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Ensuring Happy Holidays

Proper Contracts and Service Help Make Private Parties Successful

Parties and special events, especially during the busy year-end holiday season, can provide a welcome boost in revenue. The potential for liability, however, should not be ignored as you book private parties or even sell out your entire venue for corporate functions.

Promotions and contests, too, must be viewed from the perspective of whether they will encourage patron overconsumption or reckless behavior. A fashion show serves a different end, in many respects, than a wet T-shirt contest.

The very act of booking special events comes with particular concerns for properly writing agreements with clients and protecting yourself from the over-indulgence that is so common during the season.

First, many operators fail to obtain a signed special event contract that sets forth even the basics: number of attendees, costs, taxes, cancellation policy and, most importantly, the upfront payment. This agreement is critical to protect your catering or special event business, and you should not be shy about insisting on a headcount, menu selection and down payment (by credit card, of course) well in advance of the event. Because these functions tend to book in advance, the document should include a strict cancellation policy that gets stricter as the date approaches. Failure to address this essential part of the agree-

ment can leave you hanging in the thick of party season with an empty venue and no realistic opportunity to book it.

charging damages to the client, and representations and warranties from the client that no minors will be in attendance at the event (or, if minors will be in attendance at the event, the procedure for and cost of checking identification and marking those who are underage). When you host an event staffed by your own employees, only use those licensed to serve alcohol by the state. Remind them that your standing policies against overserving and serving minors are in effect (you do have standing policies, don't you?). Do not, under any circumstances, let the client pour their own alcohol. Remember, though, that having these policies and failing to utilize them could be more detrimental than not having any policy (because it suggests you knew you should have the policy but failed to enforce it).

If you operate event space and rent it for private functions, you might consider requiring all clients to use professional catering or staffing companies that will, in turn, contractually agree to only use licensed servers. These venues may be eligible, too, for special event insurance policies, which provide coverage for short (usually 24 hours) periods of time.

In the real world, though, hosting these events can test an operator's customer service skills, especially when the client books the party with the intent that most guests in attendance will participate to excess. Even special events, however, are subject to the law, and if an over-served patron leaves your establishment and is involved in an accident, you or your business might have to answer for it. Such an incident could turn a profitable season into a sinkhole of liability.

Visit with your attorney and insurance provider to determine the proper coverage for your particular operation so you can focus on generating revenue that will carry the business through the post-holiday months and beyond. **NCB**



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The agreement is also the place to include liability limitations for your business, indemnification by the client, policies for