

The New Return On Investment Model

Cannabis breath testing is accelerating cost savings by effectively deterring costly on-the-job cannabis use.

Drug testing has historically helped employers mitigate the safety risks and costs associated with substance use. But on-the-job issues attributed to workplace drug use are creating new and increasing worries.

42%
ERRORS OR
MISTAKES

32%
WORKPLACE
INJURIES

31%
HEAVY
EQUIPMENT
CRASHES*

**"EVERY MONTH I'M DOWN
ONE PERSON DUE TO A
POSITIVE DRUG TEST RESULT.
THE COST TO REPLACE
AN EMPLOYEE IS \$10K
WHEN ALL COSTS
ARE CONSIDERED."**

– Manufacturing Employer

CANNABIS IS THE CULPRIT



THC ACCOUNTS
FOR MORE THAN
50% OF
ALL POSITIVE
DRUG TESTS



ACTIVE THC USERS
ARE **1.5X** MORE
LIKELY TO WORK
FOR COMPANIES
THAT DON'T
DRUG TEST**

**YOUR RISK
IS HIGHER
IF YOU DON'T
DRUG TEST**

CHANGING THE TRADITIONAL ROI MODEL

Drug testing ROI used to be easy to calculate. For employers with zero-tolerance policies, positive drug tests were grounds for firing an employee or passing on a candidate. Cannabis legalization and widespread use are changing the model. THC breath testing deters recent use and helps accelerate the cost savings associated with testing.

This new ROI model reinforces the goal of deterrence, which is a zero percent positivity rate, not zero tolerance. It's a new way to think about ROI where negative – not positive – results demonstrate the value of a cannabis testing program.





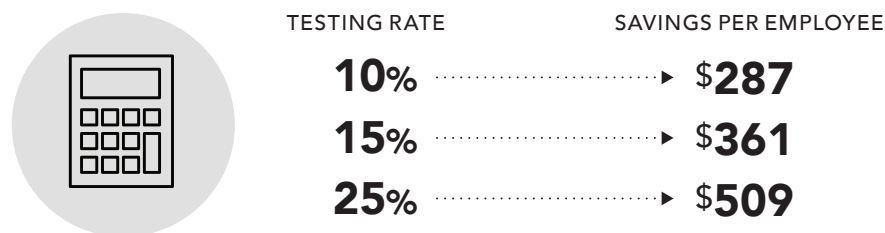
HOUND LABS™

**HOW MUCH
COULD YOU
SAVE?**

Try our
Cost Savings
Calculator at
HOUNDLABS.COM

MORE TESTING DRIVES MORE SAVINGS

Workplace drug testing has long been shown to drive cost savings for employers. Recent use cannabis breath testing can spur additional savings compared to traditional tests because the more you test, the greater your savings become. Using our **Cost Savings Calculator**, we've determined that testing a higher percentage of your employee population leads to more savings per employee.



TOTAL ANNUAL SAVINGS



TRANSPORTATION

\$2.1M



CONSTRUCTION

\$1.5M



WHOLESALE

\$1.4M

Based on 5,000 employees / 500 tests / positivity rate of 4.3%

Depending on industry, and factoring for standard annual injury rates and wages, the average company in these industries implementing a cannabis breath testing program with a **10% testing rate** can expect to **save \$1.4M**.

FINANCIAL BENEFITS OF BREATH TESTING

The HOUND® CANNABIS BREATHALYZER helps employers retain employees whose off-the-job cannabis use may not impact their workplace safety or performance but would otherwise trigger positive oral fluid, urine, or hair drug test results.

Limiting positive results to only those employees who used within a few hours of the breath test helps retain employees, creates a larger candidate pool for open roles, and communicates a focus on equity and fairness to employees who are at a premium in today's tight labor market.



ADDITIONAL BENEFITS

- + Increase workplace safety
- + Deter workday cannabis use
- + Observed, paperless collections
- + Improve productivity
- + Lower recruiting costs
- + Treat employees fairly

SAFETY + FAIRNESS™

The HOUND® CANNABIS BREATHALYZER is intended to detect recent cannabis use. It does not measure whether, or how much, a person is impaired. It is intended solely for use in employment, law enforcement, and insurance settings. It should not be used for any medical or therapeutic purposes, or for any Federal drug testing programs, such as programs run by the Substance Abuse and Mental Health Services Administration (SAMHSA), the Department of Transportation (DOT), and the U.S. military.

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*NSC 2021 Survey, **NSDUH 2021

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