

News Release

HOLIDAY PARTYING CAN TURN TRAGIC FOR RESTAURANTS

Fireman's Fund Insurance Company Provides Liquor Liability Tips to Help Save Lives and Prevent Major Liability Lawsuits

NOVATO, Calif., (December 1, 2009) – According to the National Highway Traffic Safety Administration, more than 15,000 fatalities resulted from alcohol-related automobile accidents in 2007. Studies have shown that as many as half of all intoxicated drivers involved in fatal accidents had been drinking at public establishments.

Businesses that distribute, sell or serve alcoholic beverages may be exposed to liability for the injuries and/or damages caused by a patron who has had too much to drink. Liquor liability lawsuits can potentially cost business owners millions of dollars.

What can establishments that serve liquor do to properly manage this type of risk? Fireman's Fund Insurance Company provides liquor liability insurance to hotels, restaurants and country clubs and offers simple tips to its customers to help protect against these types of occurrences.

"This holiday season business owners should trim the trees but not their staff or liability limits," advises Brian Gerritsen, senior director of hospitality, Commercial Insurance for Fireman's Fund. "There continues to be a tremendous amount of pressure on the bottom line for restaurants, so it's tempting to reduce staff and liability limits, but that is not a wise decision as it puts the business at risk if faced with a liquor liability lawsuit."

Fireman's Fund provides the following tips to help protect business owners from criminal charges and civil lawsuits, and to help save lives:

Hire responsible and competent staff – While many states allow individuals under 21 years of age to serve alcohol, younger staffers may not have the ability to properly observe or recognize the effects of alcohol. Gerritsen counsels customers to hire bartenders who have completed a nationally recognized alcohol server certification program, such as TIPS or ServeSafe. The same standards should apply to temporary help hired for holiday parties.

Develop a formal, written policy on alcohol service – It's important to share the policy with the entire staff to ensure that all employees follow a standard set of rules and procedures for the sale and service of alcohol. Proper observation and recognition of intoxicated patrons and underage individuals is a first line of defense against third party liquor liability claims.

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Monitor and limit – Reduce alcohol-related injuries by monitoring and limiting the amount of alcohol sold to patrons. Employees should know the early signs of intoxication such as loud speech, irrational statements, and forgetfulness. As intoxication increases, other signs may include loss of coordination or slurred speech.

Consider the following strategies to help patrons moderate their alcohol consumption:

- Pace the rate of beverage delivery and do not refill a drink until the guest has finished the drink they already have
- Track the number and type of drinks each guest has been served
- Offer snacks or appetizers with drinks
- Provide water for all guests
- Add extra ice to drinks to help slow the rate of absorption
- Offer free food and non-alcoholic beverages when a patron is showing signs of having “had too much”
- Limit the number of straight shots

Phone numbers for driving services – Make it easy for bartenders, alcohol servers or valet attendants to quickly and easily contact alternative means for transportation for intoxicated patrons by posting taxi and public transportation numbers.

Handling intoxication – Valet attendants may be the last line of defense against an intoxicated person driving away from a business and causing an accident. It is important that management and alcohol service staff communicate with valet attendants to prevent an intoxicated patron from driving. Train valet attendants to observe such patrons and respond appropriately.

Recently, there have been some large verdicts in the United States that have involved liquor liability lawsuits. Formal training program and management-enforced safety procedures can reduce alcohol related accidents and injuries.

“Owners need to make sure that they are staffing appropriately, and have the necessary controls in place when serving liquor, otherwise it can result in a claim that could have been easily prevented,” said Gerritsen.

About Fireman’s Fund®

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