

To The Point

Special Events Liability

CHUBB®



Special events can represent a wide variety of activities. For manufacturers, they can range from corporate team building to the public launch of a new product; for cultural institutions it could be special exhibit; for non-profits the event could be a fundraiser and for a sporting goods company it could be contributing to the organization of a sporting event. And the risks that such events present can be as varied as the events themselves. Some common features of special events that trigger risk management considerations include:

- Crowds that need to be anticipated and managed
- Temporary physical features and infrastructure such as tents and entertainment systems
- The serving of food and alcohol
- The incorporation of an ‘extreme’ feature, such as pyrotechnics
- Media attention

Thorough research and detailed pre-planning are your best defenses when it comes to any special event. Key risk factors to consider include:

- The type of event
- The experience level of the organizers

- The size and type of the audience; large, confined crowds can present a greater exposure
- The serving of food and alcohol
- Terms and conditions in contracts, especially as regards risk transfer and responsibilities for risk management practices and implementation. Inherently high-risk activities, such as extreme competitions or elevated operations.
- Providing transportation to and from the event
- Severe weather, especially for outdoor events

Risk Assessment

If you’re planning a special event, it’s important to establish internal accountability for assessing and managing the risks and making sure appropriate operating procedures, administrative controls and contracts are in place. Consider these factors:

- Have you managed similar events in the past?
- Are there physical features at the venue that could significantly increase risk?

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- What will be the size, concentration and demographics of the audience?
- What is the anticipated availability and consumption of alcohol?
- Does the facility have adequate communications and alarm systems, access for those with disabilities, appropriate security features and egress?

Risk Management

Set up clear lines of authority for enforcing risk management protocols. Have a process in place for reviewing and approving contracts, and carefully review the indemnification language in all contracts. Clearly spell out all responsibilities and accountabilities from pre-event through to post-event, and formally communicate this information with all providers involved in the event. Transfer liability to subcontractors and service providers as appropriate.

Incident and Emergency Response

Have rigorous incident response procedures in place. Brainstorm with your providers, vendors, and contractors the types of incidents anticipated that might require an emergency response. Then review the response measures that will be needed. Determine what emergency response resources will be provided, and how to access additional resources. Develop a template for noting and reporting details of any incidents.

Post-Event Assessment

Shortly after the conclusion of any special event, an assessment should be performed where the outcome is reviewed, including incidents and near-misses. Key take-aways should be noted for the sake of improving outcomes for future events.

And finally, general liability contracts vary in the extent to which they respond to special event incidents. Before any special event, it is prudent to check with your agent or broker to ensure coverages are in place to respond to anticipated risks.

References

Hometown Security - Information concerning security at public gathering events from the Department of Homeland Security - <https://www.dhs.gov/hometown-security>

Serving Alcohol Responsibly - National Restaurant Association - <https://www.restaurant.org/News-Research/News/Hit-a-homerun-5-tips-to-serve-alcohol-safely>

Hurricane and Windstorm Preparedness - Chubb Insurance - <https://www.chubb.com/us-en/claims/hurricane-windstorm-business-preparedness-planning.aspx>

Event Planning Guide - Massachusetts Institute of Technology - <http://web.mit.edu/eventguide/running/safety.html>

Event Planning Checklist - Eastern Michigan University - <https://www.emich.edu/bookemu/documents/checklist.pdf>

Special Events Contingency Planning Job Aid - Federal Emergency Management Agency document addressing public events - <https://www.hsdl.org/?abstract&did=759939>

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For more information on protecting your business, contact your local risk engineer, visit the [Chubb Risk Consulting Library](#), or check out www.chubb.com/riskconsulting.