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CORPORATIO

THE FACTS

About Drug Abuse

3rd & 4th Quarter 2009

A Prime Cost Savings Measure: Keeping Employees Drug-Free

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for Cocaine

According to a recent article in EHS Today, "In today's sluggish economy, most companies are exploring ways they can reduce inventory, personnel and expenses. But according to an executive with a Chicago construction association, many businesses may be overlooking a prime cost-saving measure: <u>keeping employees drug-</u> free.

"Because drug testing may involve additional expense, some business owners and managers may decide against it," said Tony Adolfs of the Sheet Metal and Air Conditioning Contractors' National Association (SMACNA) of Chicago. "Drug testing policies help improve employee performance in most work settings. In settings where employee error can result in property damage, injuries, or loss of life, such as construction jobsites, it is definitely an option worth exploring." The American Council for Drug Education states that substance abusers on the job are:

• 10 times more likely to miss work.

• 3.6 times more likely to be involved in on-the-job accidents – and five times more likely to injure themselves or another in the process.

• 5 times more likely to file a worker's compensation claim.

"On construction jobsites, the repercussions of jobsite drug abuse can go far beyond negative impacts on individual workers," said Adolfs. "Expensive delays and skyrocketing insurance rates can throw projects off-schedule and off-budget. <u>If</u> <u>Chicagoland building owners and</u> <u>contractors want to improve the</u> <u>bottom line – especially in this</u> <u>sluggish economy – they need to</u> <u>make sure they are employing a</u> <u>100 percent drug-free workforce.</u>" Leaders of SMACNA Chicago and their work force, Sheet Metal Workers Local 73, believe so strongly in the value of drug testing, they have developed and implemented drug-testing policies for their workers.

Individuals covered by the policy are required to submit to drug testing on a regular basis in accordance with this program. Contractors that are signatory to the union are required to comply with the testing program, and penalties for non-compliance include a minimum fine of \$2,500.

"Promoting safer jobsites and greater productivity are top priorities for SMACNA Chicago and our signatory contractors," Adolfs said. "We want Chicagoland construction to thrive, and drug testing provides essential support in achieving that goal."

View full article at: http://ehstoday.com/safety/management/keeping-employees-drug-free-2333/

Notes from Ray Kubacki

Dear Valued Clients and Friends,

Hiring drug free employees and keeping all employees drug free is a prime cost savings action all companies can take--- and this is highlighted in the first article above. However, if you are truly going to reap significant returns from your investment in drug testing, it is important that you use the most effective test.

- What is the true cost savings if people are beating your test?
- What is the impact on morale if people know the test is being beaten?
- What is the real deterrent impact if the test you are using can be easily beaten?

Please forgive me for being unabashedly commercial, but the total economics compellingly favor the Psychemedics patented hair test in all areas cited above.

Best Regards, Ray



Raymond Kubacki, Chairman & CEO, Psychemedics Corporation

<u>Stats from OSHA</u>

*Drug users utilize 300% more medical benefits

*47% of all industrial accidents in the US are related to drugs & alcohol

*Drug users file 5 times more workers comp claims

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Employee Drug Stories In The News

Companies that drug test their employees recognize that anyone involved in drugs can be a huge liability to the company. Here are a few recent examples of companies in the news because of an employee being involved with drugs:

AIRLINE CREW CHARGED IN DRUG BUST

9/16/09 – Federal prosecutors charged 23 people, including 9 American Airlines' employees, with operating a drug smuggling ring that shipped thousands of pounds of cocaine in suitcases on flights from Puerto Rico to the U.S. The smuggling operation is one of several uncovered in recent years that used airline employees and commercial aircraft to ship drugs or launder cash proceeds from drug sales.

NURSING HOME WORKER ACCUSED OF STEALING PATIENTS' MORPHINE

9/2/09 – A Cumberland County nursing home worker is accused of stealing liquid morphine from patients and replacing the pain-relieving drug with water. The worker was employed at an Assisted Living facility and while there, stole morphine and other prescription drugs to feed her own habit.

Source: WGAL.com

UPS EMPLOYEE CHARGED WITH STEALING PILLS FROM PACKAGES

9/8/09 – A United Parcel Service employee was slapped with a drug dealing charge after police accused him of stealing prescription pills from mail packages at a distribution center in Fairfax. Police said the employee admitted that he had been stealing prescription pills from the UPS distribution center to sell on the street.

Source: The Washington Examiner



DRIVER IN DEADLY TEXAS BUS CRASH HAD USED COCAINE

8/27/09 Dallas – A drug test conducted on the driver involved in a bus crash that killed 17 passengers showed that he had recently used cocaine. The driver and his employer are being sued by the relatives of the crash victims.

Source: AP

Source: Wall Street Journal

Roadside Survey Shows Prevalence of Drug Use By Drivers

The National Highway Traffic Safety Administration (NHTSA) recently released the finding of a 2007 National Roadside Survey. For the first time, this survey included measures to estimate the use of impairing drugs by motorists.

Drivers (motorists) were randomly stopped at 300 different locations to perform voluntary and anonymous drug and alcohol tests. 7,719 oral and 3,276 blood samples were collected. <u>The results of the blood/oral tests</u> <u>found that a stunning 16.3% of</u> <u>nighttime motorists were drugpositive. 11% of daytime motorists</u> <u>were drug positive.</u> The most commonly detected drugs were Marijuana at 8.6%, Cocaine at 3.9% and Methamphetamine at 1.3% of nighttime motorists. These survey results are higher than what you typically see with preemployment urine and oral test results. The higher positive rates described in this report not only highlight a more realistic percentage of drug users in the general public, but also reflect what the preemployment drug testing results might look like if drug users were not able to "prep" for urine and oral tests in advance.

Oral fluid and blood samples have very short detection windows – typically 12 to 36 hours depending on the type of drug ingested. If a different testing technology (such as hair testing) had been used, the positive rates may have been much higher. cases.



Commonly Detected Drugs of Nighttime Drivers



The study can be viewed at www.nhtsa.gov

ASTOUNDING FACTS: Rain Forests Destroyed for Cocaine

Over the past twenty years, approximately 5.9 million acres of rain forest have been lost to drug production fields in Peru, Bolivia and Colombia. According to Peruvian forest engineer Marc J. Dourojeanni, coca growers annually dump 15 million gallons of kerosene, 8 million gallons of sulphuric acid, 1.6 million gallons of acetone, 1.6 million gallons of the solvent toluene, 16,000 tons of lime and 3,200 tons of carbide into the valley's watershed. PSYCHEMEDICS

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The Spread of Illegal Pot Farms In Our National Forests



A drug camp is believed to have sparked the fire that burned 88,000 acres in California's Los Padres National Forest.



Illegal marijuana growers (many are believed to be affiliated with Mexican drug cartels) are aggressively expanding their farming operations in the U.S., clearing land to plant pot in national forests from coast to coast. Authorities have discovered pot farms in 61 national forests in 16 states this year, which is up from 49 forests in 10 states last year.

California in particular is shattering records for pot seizures from raids on illicit marijuana gardens this year. Authorities blame Mexican drug networks that seek remote growing sites, supply and arm workers, and harvest and traffic the pot. Plant seizures from outdoor marijuana grows, found in 40 of 58 California counties last year, exceeded the next closest state – Washington – by eight times.

"I think they're growing more and we're finding more," said Michelle Gregory, special agent for the state attorney general's Bureau of Narcotics Enforcement. "We would like to say that we find 50 percent of the grows, but honestly we don't know how much we miss."

With the expansion comes an increased risk to campers and hikers. Each camp is typically booby-trapped or tended around the clock by guards who may be equipped with assault rifles, night-vision goggles, walkie-talkies and radios to monitor law-enforcement chatter. Some are remote, but others are near popular tourist sites, such as a pot farm discovered late last month in California's Sequoia National Park, a half-mile from a cave famed for its crystal formations. The pot farms are not fly-by-night operations. Growers cut down trees and terrace canyons to create plantations big enough for tens of thousands of plants. They apply pesticides and herbicides -- some not approved for U.S. use. They dam or divert streams and hook together miles of PVC piping to build irrigation systems, some rigged to sophisticated timers.

The high dollar marijuana farms can also damage the environment. The propane tanks, stoves and trash left behind by pot farmers pose fire risks; such a camp is believed to have sparked a fire last month that burned 88,000 acres in California's Los Padres National Forest. The forest vegetation is usually altered or destroyed in order to grow the large amount of plants ,and growers bring in materials that add to the damage (propane tanks, fertilizers and chemicals that aren't allowed in the U.S.). All that can damage the soil and trees in addition to creating danger for wild animals in the area.

Experts think that growing marijuana in the U.S. is becoming increasingly attractive to foreign cartels because increased security along the Mexican border have made is tougher to smuggle drugs into the this country. Pot growers may also find this an ideal time to expand because many cashstrapped states and counties have had to cut patrols and surveillance back.

So far this year, federal agents have raided 487 pot farms on forest-service land, where they destroyed 2.6 million marijuana plants, seized 138 firearms and made 369 arrests on felony drug charges.

Portions of this article came from the following sources: http://online.wsj.com/article/SB125193614108781629.html, http://www.sacbee.com/ourregion/story/2195235.html

Did You Know ??

Psychemedics washes the hair samples that we receive for testing longer than you wash your clothes at home!

The sample undergoes an <u>extensive wash process</u>, using six separate wash solutions with a total processing time of <u>3</u> <u>hours and 45 minutes</u>. Peer-reviewed scientific studies have shown that this extensive wash procedure enables our laboratory to remove or account for external contamination. Psychemedics' wash procedures are the most extensive in the industry. We can tell the difference between ingestion and external contamination, and we can testify conclusively in court.



Superior Detection of Drug Abuse

PSYCHEMEDICS CLIENT SERVICES INFO:

Client Services hours: 6:00 AM—5:30 PM PST Monday – Friday

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About Psychemedics

Psychemedics was established in 1987 to provide testing for drugs of abuse using hair analysis, and has been successfully operating for over 20 years. Thousands of corporations currently rely on Psychemedics' patented hair analysis technology for their pre-employment and employee drug screening. Psychemedics is headquartered in Boston and has offices in Dallas, Chicago, Los Angeles and Las Vegas. Our Laboratory is located in Culver City, CA. Psychemedics is a publicly-held corporation listed on NASDAQ under the ticker symbol PMD.