

Money For Nothing

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INSURANCE AGENT: two words that strike fear into the hearts of business owners across the fruited plain. If you own or operate a bar, nightclub, private club or restaurant with a bar, chances are you are carrying a variety of insurance policies that allow you to sleep easily at night, knowing the friendly neighborhood insurance company is ready at all hours, rain or shine, to ride to your rescue wielding a giant checkbook in the event you make a claim.

In reality, though, your insurance agent can be a valuable resource – not just for insurance coverage, but for risk management that could keep you from ever making a claim in the first place.

First, make sure you have appropriate coverage. General liability insurance does not cover alcohol or food sales. If you want coverage for the sale of alcoholic beverages or foodborne illness or allergies, you need a specific endorsement. Most bars carry coverage for alcoholic beverages, but fail to get covered for foodborne illness or allergies.

If you serve: nuts at the bar (or pretzels/etc. that are processed in a plant that processes nuts), Unpasteurized fruit juice (blended/artisan cocktails), Dairy (White Russian) or Eggs (Pisco Sour), then you may want to consider (a) allergy coverage, and (b) a menu warning/disclaimer for allergens (YES, even on a bar menu!).

The other resource your agent can provide is training. Remember, insurance companies DO NOT like to pay claims. They would rather provide you materials to use in staff meetings that will ensure you do not file claims. Insurance companies can assist in training on topics from injury prevention (related claim: worker's comp), proper service (related claim: dram shop) and identifying and getting help for an allergic reaction (related claim: wrongful death).

As an attorney whose practice is devoted to the hospitality industry, I know that the best litigation strategy is to develop policies and procedures that reduce your litigation risk. Don't pay your insurance premiums for nothing; instead, find out how your insurance agent can work for you before you have to call me.



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