

Focus on Holiday Parties

Avoiding Liability Pitfalls

According to a recent survey, nearly 76-percent of companies have plans to hold a holiday party this season, up 10% from last year. Only 14% said they never hold holiday parties – nearly half of what was reported last year. (Challenger, Gray & Christmas) If the statistics cited above are accurate, most companies will hold sponsored holiday parties during the next month or so. Despite the opportunity to get staff together and celebrate, sponsored parties create risk for employers. For example:

- Injuries to employees, guests or service staff occurring during an event.
- Damage to the venue.
- Harassment claims and violations of company policy.
- Cyber bullying, distributing inappropriate photos or videos.
- Damage to the company's reputation.

Additionally, employers are at risk for the actions of employees. The company is a likely defendant in a law suit if an employee is involved in an alcohol-related motor vehicle accident after leaving company sponsored party.

Rather than cancelling your holiday party, consider the following suggestions to increase safety and reduce risk:

- Limit alcohol consumption. Serve beer and wine only; issue drink tickets, close the bar an hour or so before closing, and do not serve anyone under 21 years of age.
- Hire a professional server.
- Consider a cash bar.
- Serve plenty of food.
- Remind employees of the company code of conduct – including the dress code. Enforce it when warranted. A companywide memo beforehand is a good idea.
- Reimburse staff for the cost of a ride home or hire a bus or van.
- Check your insurance coverage. Most general liability policies contain coverage for liquor liability, as long as the policyholder is not in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

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