

Consult Agent or Broker When Reviewing Club Insurance Needs

This Western Underwriters' Association Officer Says: Check with an Expert to Make Sure You Have Adequate Protection

By WALTER G. DITHMER

THERE is no better time than the off season for club managers and owners and operators of semi-private clubs to check their insurance picture in order to determine whether policies now in effect are adequate to give protection against liability that may arise out of club operation and, at the same time, cover the huge investments they have in land, building and equipment.

This article is not intended to make an overnight insurance expert of any person connected with the managerial end of the golf business. Insurance is far too complicated and has too many ramifications for that. What is intended here is to list and explain what generally are considered "must" coverages for country club operation — Workmen's Compensation, Public Liability, Fire and Extended Coverage, Vandalism and Malicious Mischief, Sprinkler Leakage, Vehicle and Burglary or Embezzlement.

Whether or not you are familiar with these coverages plus others that local conditions or laws may require, it cannot be emphasized too strongly that when you are reviewing, or setting up a new insurance program for your club, that you call in a competent agent or broker to help you with the task. Certainly there are any number of members or players at your course who are thoroughly familiar with all aspects of Liability and Property insurance. Calling upon them for assistance and advice in handling your insurance program will not only give the club the fullest protection for the amount of money spent, but may save you embarrassment, financially or otherwise, in case an incident arises where you have inadequate coverage or no coverage whatever to take care of a claim or loss.

When you mention insurance in connection with golf, the first thing that usually comes to mind is the occasional case of the caddie who is struck by a ball. Whether

the player who hit the caddie, or the club, is legally responsible for the hospitalization expenses and wage reimbursement of the caddie, in event of serious injury, is a question that is still being debated in the courts. Most players in this situation feel morally responsible for taking care of the caddie, but there are always a few who will shirk the responsibility.

A player, himself, incidentally can protect against injuries to others by carrying a Comprehensive Personal Liability policy which covers just about all legal liability for occurrences arising out of his negligence. And, even if it is proved that an accident wasn't the result of negligence on the part of the player, a policy of this type will pay, up to a certain amount, expenses resulting from an accident that may have occurred on a golf course.

However, this article isn't meant to deal with personal insurance. It is concerned with those coverages which owners or officers of any course can't afford to be without.

Let's go back to the case of the injured caddie. If the player isn't willing to take responsibility for the accident, or goes to court to fight the claim and wins the case, who would have to pay the caddie's expenses? Probably your club — for moral if not legal reasons.

Workmen's Compensation

Chances are your state has a Workmen's Compensation law. If so, your club probably should be carrying Workmen's Compensation insurance. In that case, the above-mentioned caddie's medical bills, plus a portion of his weekly wages, would be paid under that policy since the accident arose in the course of and out of his employment. If your club doesn't have a policy of this kind, you had better talk it over with an insurance agent. You may be exposed to a serious lawsuit or, in some states, you may be violating the

law by not carrying this insurance.

Public Liability

Public liability insurance is another form of "accident" insurance. While Workmen's Compensation pays for injuries to employees, Public Liability pays for injuries to others or for damage to their property caused by negligence. It's similar to the Comprehensive Personal Liability insurance, mentioned earlier, only this type is for firms or other institutions rather than individuals. It protects your club's legal liability for accidents arising out of the operation of the premises.

Suppose a guest at your club slips on a wet spot near the showers in the locker room and breaks a leg. Or, suppose a player on a fee course steps in an unguarded hole and fractures his hip. A jury might hand you a bill that would keep your club mortgaged for many years unless you have proper insurance.

Be sure, too, that the limits of your policy are high enough. The absolute minimum should be 100/300, meaning that the underwriters will pay up to \$100,000 to one person and a total up to \$300,000 as the result of a single accident. And, even these totals are hardly adequate as you will notice in reading of the generosity of juries in making damage awards almost daily in the newspapers.

Perhaps more should be said here about responsibility. If you're the owner of a fee course and you gamble by not carrying proper insurance, well, to put it simply, it's your money.

But if you're an executive officer or a board member of a private club, you can't take that chance. You are a trustee of valuable property. If you neglect to carry adequate insurance in dependable companies for all insurable hazards, you have failed in your obligation to other members of your club. It's a gamble you can't take, or allow your fellow officers to take.

Liability protection is only one phase of a minimum insurance program for golf clubs. Buildings and their contents constitute a large-sized investment. They should be fully covered against all perils for which insurance is available.

First of these, of course, is fire. It can be safely assumed that all golf clubs carry fire insurance. But the question is: does yours carry enough?

Many clubs are outside of fire protection zones and, hence, it is not unusual for

Fire Coverage

one to be completely destroyed. Even within the city limits a heavy fire loss is possible.

So, it isn't good judgment to economize on fire insurance. It's too inexpensive to take a chance. Buildings and their contents should be insured for at least 80 per cent of their actual value.

Extended Coverage Endorsement

Your fire insurance policies should have attached to them what is known as the Extended Coverage Endorsement. For a slight additional cost per hundred dollars of insurance, this endorsement extends coverage for damage by wind, hail, riot and civil commotion, explosion (except in a steam boiler), and vehicle or aircraft damage.

Buildings on golf courses, for instance, usually are isolated and thus more exposed to wind and hail damage than those in built up areas.

The other hazards covered by Extended Coverage aren't frills, either. Only recently the papers carried a story about a pilotless plane smashing into a clubhouse.

Runs Winning to \$20,000



You haven't seen anybody at a tournament this past summer laughing as heartily as this foursome at the Triangle Round Robin at Cavalier Yacht & CC, Virginia Beach, Va. It includes (l to r): Jack McAuliffe, Triangle pres. and tourney sponsor; Sidney Banks, Cavalier pres.; Mrs. Jack McAuliffe, a Fair Lady golfer herself; and Marlene Bauer Hagge, the winner. Since the Triangle victory, Marlene has continued to add to her tournament triumphs. Her winnings for the year, including the \$6,000 Tam O'Shanter bonanza, add up to around \$20,000.

(Continued on page 82)

Insurance Protection

(Continued from page 63)

Vandalism & Malicious Mischief

Another endorsement, also inexpensive, should be a part of fire policies. It's called "V & MM" meaning Vandalism and Malicious Mischief. This is a type of damage to which golf clubhouses and greens and fairways are particularly susceptible because of their usually isolated location, or because often they are unattended during the cold weather months. The recent wave of teen-age hoodlumism makes the need for this coverage especially apparent.

Sprinkler Leakage

If your clubhouse is equipped with automatic sprinklers, don't forget Sprinkler Leakage insurance. A defective sprinkler head, or damage to heads or piping, could result in serious water damage to the building as well as furnishings.

It's possible you have a steam pressure boiler on the premises. If so, boiler insurance, which includes public liability coverage for it, is a "must." If a steam boiler lets go, the consequential damage can be catastrophic. This insurance also provides competent and regular boiler inspection service which, in itself, is worth the price of the policy.

Every golf course has a chunk of cash tied up in equipment — tractors, mowers, sprinkling devices and so on. These, of course, can be insured as contents of buildings under your policies covering Fire, Extended Coverage and V & M M. But there

is even broader insurance available for this kind of property known in insurance parlance as a "Floater." Your insurance agent can tell you about it as space doesn't permit an explanation of this coverage.

Automobile & Truck

If you have automobiles and trucks, and most golf courses do, you shouldn't overlook insurance for them. This includes, in the order of importance, the following coverages: Public Liability (insurance mentioned above specifically excludes cars and trucks.) Comprehensive (insures theft and all damage to the car or truck itself except collision.) Collision (with a \$50.00 or \$100.00 deductible clause.)

Burglary & Embezzlement

There is one other important kind of insurance. It covers dishonest acts such as burglary of your safe or embezzlement by employees. Burglary, robbery and forgery insurance as well as fidelity bonds for employees may be purchased in separate policies. It usually is more advantageous, however, to take out a "3D" (Dishonesty, Disappearance and Destruction) policy. This may even be extended to cover burglary of goods in the pro shop or bar liquor. Your agent can advise you what is best and least inexpensive in your individual case.

We've talked about the various insurance policies necessary to protect your investment, if you're a golf course owner, or to fulfill your trust if you are a private club officer. There are many additional types of insurance that could be mentioned, but there is only space to outline this basic program. You shouldn't gamble with anything less.

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Insurance, as you may have found out, is a pretty complex subject. Setting up a sound insurance program is not a do-it-yourself job. By all means find a competent, independent local agent or broker and give him the responsibility of protecting your property properly. We repeat this because it's very important. Don't make the mistake of parceling out policies to a number of different agents if you can help it. This can lead to dangerous gaps in coverage for which no one agent is responsible.

Be sure, too, that the agent or broker you select represents quality insurance companies. If he says you should patronize him because his companies write at less than standard rates, you'd better look around a bit more. Insurance rates are based on actual statistics. When a company or an agent offers you a "wholesale" price, look out! A company selling insurance for less than the established rate usually can't get its business any other way.

Weed Control Features So. California Meeting

Weed control was the most widely discussed topic at the So. Calif. Turfgrass Conference and Field Day held in the Burbank area in October. Several hundred weed specimens, gathered by the LA City Park Dept., County Dept. of Parks and Recreation, LA State and County Arboretum and many individuals, were on display. William Johnson, LA Parks golf course mgr., headed the committee which made arrangements for the conference.

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PGA's Annual Meeting to Start Dec. 2 at Clearwater

Annual meeting of the PGA will begin Sunday, Dec. 2 at Ft. Harrison hotel, Clearwater, Fla., and run through Dec. 7.

The first day will have a few committee preliminaries. The Educational committee's program will be presented Dec. 3 and 4. Details of the program are to be announced later. It is certain that the increase in number of golfers has stirred up a lot more retailing competition for professionals and rising costs of club operation in all departments of club operation have brought problems that call for studious attention and action by capable pros.

Speakers Lined Up

Emil Beck, chmn., Dunedin Educational committee, which is planning a short course for assistants to be presented at the PGA National course Jan. 7-11, advises that among subjects and instructors at the school will be Joe Devaney speaking on qualifications and conduct that make an assistant highly desirable to a pro and the club; George Aulbach on pro shop merchandising; Arthur B. St. Pierre on pro department public relations; and Bill Hardy on club fitting and repairing.

Almost 100 applications from assistants already have been received.

Refresher Course

A number of experienced and highly successful Class A professionals have expressed desire to take the course as a refresher and to get some useful new ideas. Beck says beginning Dec. 15 applications will be accepted from master pros. Total enrollment is limited to 300.