

Denver's SOBRsafe expands into oil and gas industry with first national customer

The new deal will get SOBRsafe to install alcohol detection devices at 17 worksites in 11 states.



David Gandini, CEO of SOBRsafe

PROVIDED BY SOBRSAFE



By Nikki Wentling – Reporter, Denver Business Journal

Feb 2, 2023

The Denver-based alcohol detection company SOBR Safe Inc. (Nasdaq: SOBR) signed its first nationwide deal this week, which will take its touch-based technology to 17 worksites in 11 states.

SOBRsafe signed the deal with TerraTech Services, an oilfield services and logistics provider. The company first started using SOBRsafe's technology at a site in Colorado in November, and then introduced it at a facility in Texas in December. TerraTech will roll out the alcohol detection devices to its other locations by April.

Chairman and CEO [Dave Gandini](#) said the deal marked a "tipping point" for SOBRsafe.

"We've now got significant traction with that customer – our first nationwide customer," Gandini during an investor conference Tuesday. "This is very exciting stuff."

SOBRsafe developed touch-based technology called SOBRcheck that aims to prevent intoxicated people from driving or performing other dangerous tasks. The company claims it's faster, more cost-effective and more hygienic than breathalyzers, and the technology is transferable across multiple platforms, including personal wearables and integration with vehicles.

SOBRsafe developed touch-based technology called SOBRcheck that aims to prevent intoxicated people from driving or performing other dangerous tasks. The company claims it's faster, more cost-effective and more hygienic than breathalyzers, and the technology is transferable across multiple platforms, including personal wearables and integration with vehicles.

Company leaders have focused much of their efforts on selling the technology to employers as a safety check. Employees use it by placing two fingers on a sensor that reads their identity and checks their blood alcohol levels. Within seconds of a user being flagged on the system as intoxicated, a company's management is notified via cloud technology before the employee can get behind the wheel or perform a work duty.

TerraTech plans to use the device as a check for its drivers and warehouse workers. Employees are tested between three to five times per day, including when they arrive to work in the morning and after lunch, Gandini said.

[Jerry Smith](#), the health, safety and environmental manager for TerraTech, said he believed the technology would "prevent a lot of incidents."

"SOBRcheck is impressive technology, and I can't wait to get it installed everywhere," Smith said in a statement.



SOBR Safe Inc. flagship product, SOBRcheck, which checks for authentication and alcohol.

SOBR SAFE, INC.

Gandini thinks the deal with TerraTech has the potential to grow its work within the oil and gas industry. According to a [study](#) published in 2020 by the National Institute of Health, construction and extraction had the highest rate of binge drinking in any industry in the United States. Construction and extraction includes mining, oil and gas workers and construction laborers, among other jobs.

According to the study, the prevalence of binge drinking in construction and extraction was 26%, and binge drinkers in the industry reported an average of 749 drinks per year – the most among the industries included in the study.

"We believe the oil and gas industry will now look to TerraTech and SOBRsafe as the alcohol safety model to follow," Gandini said in a statement.

Before introducing its devices to the oil and gas industry, SOBRsafe got its foothold in the justice system. It signed a deal in October with Alternatives Inc., which operates community corrections and reentry programs in Montana. SOBRcheck was installed at Alternative's facilities, taking the place of breathalyzers.

SOBRsafe devices are also being used by employers in the fleet and facility industry, as well as construction and food management. The company ended 2022 with six customers in revenue and deals with nine distributors.

A recommendation in October from the National Transportation Safety Board, or NTSB, led to increased interest in SOBRsafe's technology. The NTSB, which is tasked with investigating civil transportation accidents, [recommended](#) that all new vehicles in the United States be outfitted with blood alcohol monitoring technology to prevent intoxicated people from driving.

[In the immediate aftermath of the recommendation](#), SOBRsafe's stock traded at high volumes, and the company's phones were "ringing off the hook" as equipment manufacturers reached out to explore the possibility of installing the devices, Gandini said.

SOBRsafe leveraged the increased attention and raised \$6 million through a securities purchase agreement. Gandini said Tuesday the company had about \$9 million in the bank, which was estimated to take SOBRsafe to the first quarter of 2024.

During the first quarter of this year, SOBRsafe is planning to launch a [wearable sensor called SOBRsure](#) – a fitness-style, waterproof wristband that reads blood-alcohol levels.

The Denver-based rehabilitation center North Star Care ordered 1,150 of the bands to use for its patients. If a patient drinks, North Star Care will be notified and can immediately intervene. If the band is removed, an alarm is triggered.

In addition to the rehabilitation center, SOBRsafe has a partnership to deploy SOBRsure in the rideshare market once the wristbands launch, SOBRsafe said in an announcement.

"Here we are, just out of the gates, and we have these massive opportunities for alcohol testing," Gandini said Tuesday. "There's tremendous interest from people reaching out to us to expand what we're doing."

RELATED CONTENT

New federal DUI guidance could boost Denver-based SOBRsafe [INNO](#)



Denver company releases wearable alcohol detection band [INNO](#)



Denver sobriety tech company goes public with plans to double staff

