

# Case Study: Understanding the ROI of Implementing OSHAX and InfoHUBX, and the Cost of Not.

**Industry:** Metals warehousing & fabrication

**Fleet Size:** 18 forklifts

**Employees:** 42 material handling operators

**Location:** U.S. Midwest

## Background

A mid-size steel and metal distributor and fabricator with a high-throughput warehouse supplies cut-to-length steel and aluminum. The company runs two shifts, with forklifts in use nearly 20 hours per day, one continental and 1 eight-hour shift. While operators were performing OSHA-required pre-shift safety inspections, the company relied on **paper checklists**, which created several problems:

- Missing or incomplete inspection sheets
- Illegible handwriting and inconsistent reporting
- No audit trail in the event of an incident
- Delayed identification of maintenance issues
- Increased legal exposure due to poor documentation

Management wanted to improve safety compliance and reduce downtime by adopting a **digital system that records, timestamps, and stores OSHA forklift safety checks.**



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# Challenges

## 1. Growing Maintenance Costs

Unreported issues—like worn tires, hydraulic leaks, and damaged forks—were causing preventable breakdowns with high repair costs.

## 2. Compliance Risk

During an insurance audit, the auditor noted gaps in pre-shift inspection documentation. Any serious accident without proper records could expose the company to OSHA fines and liability issues.

## 3. Inefficient Record-Keeping

Supervisors spent nearly **6–8 hours per week** sorting, filing, and tracking paper checklists.

## 4. Inconsistent Accountability

Management had no visibility into who completed the checks, when they were done, or whether issues were reported promptly.

# Solution

## OSHAX: Pre-Shift Safety Recorder and InfoHUBX Communication Gateway

- Digital software-based OSHA pre-shift checklists
- Automatic time stamping and operator ID



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- InfoHUBX data storage
- Real-time alerts for failed checklist items
- Dashboard analytics for supervisors and maintenance staff

Cost of implementation:

- **Hardware & software:** \$29,100 initial
- **Installation:** \$3,726.00 (Dealer charge out rate, \$130.00 x 1.5 hours x 18 lift trucks)
- **Annual subscription:** \$0.00 (No Monthly Fees of Storage Costs)
- **Training:** \$0.00 (Live online support)

## Results After 12 Months

### 1. Reduction in Forklift Repair Costs

Previously:

- Average **\$3,600/month** in repair costs
- 32% attributed to avoidable issues caught too late

After implementation:

- Repair costs dropped to **\$2,250/month**
- Savings: **\$1,350/month**
- Annual savings: **\$16,200**

#### Key drivers:

- Early detection of hydraulic leaks
- Timely tire replacement based on real wear reports
- Fewer major repairs caused by missed daily checks

## 2. Decreased Unplanned Downtime

Unplanned downtime dropped from **84 hours/year** to **29 hours/year**.

Cost of downtime:

- \$180/hour (lost productivity + overtime + workflow disruption)
- Annual savings:  
 **$(84 - 29) \times \$180 = \$9,900$**

## 3. Reduced Administrative Labor

Supervisors saved **6 hours/week** previously spent managing paper forms.

- 6 hours/week  $\times$  \$38/hour  $\times$  52 weeks
- **Annual savings: \$11,856**

## 4. Avoided OSHA Penalties & Liability Exposure

While this company did not experience an incident at any time, the insurance auditor estimated that proper digital documentation reduced the company's:

- Risk of OSHA fines (\$5,000–\$12,934 per violation)
- Liability exposure in case of injury (often > \$100K)

The company conservatively logged:

**\$5,000/year in estimated risk mitigation value**

## 5. Insurance Premium Improvement

Because of improved compliance and safety documentation, this company received a **3.5% insurance premium reduction**.

- Annual premium: \$128,000
- Savings: **\$4,480**

# Total Financial Impact (12-Month ROI)

Benefit Category	Annual Savings
Reduced Repairs	\$16,200
Reduced Downtime	\$9,900
Administrative Labor	\$11,856
Risk Mitigation Value	\$5,000
Insurance Premium Reduction	\$4,480
<b>Total Annual Benefit</b>	<b>\$47,436 (31% Year 1: Total Savings – Spend)</b>

## Conclusion

Implementing IVDT's OSHAX and InfoHUBX forklift safety check and communication gateway pays for itself within a year. And the value grows in all subsequent years. Recording OSHA forklift safety checks digitally is not just a compliance requirement—it is a **high-ROI operational improvement** that reduces risk, cuts costs, and improves fleet uptime. With the effectiveness of the OSHAX companies that want to save time and money utilize IVDT's InfoHUBX integration. InfoHUBX is a communication gateway that connects the OSHAX to your network, so the data compliance is easily accessible when required. This eliminates the need to physically visit the lift truck and brings the information directly to you saving valuable time. With an interactive portal that allows users to sort based on vehicle or operator, shift or safety outcome the InfoHUBX maintains 100% compliance displaying records in real time as it happens. The InfoHUBX will even send an email to operation managers when a vehicle fails a safety actioning a corrective measure or secondary inspection. With no monthly fees and no security risks the system is easily compatible with all networks. It is so effective that many companies who have introduced OSHAX on their forklift fleet have introduced it on other vehicles such as lift tables, loaders, aerial equipment anything that requires an operator.

