

# Loss

# Control



# FARMERS

## Information Bulletin

### Valet Parking

Providing valet parking can be a value added service for your establishment but you don't want it to become a source of irritation for your guests or a liability exposure you did not want or expect.

This service can be provided for customers by using your own employees or by using a contract valet parking service. The risk management of either of these methods must be controlled by management.

When using your own employees to provide this service, the following safety precautions must be considered.

- *Observe local statutes and ordinances for your business location and obtain any necessary permits before providing valet parking services.*
- *Discuss these operations with your insurance agent to ensure that proper coverage is in place or arrange for the necessary coverage endorsements.*
- *Employees handling valet parking duties must have a valid driving license.*
- *Restrict this job class to employees 21 years of age or older to obtain a greater level of driver maturity.*
- *Obtain driving records of all valet parking employees on an annual basis.*
- *Conduct criminal background checks on all valet parking employees and new hires.*
- *Check references on all potential valet employees before hiring.*
- *Road test any potential valet employees to verify that they are able to safely handle the types of vehicles anticipated to be driven by your patrons.*
- *Training on all aspects of valet parking operations and safety need to be provided to all employees and future new hires.*
- *Provide regular, documented safety meetings for valet operations.*
- *Your valet drivers must be easily identified. The use nametags that include your business name and the employee's name will reduce the potential of mistaken identity by your guests.*
- *Provide easily visible signs that encourage customers to remove valuables from their vehicles.*
- *Valet personnel need to complete a quick visual inspection of the guest's vehicle for obvious damage or potential sources of future problems. These need to be pointed out to the guest and documented on the claims check ticket form.*
- *Valet drivers must not hot rod or otherwise abuse customer's vehicles.*
- *Joy rides must be prohibited.*
- *A claim check system must be in place to ensure that the correct vehicle is delivered to the correct owner.*
- *All cars parked in the valet parking and storage area must be kept locked and the key stored away from the parking area.*
- *Key controls for customer vehicle keys must be in a secure area that cannot be accessed by the general public. Don't allow customer's keys to be hid on or near the parked vehicles.*
- *Implement a formal accident and incident reporting program with documented investigation results.*
- *If alcohol is served at your establishment, valet parking personnel must be trained in the identification of over-served or intoxicated patrons requesting return of their vehicle.*
- *Policies and procedures must be established to provide courtesy rides or courtesy cab transportation for over-served or intoxicated guests.*
- *A safe and secure parking and storage area must be provided.*
- *Security measures such as an employee attendant, security guard, or security cameras and devices should be provided for parking and storage areas.*
- *Valet personnel must report any suspicious persons or activity immediately for management handling.*
- *Valet operations need supervision and oversight by management to ensure courteous and safe operations.*

When you use a contract service to handle your valet parking services, be sure to use the above guidelines to ensure that your contractor is appropriately handling their contractual obligations. These should be discussed in advance of the finalization of the contract. It should also be determined who is responsible for any required permits for valet operations at your facility.

Since you are using a contractor, you can gain a greater degree of protection by having a hold harmless clause within the contract and having it hold you and/or your business harmless for acts of the contractor.

Require the contractor to provide appropriate certificates of insurance for workers' compensation for their employees, general liability and/or garage liability, and automobile liability.

Any liability policy from the contractor should have limits

of liability that are equal to or greater than your business insurance limits for similar coverages. Have your insurance agent review these for appropriate coverages and limits of liability.

Your company attorney should review any and all documents and contracts before they are signed and become binding contracts. Addressing potentially questionable contract clauses or language in advance will reduce your potential liability in the event of an incident.

Having you and/or your business named as an additional named insured on the contractors policy will provide even greater potential risk reduction for you and your business.

Following these basic safety precautions can reduce the potential liability for your business when providing valet parking services and increase the potential for customer satisfaction with the valet parking service operations.