



NEW CLIMBING GYM GUIDE

*Ok, so I'm opening a new climbing gym.
What do I need to do to prepare for insurance?*

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Overview

Depending on what state you are opening a gym in, your management team's experience, your expected annual gross sales, the type of activities you will offer, and a million other factors, there will be a varying list of carrier options for your General Liability policy. The process of preparing for your insurance submission to carriers needs to start well before your opening date and will involve many conversations and emails to get all of the details right. It's important stuff! You'll need to prepare operational documents, fill out a varying list of applications depending on what types of insurance you will need and what types of activity offerings you have, and answer other questions in order for us to complete a submission. Begin this process early so that it doesn't come down to the wire! If you have questions on budgeting for insurance, let us know and we can talk through that with you.

Choosing Your Climbing Gym's Insurance Program



Discovery Meeting: This is your first meeting with your potential new risk consultant to discuss your business and see if you could be a good fit for each other.

At least 3 Months before your desired effective date.



Collection of Details: Creation of Operational Documents. Completion of Carrier Applications. Questions asked and answered over a series of phone calls and emails.

At least 2.5 Months prior to your effective date.



Submission to Carriers & Waiting: We send your submission paperwork to the carriers we think are the best fit for your business. They have a big pile of submissions on their desk and may take a bit to get to yours.

2 Months prior to your effective date.



Conversation with Carriers: The carriers may come back to us with more questions, and we finish giving them all of the information they need to make their decision.

1-1.5 Months prior to your effective date.



Carriers Send us their Response: They let us know if they would like to work with your business, and if so, what the premium and binding subjectives would be.

1 Month prior to your effective date.

Choosing Your Climbing Gym's Insurance Program



Creation of your Proposal: We work to combine carrier responses in a document that allows us to easily compare options and help you make the best decision for your business.

3 Weeks prior to your effective date.



Proposal Meeting: We talk the proposal through with you. We need this meeting to be far enough out where we can make any needed changes in time for your expiration date.

2-3 Weeks prior to your effective date.



You Confirm: You confirm that you would like to move forward with the proposed program.

1-2 Weeks prior to your effective date.



Binding Documents are Created & Sent to You: Documents are sent to you for your signature.

1-2 Weeks prior to your effective date.



Binding: Once your signed documents are received, we'll send you your binding email. In the weeks after your effective date, we'll work on invoicing and getting you your policy documents.

Week of effective date.

Documents to Begin Working On

As far as documents to begin, here's a good list to get you started. Many of these items will be needed before a carrier can provide a GL quote, so plan on having these completed a few months before your opening date:

- Resumes or Summary of Experience – Ensure you have climbing experience on your management team. Carriers will want to see experience before taking you on as a risk!
- Policies and Procedures/Operations Manual – In this document, include things like an overview of your risk management approach, how you handle an accident, gym rules, overview of how trainings and inspections are facilitated, how you handle personal climbing gear, how your guest check in and orientation occurs, steps for opening and closing the facility, clarification of job roles, how equipment rentals are run or events are handled, etc – these are all ideas, some of them may not be applicable to you and the list is by no means exhaustive, but is meant to give you a head start and some things to contemplate. Get SPECIFIC!
- Waiver – Do some research! Most gyms will have their waivers accessible online through their website. Your waiver will need to be made specific to your operations, since you may have unique exposures, but research will help get you to a starting point. If you're working with RGP, they'll give you some guidance on this as well. Get your waiver as far along as you can on your own, and then you will need to take it to your attorney to get any state-specific language included and to make sure that your attorney feels confident in the waiver's language content and that he/she can back it up in court.
- New Visitor Orientation Content (Script/Outline/Video) – Content for this will obviously be gym-specific, but there is a plethora of these videos available to view on Youtube from various gyms. Going over the gym rules, how to fall in the bouldering area, orientation to climbing grades (for both bouldering and roped), etc. A video will work for this or if you have someone facilitating this orientation in person at the gym, just an outline of the talking points to standardize the content will be good.
- Routesetting SOPs – What is acceptable? What is not acceptable? What tools & PPE are used, how are the tools used, what safety measures are put in place to protect Routesetters? What does the routesetting process consist of? What access methods are utilized? Routesetters are your biggest worker's comp exposure, and carriers want to see that this role is taken seriously and that you have a plan in place to protect them.
- Certification Training Outlines (Belaying, Top Rope Climbing, Lead Climbing, etc) – What is covered in this class? How is it covered, exactly? What does the testing process look like? What do you look for, specifically, to pass or fail a student?

Additional documents needed for other coverage types:

- **Employee Handbook** – An employee handbook is key to providing standardization of policies to your employees and to prevent misunderstandings. This would be needed in order for you to obtain Employment Practices Liability Insurance. We have a resource who specializes in the creation of Employee Handbooks, and we can put you in touch with them if you'd like to discuss the scope of that project and how they can help.
- **Employee Application** – The base level expectation for this is that you get the applicant's name, contact info, and that you ask questions to understand if the applicant has criminal history (This will be necessary to secure Sexual Abuse and Molestation coverage under your GL policy.)

A few additional decisions that will positively affect premium quotes (this is by no means exhaustive):

- Being a CWA member.
- Having a surveillance system in place. (Climbing areas and Orientation/Training areas especially)
- Disallowing tube-style belay devices.
- Permanently mounted Grigris to prevent improper loading.
- Having a sprinkler system in place.

Types of Insurance I May Need

Builder's Risk – This is property coverage that you need in place during the build process.

General Liability – This is your basic coverage for general business risks pertaining to your liability to others.

Sexual Abuse and Molestation – Do you often help participants into harnesses, getting up close and personal with them? Does your team work with children often, unsupervised by parents? (This coverage becomes a part of your GL policy, and only pertains to sexual abuse between your team members and participants). Carriers will usually require that you do employee background checks in order to have Sexual Abuse & Molestation coverage.

Property – This will insure the building (if you own it), tenants betterments and improvements "TBI" (if you rent it and have invested in updating the space for your operations) and business personal property "BPP" (think harnesses, belay devices, ropes, computers, etc – things that are of value but that don't leave the premises) Your constructed climbing walls, holds, and pads will also be reflected on here either under TBI or BPP, depending on your carrier.

Types of Insurance I May Need

Business Income and Extra Expense – What happens if you have property damage and have to shut down? Do you have ongoing expenses that will still need to be paid, and staff to keep answering phones? (This coverage becomes a part of your Property policy)

Inland Marine – Do you do any gym to crag trips, or take items of value away from the business premises? Equipment that travels needs to be on an Inland Marine Policy instead of your Property Policy to remain covered while away from the premises.

Employment Practices Liability Insurance – This will protect you from employee allegations of sexual abuse, wrongful termination, discrimination, retaliation, etc (This coverage only pertains to employee-employer issues)

Worker's Compensation – Usually required by law, this will cover an employee that gets injured on the job.

Commercial Auto – Does your business own vehicles? If you do, you'll need to have a commercial auto policy in place. If you don't, most exposures can be covered by just including "hired and non-owned" on your GL policy instead. Hired & non-owned would cover things like an employee running to the grocery store to pick up something for the gym, or renting a vehicle when you attend the CWA Summit.

Umbrella/Excess Liability – Many times, lease agreements might require that you have a higher limit than just your GL policy, and you might need to raise that limit through adding on an umbrella or excess policy. Or, you might have exposures where higher limits just make sense regardless of contractual requirements. This is where an umbrella or excess policy come into play. It stacks additional financial coverage on top of your GL policy's limits.

Participant Accident – This is a "good will" policy, meaning you don't have to be at fault in an accident to employ it. You can choose to pro-actively cover an injured participant's medical bills as an act of goodwill, and this is usually only used if you think the insured participant might be considering a lawsuit against you. It acts as an insulator of your GL policy and can assist in keeping the number of lawsuits down.

Timeline: When will each Policy Type need to be in Place?



OPENING A CLIMBING GYM

Builder's Risk Policy: Have this in place during the construction process from start to finish. Make sure either your General Contractor has a Builder's Risk Policy, or you have your own. Have a conversation about your Business Personal Property, and which policy it can be placed on as you start to have shipments arrive at your gym.



Creation of Documents and Completion of Carrier Applications



Commercial General Liability Policy: Have this in place before you are open and operating, or before you do any tours of the gym prior to opening.



Property Policy: Have this in place before the Certificate of Occupancy is issued or before the Builder's Risk Policy expires, whichever occurs first.



Worker's Compensation Policy: Have this in place before your first employee's first day of work.



Opening: Climb on, and hit all your goals for your first year while Granite Insurance supports you along the way!



Have More Questions?

That's what we're here for. Reach out to us so we can help be your guide! We're also happy to review SOP documents as you finish them and provide any feedback. We're here to support you.

Contact our Climbing Gym Program lead:



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