

## Expert opinion

### What keeps you up at night?

By John Culotta



Are pests keeping you up at night? (And I'm not talking about a problem in your bed.) When customers aren't satisfied with your services, they may seek financial compensation for everything from damaged property in a home to loss of income for a business.

Minimizing your risk and maximizing protection is a good way to get a good night's sleep. This recent video produced by EyeOnInsurance does a great job of explaining how pest management professionals (PMPs) can protect themselves:



According to the [video](#), the professional pest management industry has grown 3 percent since 2007, and has \$11 billion in revenues. There are more than 110,000 employees working in nearly 22,000 pest management businesses.

We're in a growing industry — and more and more, PMPs often are held responsible for not fulfilling their contract, especially in circumstances where it can be said that they are negligent. That makes it critical to set proper expectations, document your work and, if customers do file claims, have the right insurance protection.

#### Setting expectations

As the video report explains, to prevent these and other claims, start by setting realistic expectations:

- **Customers need know in advance that it can take more than one treatment to get rid of bed bugs.** They may need to discard heavily infested furniture, steam-clean carpets and upholstery, and wash bedding materials every time bed bugs are found.
- **Customers should accompany you on an initial, room-by-room visual inspection.** The inspection itself should be documented in writing and with photos.
- **A detailed contract specific to the treatment should state that you are providing a one-time treatment.** It should also state that you are not liable for damage, injuries or any kind of losses to third



parties.

### **Review your current policy**

Remember, many standard liability policies have been shown to be inadequate in properly covering PMP risks. Ask your insurance agent or broker about a Care, Custody & Control Endorsement and about coverage for monetary damages.

As I mentioned in a recent column, we are seeing a growing number of monetary damage claims stemming from bed bug infestations. For example, a hotel could file a claim after you treated rooms for bed bugs, but the treatment did not succeed. Additional treatments could cause a loss of income for the hotel. This is why businesses are increasingly seeking monetary damages from PMPs.

As 2012 comes to a close, don't let potential claims keep you up at night. Check out the [EyeOnInsurance video](#) for more information that can help you.

*John Culotta is Program Manager of PCOpro, the pest control operator program at [Brownyard Group](#), a leading administrator providing specialized insurance coverage for select industry groups. He can be reached at [jculotta@brownyard.com](mailto:jculotta@brownyard.com) or by calling 800-645-5820, ext. 122.*

## **In the news**

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### **[Santa's insurance needs](#)**

This lighthearted look at what the Jolly Old Elf should be including in his policy (light aircraft coverage for that magic sleigh, for example) also reminds us as business owners that we should keep our insurance up to date, too.

## **From the *PMP* archives**

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### **[What we can learn from geese](#)**

In this July 2007 Law Review column, industry attorney Greg Crosslin muses on how the efficiency of Canada geese flying in a V formation could apply to pest management businesses training, documenting and working as a team.



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