



HUTCHINGS AGENCY, INC.

*Insurance*

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## Loss Control for Your Auto Service & Repair Garage

We realize that you have read safety tips for your business on such topics as:

- Good Housekeeping Practices
- Safety Solvent/Parts Washing
- Slip and Fall Prevention
- Oily/Dirty Rag Disposal
- Safe Welding/Cutting Practices
- Fire Protection/Extinguishers

Here are some additional safety suggestions regarding your business which, when implemented, could help reduce the number and severity of any accidents you might experience in your operation. As an added benefit, your customers will appreciate the extra precautions you are taking to protect them and their vehicles while in your shop. Having the reputation as an operator of a clean, safe, well-run repair shop never hurts the prospects of additional business.

Let's consider three areas - Crime/Vandalism, Liability and Automobile/Fleet Safety - and what can be done to prevent some losses from occurring.

### **CRIME / VANDALISM**

Here are some tips to help prevent these types of losses.

- The minimum protection on all your exterior doors should be double cylinder dead locks and padlocks in the extension bar of the lock or in the channel of all overhead doors. This not only makes it difficult to get into your building but also difficult to get out if someone was to get inside.
- Keep all your exterior windows closed and locked/latched at closing time. Why leave an easy entry point into your premises?
- Accurate inventory records should be maintained for all your stock including your tools, employees' tools, repair parts and any other retail items. In the event of a burglary loss, accurate records make it quicker and easier to settle the claim in a fair and equitable manner.
- Whenever it is necessary to store customers' cars overnight, store them inside if possible. This is the best way to prevent them from being vandalized.
- If outside storage is necessary, the area should be fenced and well lighted. A sturdy fence and adequate lighting are good deterrents to vandalism.
- Establish a Key Control procedure for securing customers' keys both during the day and night time. Keys that are secured out of a vehicle and in your office are hard to get to and will reduce the possibility of vehicles being stolen or vandalized.

## **LIABILITY**

Accidents that injure customers or others and damage their property through your negligence can be costly because of the pain and suffering as well as the financial loss that they cause. You should be doing everything possible to eliminate liability hazards. Here are some precautions to consider.

- Establish and strictly enforce a rule that will not permit customers in the service area. A rule like this will not only help prevent slip, trip and fall type accidents, but also keep customers from "bothering" employees while working on their vehicles.
- Have a work order system which indicates the repairs requested by the customer and which is signed by the customer. This will eliminate any dispute as to what you were asked to check and/or repair.
- Any additional needed repairs uncovered during the servicing of a vehicle - even if the customer declines to have you perform them - should be noted on the repair order along with the customer's signature indicating that the repairs were declined. If an accident/loss should occur as a result of these needed but unwanted repairs, a signed work order would help to reduce your liability.
- All employees should be instructed on how to properly reinstall drain plugs and oil filters and to check for leaks when the job is complete. Damaged engines are expensive to repair/replace and do not enhance your reputation with customers.
- Guard dogs and weapons of any type on your premises create a serious liability exposure and should be removed. If additional protection of your building/property from a crime standpoint is necessary, a central station burglar alarm should be considered.

## **AUTOMOBILE / FLEET SAFETY**

The safe operation of vehicles -- both yours and your customers' -- should be of major importance to you and your business because accidents reflect on your operations and reputation. Here are several suggestions that will help you prevent accidents and losses.

- Obtain Motor Vehicle Reports (MVR's) for all employees. These will help you determine which of your employees should be driving your or customer vehicles.
- Establish rules as to when and who is permitted to drive customer or company vehicles.
- Make your test drives in a light traffic area on a predetermined route. This will greatly reduce your exposure to other vehicles and pedestrians. Only responsible, mature employees should be permitted to make these test drives.

Last, but not least, we recommend that at the close of each business day a thorough inspection be made of your premises to check for fire hazards. Any hazards should be corrected or protected before they cause a fire while your building is unattended.

If you would like advice on any of these items or any other safety and loss control concerns, contact your insurance agent.