

# THE INSIDE PERSPECTIVE

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SMITH MOORE LLP  
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## The Best Holiday Plans Include Consideration of Social Host Responsibility

An employer who provides alcohol at a company-sponsored social event exposes itself to potential liability. Workers' compensation law may provide employees with a remedy for injuries sustained traveling to and from the event—even if the employee voluntarily consumes alcohol. Sexual harassment claims surface when employees exercise poor judgment due to alcohol. In addition, "social host liability" theories permit individuals injured by an intoxicated guest to recover against the *employer* if the employer knew or should have known that the guest was intoxicated and would be driving following the event.

### Party Tips

The best precaution is not to serve alcohol. In fact, the Department of Labor recommends that employers ban alcohol from their holiday parties and host non-traditional types of celebrations such as volunteer activities with local charities. If you do opt for more "traditional" festivities with alcohol, consider the following suggestions:

- Make attendance optional and do not give awards or bonuses at the event
- Schedule events on weekends or after normal working hours
- Hire professional bartenders and instruct them not to serve minors or visibly intoxicated individuals
- Provide designated drivers, taxis, and other vehicles
- Designate a company representative to monitor the event and communicate with bartenders and drivers
- Consider a cash bar, ticket system or limited time periods for serving alcohol
- Review insurance policies to determine if coverage exists for events where alcohol is furnished whether on or off company premises
- Invite spouses or significant others to discourage inappropriate behavior among employees

# TIP

The holidays are only a few weeks away. If your company plans to hold or sponsor an event where alcohol will be served, take steps now to reduce the risk of injury and claims.



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