# 'Tis the Season to Avoid Liability

# Verrill

#### Follow the Fa La La Standard

#### **Family**

- By inviting spouses/significant others/family this decreases the argument that the event is work-related as opposed to simply a social event.
- Having spouses present often naturally deters sexual harassment in the workplace.

#### Alcohol

- · Consider not serving alcohol.
- Beware of employees who arrive at the event already intoxicated.
- Avoid open bars or use a ticket-system that limits the number of drinks that are served.
- Ensure that the bartender is trained to avoid serving too much, checking for underage drinking, and determining when guests have had "too much."
- Offer beverages such as soda, punch, and water.
- · Offer food and other snacks.
- Hold "last call" a few hours before the end of the event to prevent OUI's/DUI's.
- If the event is at a hotel, see if discount rooms can be reserved for the event.
- Provide safe ways for people to get home if they have had too much:
  - -Designated drivers
  - -Uber discounts
  - -Taxi phone numbers
- · State Dram-Shop Liability.

#### Location

- Strongly consider an off-site location. This supports an argument that it was strictly social and not work-required.
- Consider hosting your event after-hours or on the weekend, to further support an argument that it is not worked related.

### **Liability Insurance**

- Workers' Compensation
  - -"Incurred in the pursuit of an activity, the major purpose of which is social or recreational."
- Commercial General Liability
  - -Check your general liability insurance policies for alcohol-related to party-related exclusions.
- Employment Practices Liability Insurance

#### **Attendance**

- If not required to attend, clearly indicate that on the invitation.
  - -If not required, do not "encourage" attendance by implying that failure to attend will affect opportunities for advancement.
- Indicate on the invitation whether time will be paid or unpaid.
- Upon learning who is attending, consider designating certain managers to oversee the event and watch for employees who may be "too friendly" with other employees.

#### **Atmosphere**

- Do not conduct work activities, training or award presentations at the event.
- Similarly, be careful of inviting vendors, clients, or other business associates which could lead to work-focused discussions.
- Provide activities or entertainment that appeal to a broad range of people.
  - -Avoid physical activities (Twister + Alcohol = Bad Choice)
- Make sure that you are hosting at a location that does not create a hostile atmosphere, including locations that are naturally viewed as provocative (strip clubs, casinos, bars).
- Stay away from mistletoe!
- Be direct with expectations. Remind employees of EEOC, discipline, and other company policies.
- Religion
  - -Stay away from terms that could connote a preference towards one religion or another.
  - -If music is being played, limit or restrict faith-based songs.
  - -Recognize that some religions will restrict attendance/participation.
- Social Networking
  - -What to do if Pictures/Videos of the event are shared online

## 'Tis the Season to Avoid Liability

## After the Party It's the After-Party

 Investigation: Despite how hard you work to have a liabilityfree event, sometimes inappropriate things happen. If you receive any complaints regarding activities or conduct at the event, make sure that you respond swiftly and investigate the allegations.

## **Local Real-Life Examples of Liability**

- Berry v. Dixfield Convalescent Center, Inc. (ME)-1983
   Holiday party in which employee sued employer after drinking to excess and being involved in a car accident that killed his wife.
- Fernandes v. TPD, Inc. (NH)- 1997 Holiday party where employee was given a container of "penis butter" and "boob lube" and later alleged sexual harassment after she was terminated.
- Rolfs v. Home Depot U.S.A., Inc. (NH)- 2009 Holiday party where District Manager made lewd comments (concerning sex) to a store manager about a customer and store manager later sued for hostile environment sex harassment.



Tawny L. Alvarez
Partner
talvarez@verrill-law.com
(207) 253 4522



Emily Coombs Waddell
Associate
ewaddel@verrill-law.com
(207) 253 4468

The attorneys in Verrill's Employment & Labor Group have a wide range of experience in all aspects of labor and employment law, and are frequent authors and speakers on employer issues. Visit the group's blog, Taking Care of HR Business, to stay up-to-date on the newest and most important legal developments in the labor and employment world. For more information about Verrill's Employment & Labor Group, visit verrill-law.com/employment-labor.