not comply with the provisions of the Indiana Occupational Safety and Health Act (Indiana Code Chapter 22-8-1.1) or the standards or rules adopted thereunder. Accordingly, enclosed please find safety order(s) and notification(s) of penalty describing such violation(s) with references to applicable standards, rules, or provisions of the statute and stating the amount of any penalty(ies).

Informal Conference - Please be advised that it may be possible to informally settle any potential dispute without initiating the more elaborate proceedings brought on by a petition for review. Prior to filing a petition for review, you may request an informal conference concerning any of the results of the inspection (safety orders, penalties, abatement dates, etc.) by contacting the Indiana Department of Labor/IOSHA, preferably by telephone, in a prompt manner. Please be advised that a request for an informal conference cannot extend the fifteen working day period for filing a petition for review. Informal conferences frequently resolve any possible disputes, and therefore you are urged to take advantage of this opportunity. Because of the limited time period and in order to facilitate scheduling, any requests for an informal conference should be made promptly upon your receipt of the safety order(s) and notification(s) of penalty.

Right to Contest - You are hereby also notified that you are entitled to seek administrative review of the safety order(s), penalty(ies), or both by filing a written petition for review at the above address postmarked within fifteen working days of your receipt of the safety order(s) and notification(s) of penalty. ("Working days" means Mondays through Fridays, but does not include Saturdays, Sundays, legal holidays under a state statute or days...
on which the Indiana Department of Labor’s offices are closed during regular business hours. If you do not file such a petition for review (contest), the safety order(s) and penalty(ies) shall be deemed final orders of the Board of Safety Review and not subject to review by any court or agency. The issuance of a safety order does not constitute a finding that a violation has occurred unless no petition for review is filed, or if a petition for review (contest) is filed, it must contain a statement of its basis and should reference the above inspection number. Upon receipt of your petition for review, we will affirm, amend or dismiss the safety order(s) and notification(s) of penalty. If we affirm, your petition for review will be granted (unless it was not timely) and the dispute will be certified by the Board of Safety Review for further proceedings. The Board of Safety Review is an independent agency appointed by the governor with authority to conduct hearings and to issue decisions concerning disputed safety order(s) and notification(s) of penalty. If we amend the safety order(s) or notification(s) of penalty, your petition for review shall be deemed moot. However, you will then be given an opportunity to file a petition for review concerning the amended safety order(s) and notification(s) of penalty.

Please be advised that an employee or representative of employees may file a petition for review to contest the reasonableness of the time stated in the safety order(s) for the abatement of any violation.

**Posting** - Upon receipt of any safety order(s) you are required to post such safety order(s), or a copy thereof, unobstructed, at or near each place an alleged violation referred to in the safety order(s) occurred. However, if your operations are such that it is not practicable to post the safety order(s) at or near each place of alleged violation, such safety order(s) shall be posted, unobstructed, in a prominent place where it will be readily observable by all affected employees. For example, if you are engaged in activities which are physically dispersed, the safety order(s) may be posted at the location from which the employees operate to carry out their activities. You must take steps to ensure that the safety order is not altered, defaced, or covered by other material. Posting shall be until the violation is abated, or for three working days, whichever is longer.

**Penalties** - Penalties are due within fifteen (15) working days of receipt of this notification unless contested. Abatement does not constitute payment of penalties.

**Abatement** - The conditions cited in the safety order(s) must be corrected (abated) on or before the date shown for each item on the safety order(s) and notification(s) of penalty unless:

1. You file a petition for review concerning the violation, in which case the full abatement period shall commence from the issuance of a final decision by the Board of Safety Review or the courts which requires compliance with the safety order; or

2. The abatement period is extended by the granting of a petition for modification of abatement date.

**PMAs** - The petition for modification of abatement date is a manner in which you may seek additional time to correct (abate) a violation without having to file a petition for review concerning the safety order, or after the expiration of the time period to file such a petition for review when it becomes apparent that you need extra time to abate the violation. A petition for modification of abatement date shall be in writing and shall include the following information:
(1) All steps you have taken, and the dates of such actions, in an effort to achieve compliance during the prescribed abatement period.

(2) The specific additional abatement time necessary in order to achieve compliance.

(3) The reasons such additional time is necessary, including the unavailability of professional or technical personnel or of materials and equipment, or because necessary construction or alteration of facilities cannot be completed by the original abatement date.

(4) All available interim steps being taken to safeguard employees against the cited hazard during the abatement period.

(5) A certification that a copy of the petition has been posted, and if appropriate, served on the authorized representative of affected employees, and a certification of the date upon which such posting and service was made.

A petition for modification of abatement date shall be filed with the Indiana Department of Labor/IOSHA no later than the close of the next working day following the date on which abatement was originally required. A later-filed petition shall be accompanied by the employer’s statement of exceptional circumstances explaining the delay. A copy of such petition shall be posted in a conspicuous place where all affected employees will have notice thereof or near such location where the violation occurred. The petition shall remain posted until the time period for the filing of a petition for review of the Commissioner’s granting or denying the petition expires. Where affected employees are represented by an authorized representative, said representative shall be served a copy of such petition.

**Notification of Corrective Action** - Correction of the alleged violations which have an abatement period of thirty (30) days or less should be reported in writing to us promptly upon correction. A "Letter of Abatement" form and an "Abatement Photographs" worksheet are enclosed for your assistance in providing adequate documentation of abatement. Reports of corrections should show specific corrective action on each alleged violation and the date of such action. On alleged violations with abatement periods of more than thirty (30) days, a written progress report should be submitted, detailing what has been done, what remains to be done, and the time needed to fully abate each such violation. When the alleged violation is fully abated, we should be so advised. Timely correction of an alleged violation does not affect the initial proposed penalty.

**Followup Inspections** - Please be advised that a followup inspection may be made for the purpose of ascertaining that you have posted the safety order(s) and corrected the alleged violations. Failure to correct an alleged violation may result in additional penalties for each day that the violation has not been corrected.

**Employer Discrimination Unlawful** - The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the Indiana Department of Labor/IOSHA at the address shown above.
Notice to Employees - The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the Indiana Department of Labor/IOSHA at the address shown above within fifteen (15) working days (excluding weekends and State holidays) or receipt by the employer of this safety order and penalty.

If you wish additional information, you may direct such requests to us at the address or telephone number stated above.
NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with IOSHA to discuss the safety order(s) issued on 03/09/2011. The conference will be held at the IOSHA office located at 402 West Washington Street, Room W195, Indianapolis, IN 46204 on ___________ at ___________. Employees and/or representatives of employees have a right to attend an informal conference.
Indiana Department of Labor
Occupational Safety and Health Administration

Safety Order and Notification of Penalty

Company Name: Red Gold Distribution Center
Inspection Site: 2595 West State Road 28, Alexandria, IN 46001

Safety Order 1 Item 1 Type of Violation: Serious

IC 22-8-1.1 Section 2: The employer did not establish and maintain conditions of work which were reasonably safe and healthful for employees, and free from recognized hazards that were causing or likely to cause serious physical harm to employee(s) in that employees were exposed to crushing hazards:

Entire Facility - Forklift truck drivers were not able to tilt the mast of the Caterpillar, C5000 LP forklift trucks fully back while traveling with loads. The forklift truck drivers tilted the forks slightly forward causing the mast to be vertical or slightly forward. Forklift truck forks were tilted forward, in order to cause the pallet to have contact with the ground and to cause the load to "drag".

Among other methods, feasible and acceptable abatement methods to correct this hazard are:

(1) Only haul one pallet at a time.

(2) Utilize forklift trucks with a capacity rated for the loads being handled.

Date By Which Violation Must be Abated: 04/04/2011
Proposed Penalty: $1,875.00
Indiana Department of Labor
Occupational Safety and Health Administration

Safety Order and Notification of Penalty
Company Name: Red Gold Distribution Center
Inspection Site: 2595 West State Road 28, Alexandria, IN 46001

Inspection Number: 313905028
Inspection Dates: 10/26/2010 - 11/05/2010
Issuance Date: 03/09/2011

Safety Order 1 Item 2 Type of Violation: Serious

29 CFR 1910.178(n)(7)(iii): On all grades the load and load engaging means was not tilted back, and raised far enough to clear the road surface:

Incline connecting the South and West Building - Forklift Truck drivers transport (drag) loads of two (2) pallets up and down an incline which connects the Distribution Center's South and West Buildings. The grade/incline was approximately 15 feet in length and had a rise of 1 foot, 28 inches making the slope approximately 12.41°. The forklift drivers traveled on this slope in both directions several times each day while carry loads greater than that of the rated capacity of the truck. While carrying these loads of two (2) pallets the Red Gold SOP requires drivers to "drag" the pallets, so that the front of the pallet is in contact with the ground.

Date By Which Violation Must be Abated: 04/04/2011
Proposed Penalty: $1,875.00
The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for illness or injury resulting from an accident.

Safety Order 2 Item 1a Type of Violation: Knowing

29 CFR 1910.178(o)(2): Load(s) were being handled which exceeded the rated capacity of the industrial truck(s):

Entire Facility - Forklift drivers were carrying loads of two (2) pallets on the forks of their Caterpillar, C5000 LP forklift trucks, that exceeded the rated capacity listed on the capacity plate of the truck. Pallets full of product such as but not limited to, diced tomatoes weighing 2,600 lbs per pallet were carried on forklift trucks with a capacity of 3,150 lbs or 4,750 lbs listed on the capacity plate.

Date By Which Violation Must be Abated: 04/04/2011
Proposed Penalty: $49,500.00

Safety Order 2 Item 1b Type of Violation: Knowing

29 CFR 1910.178(o)(3): The long or high (including multiple-tiered) loads which may affect capacity were not adjusted.

Entire Facility - Forklift drivers were carrying loads on their Caterpillar, C5000 LP forklift trucks, that were two (2) full pallets, often causing the rated capacity of the truck to be exceeded. Pallets full of product such as but not limited to, diced tomatoes weighing 2,600 lbs per pallet were carried on forklift trucks with a capacity of 3,150 lbs and 4,750 lbs.

Date By Which Violation Must be Abated: 04/04/2011
Indiana Department of Labor
Occupational Safety and Health Administration

Safety Order and Notification of Penalty

Company Name: Red Gold Distribution Center
Inspection Site: 2595 West State Road 28, Alexandria, IN 46001

Inspection Number: 313905028
Inspection Dates: 10/26/2010 - 11/05/2010
Issuance Date: 03/09/2011

Safety Order 3 Item 1 Type of Violation: Nonserious

29 CFR 1910.178(l)(4)(iii): An evaluation of each powered industrial truck operator's performance was not conducted at least once every three years:

Entire Facility - Forklift truck drivers operated Caterpillar, C5000 LP’s on a daily basis and did not receive an evaluation at least once every three (3) years.

Date By Which Violation Must be Abated: 04/04/2011
Proposed Penalty: $.00

Safety Order 3 Item 2 Type of Violation: Nonserious

29 CFR 1910.178(l)(6): The certification did not include the name of the name of the operator, the date of the training, the date of the evaluation, and the identity of the person(s) performing the training or evaluation:

Entire Facility: Forklift truck drivers operated Caterpillar, C5000 LP’s on a daily basis and did not have a certification of evaluation that included the identity of the person(s) performing the training or evaluation.

Date By Which Violation Must be Abated: 04/04/2011
Proposed Penalty: $.00

Robert A. Kattau
Director, Industrial Compliance
INVOICE/DEBT COLLECTION NOTICE

Company Name: Red Gold Distribution Center
Inspection Site: 2595 West State Road 28, Alexandria, IN 46001
Issuance Date: 03/09/2011

Summary of Penalties for Inspection Number 313905028

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Penalties are due within fifteen (15) working days of receipt of this notification unless contested. Make your check or money order payable to: "Indiana DOL/IOSHA". Please indicate IOSHA's Inspection Number (indicated above) on the remittance.

IOSHA does not agree to any restrictions or conditions or endorsements put on any check or money order for less than full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

Corrective action, taken by you for each alleged violation should be submitted to this office on or about the abatement dates indicated on the Safety Order and Notification of Penalty.

A work sheet has been provided to assist in providing the required abatement information. A completed copy of this work sheet should be posted at the worksite with the safety order(s).

Robert A. Kattau
Director, Industrial Compliance

5-8-11
Date