



**CONFERENCE:** Nov. 15-18, 2021  
**TRADE SHOW:** Nov. 16-19, 2021

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# Ready for Risk: Best Practices to Help Prepare and Prevent Incidences

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# What can go wrong?



# High Profile Example: Teagan

- 12 Yr. old female
- Terminal Velocity Ride
- Patron released prematurely
- Fell 100 feet
- Operator error
- Operator found guilty of 2<sup>nd</sup> degree reckless injury
- Civil litigation ensued and was settled for an undisclosed amount.
- Owner of ride declared bankruptcy.



# What does best in class look like?

- Culture of Safety
  - Investment by ownership
    - Training
    - Inspection
    - Maintenance
    - Accountability
- The Best do these:
  - Risk Control Meetings
  - Stewardship Meetings
  - Claims Reviews
  - Value coverage and expertise over price

# Developing a Safety Vision

- The company safety vision should consist of key policies, goals, measures and strategic and operational plans, that...
  - Align the organization
  - Define specific roles
  - Develop a system to monitor and improve
  - Develop measurable objectives

# Safety Culture Process:

- It starts with ownership and management buy-in.
  - Create an alliance among management, staff and advisors
  - Identify key personnel to champion the change
  - Build trust with staff and guests
  - Conduct self-assessments/benchmarking
  - Provide training to management and staff

# From Better to Best...

## Programming (ASTM F770)

- Employee training
  - Must be consistent, repeatable and documented.
- Inspections of operations
  - Daily, Weekly, Monthly, Quarterly
  - Documented and tied to maintenance
- Maintenance
  - Tied to inspection results
  - PM as required by MFGR
- Attraction Operations
  - Operations
  - Incident/Accident Management
  - Proactive Litigation Preparation and Defense

## Example: Go Kart Incidents out of control

- Insured had 47 reported collision and pit incidents.
- Pending Cancellation
- Ownership partnered with carrier to bring on cultural change
  - Acknowledgment
  - Assessment
  - Investigation
  - Education
  - Paradigm shift
  - Implementation
  - Accountability
- Results: 3 reported incidents the following year



# Incident Management

## Incident Management

- Incident Management Checklist
- Employee training
  - Mock Incident Training
  - Incident Reports/Interviews
  - Guest relations/recovery
- Inspections attraction/incident zone
  - Quarantine of attraction or area
  - First party and third party inspections
- Documentation
  - Incident Reports/Witness Statements
  - CCTV recordings
- After-actions reports/reviews

## Impact on organization

- Not all incidents are claims, but all claims begin as an incident.
- Incidents and Claims are the foremost predictor of insurability
  - Incidents and Claims can significantly increase direct and indirect costs:
    - Direct: Insurance Premiums, Deductibles/Retentions, Attraction Repair/Maintenance, Payroll, Loss of use
    - Indirect: Reputational Damage, Guest/Employee Retention

# Litigation Management

## ProActive Defense Preparation

- The Best in class have evidence of:
  - Complete maintenance manuals
  - Complete maintenance logs
  - Complete pre-opening checklists
  - Complete operator training records
  - Complete inspection records
  - Complete testing records
  - Modification records
  - Operational manuals
  - Compliance with state inspection record
  - Risk transfer documentation

## Impact on Litigation/Exposure

- Demonstrates corporate commitment to safety
- Eliminates opportunity for plaintiffs counsel to poke holes in testimony
- Establishes organization as a leader in guest/employee safety management
- Ultimately lead to reduced claim activity and litigation exposure

# What about your 'Six?'

- 360 Degree Risk Assessment
  - Social Media Monitoring
  - Specialty threats and coverages:
    - Cyber Liability
    - EPLI
    - Active Shooter/WPV

# What does this all mean?

Well run amusement operations can dramatically effect their bottom line through pro-active risk management and the adoption of a corporate culture of safety, the adoption of best in class practices and the active involvement of qualified risk management professionals.

# Questions?



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# IAAPA FEC Elite Risk Management Program

- Risk Management Program for IAAPA members.
  - Three facets of the program:
    - Safety Training and Education.
    - Online educational portal with in-depth training resources and assessments
    - Risk Management and Loss Control Support.
    - 24/7 consultation available, as well as on-site loss control inspections and seminars
    - Comprehensive and Competitive Insurance Coverage
    - **Up to 10% rate credit for IAAPA members!!!!**



# Thank you.



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