

VALET PARKING

Managing Hospitality Risk



WHAT'S AT RISK?

Travelers are always relieved at the end of a long journey when they pull into the front entrance of a hotel and are greeted by a courteous, professional valet parking staff. Don't let this amenity turn into a liability by taking your valet parking operation for granted.

Seven percent of all hospitality claims NSU has processed since 1995 have involved valet parking. Over \$2.8 million dollars have been paid in the process.

Consider the values that you are putting into the care, custody, and control of your valet parking staff! The average price of a new auto in the United States is now \$29,400 and the price tags on luxury vehicles can readily exceed \$100,000. That is not to mention the contents of automobiles, the potential for damaging property, or inflicting bodily injury while parking a guest's vehicle. It is well worth the effort to institute effective valet parking controls.

WHAT ARE YOUR LEGAL OBLIGATIONS?

Under common law, innkeepers have responsibility for the safety of their guests' property, within reasonable bounds. In the case of valet parking, the concept of "bailment" applies. Simply put, the guest (bailor) gives the hotel valet parking staff (bailee) his or her car with the expressed or implied understanding that the guest will get their car, and its contents, back in the same condition in which it was left with the hotel. If property is damaged, lost, or stolen, the hotel will be liable

for the loss. In many states, liability may be limited if the hotel can demonstrate that it exercised the standard of care required by law; if the hotel established a set liability limit in written agreement with the guest; or if the guest's own negligence contributes to the loss. As a hospitality manager, you should be familiar with the rules that apply in your state.

HOW CAN YOU BETTER PROTECT YOUR ORGANIZATION?

For some suggestions designed to assist you in developing sound policies and procedures for your organization, please turn this document over and review the attached checklist.

For more information about this and other hospitality risk management topics, please contact:

**National Specialty
Underwriters, Inc.**
10900 NE 4th Street
Suite 1100
Bellevue, WA 98004
(425) 450-1090
www.nsui.com



Checklist: Valet Parking

OUTSIDE CONTRACTOR REFERRALS

- Prospective valet staff should be screened carefully before hiring. This is a position of extreme trust and responsibility. Screening should cover specific qualifications, minimum age requirements, driving record, criminal record, and personal/professional references.
- Documented rules and procedures should be in place and communicated to the valet staff through formal and on-the-job training.
- Require valet staff to wear a hotel uniform or insignia on their clothing for clear identification.
- Valet staff should note and document any damage to a vehicle or its contents before driving it.
- Valet staff should suggest that guests remove any valuables from the guest's vehicles prior to turning the vehicle over to the hotel; at the very least, such articles should be locked in the trunk.
- Valet staff should always use parking claim checks when accepting vehicles. Such claim checks should include disclaimer language. Disclaimers must be consistent with state law. Typically, they should state that in the event of theft, collision, accidents, fire or any damage to personal property, the hotel will assume no responsibility or liability for the property left in a vehicle. Guests should be instructed to report and itemize any claim for damage or loss before leaving the parking facility. Review all disclaimers with legal counsel.
- Valet staff need to take the time to adjust the seat, mirrors, and steering wheel so they can properly reach pedals and safely operate the car. If they are unfamiliar with the features of a particular car, they should ask the guest or a senior member of the valet staff about proper operation.
- A manager or senior valet should ride with each valet staff member to validate their skill in driving vehicles with automatic and manual transmissions.
- Valet staff must use seat belts.
- No sudden stops or starts, and operate within speed limits. This is important not only in terms of safety, but for public relations.
- Valet staff should use turn signals to indicate where they intend to turn, particularly inside garages. Tap horns when rounding blind corners or exiting onto the street from the garage.
- Avoid backing where possible. When backing is required, roll down the driver window, turn off all sources of noise, and listen while backing.
- Allow extra space next to vehicles with long doors (2-door vehicles).
- When parking, position wheels straight-ahead, so that there is no drift when the car is next started and driven.
- Valet staff should lock all vehicles they park. Keys should be coded and locked in key cabinets or "Supra" boxes.