A local patron of a neighborhood bar was served several beers by the bartender. Five hours later, he rear-ended a car on a freeway off-ramp, killing an occupant, then fled the scene.

The patron was later arrested by police and tests showed he had blood alcohol levels far exceeding the legal driving level of 0.08.

Dram shop liability allegations against a bartender serving this patron came into question, as well as the time frames of when the patron was in the bar and when the accident occurred. Dram shop liability refers to the body of laws governing the liability of taverns, liquor stores and other commercial establishments that serve alcoholic beverages. The laws are intended to protect the general public from the hazards of serving alcohol to minors and intoxicated patrons.

Due to the extended timeframes of when the patron was served and the time of the accident, there was debate on whether the patron causing the vehicle crash had another source for liquor. However, the question of whether the bartender used the correct judgment in serving this patron drinks led to a seven-figure loss for the bar.

The majority of states have laws establishing potential liability for sellers of alcohol. However, the standard used to determine when dram shop liability applies varies from state to state.

Properly hiring and training those who sell and serve alcohol for your business are keys to reducing alcohol-related liability losses, both on and away from your premises. Employees who should understand their responsibilities include bartenders, wait staff, hosts/hostesses, management, valet attendants, security personnel and other service employees.

Train staff

The first step in reducing alcohol-related liability losses is to hire responsible and competent staff. While many states allow individuals under 21 years of age to serve alcohol, younger individuals may not have the ability to properly observe or understand the effects of alcohol. Since this situation can create liability, it is best to hire bartenders who have completed a nationally recognized alcohol-server certification program, such as ServSafe (servsafe.com/alcohol), TIPS: Training for Intervention Procedures (gettips.com), and TAM: Techniques of Alcohol Management (tamusa.org).

Once hired, your employees involved in alcohol sales should also attend a formal training program. This helps ensure they follow standard sets of rules and regulations for the sale and service of alcohol. Proper observation and recognition of intoxicated patrons and underage individuals, which is taught in such courses, can greatly reduce liability claims that often stem from the abuse and misuse of alcohol, rather than the actual sale.
Provide alternative transportation information

Post phone numbers to make it easy for your bartenders, alcohol servers, or valet attendants to quickly and easily contact alternative means of transportation for intoxicated patrons. These services can include:

- Taxis
- Public transportation
- Community ride services

Monitor and limit

Have employees monitor and limit the amount of alcohol sold to patrons. Both intentional (violent acts) and unintentional (falls, burns, car collisions, drowning, etc.) accidents can be greatly reduced this way.

All U.S. states have adopted 0.08 as the blood alcohol concentration (BAC) allowed by law. Your alcohol servers should be aware of the alcohol consumption rates for both men and women that lead to intoxication. Pound for pound, the same amount of alcohol affects women more quickly than men.

Keep acute alcohol intoxication charts posted in conspicuous places as reminders for your alcohol beverage servers. These charts are available through many different drunk driving prevention organizations.

Know the signs of intoxication that are associated with BAC as little as 0.03. The signs include loud speech, irrational statements and forgetfulness. As intoxication increases, other signs are loss of coordination, increased forgetfulness (e.g., not knowing where the bathroom is, misplacing keys, having two lit cigarettes), and slurred speech.

Promote water safety

Be extra careful around water. Train staff to keep an eye on patrons who are using pools, spas and saunas and have been consuming any amount of alcohol. If alcohol is served in pool areas, trained and certified lifeguards should be on staff at all times the pool is open. If there are no lifeguards, close off the pool area to patrons after hours or have additional security presence to prevent accidental alcohol-related drowning.

If alcohol is served at restaurants, country clubs or other venues near lakes, rivers and other waterways with boating, the same training and prevention measures should be in place for servers to help prevent boating while intoxicated situations.

Empower valets

Valet attendants may be the last line of defense against an intoxicated person driving away from your premises and causing an accident. Hire a sufficient number of age-appropriate valets, if providing valet service.

It’s important that management and alcohol service staff communicate with valet attendants so that automobile keys are not turned over to a patron suspected of being intoxicated. Train the valet attendant to observe such patrons and respond appropriately to these situations.

Call police

In the event that a patron becomes violent or destructive to persons or property, contact the local police. Staff should not attempt to retain or restrain the patron, as this can further aggravate the situation. Police officers are trained to handle such situations.

Enforce rules

Thoroughly training employees on how to recognize the signs of intoxication and properly intervene should be just part of your company’s procedures to reduce liquor liability. Be sure to monitor your employees and enforce the rules to keep your patrons, the public and your business operations safe.