

An Insurance Primer for Photographers
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Insurance is one of those tricky things that we all need, but know little or nothing about. While buying a policy for our cars or homes is tricky enough, commercial insurance seems specially designed to be confusing if not indecipherable. In this article, I've laid out the basics of commercial insurance to help cut through the fog of legalese and insurance mumbo-jumbo.

As a professional photographer, there are several kinds of insurance that you need to concern yourself with. First and foremost, you'll want what is known as a Commercial General Liability policy or CGL. A CGL usually provides property coverage (ie for your gear) as well as liability coverage in case you get sued for injuring someone or damaging some property. Most CGL's cover offer one to two million dollars in liability coverage in addition to covering your defense if you are sued. There is no deductible for this coverage either.

Property Insurance

When photographers go shopping for a CGL, property insurance is usually the thing they're most concerned about. After all, photographers love their gear and want to make sure it's covered should the worst happen. Unfortunately, it's the property coverage that will have the biggest impact on your premium. The more gear you have, the more you can expect to pay for policy.

The property coverage aspect of the CGL can get a little tricky. Different policies handle coverage differently so it can be difficult to compare apples to apples when shopping around. Some policies will cover up to set limits of property unless more coverage is added. Usually these limits are \$5k to \$10k. Others will only cover the property while it is located at the business – that's obviously not going to help you if your gear is stolen out of the back of your car.

The surest way to make sure that your property is covered wherever you take it (necessary for a location photographer) is to obtain a special rider known as a "floater" or "inland marine" insurance. This coverage is designed for equipment that is frequently being transported. Usually, each piece of equipment is specifically insured and you have to provide a list with serial numbers to the insurance company of each item that you want covered. If you obtain this type of coverage, be sure to update your insurance company whenever you buy a new piece of equipment or provide a once a year update them with all the new little nic-nac pieces that you bought (that if you had to go out and buy again would cost you a bundle).

Either form of coverage is okay. Just be sure to read the fine print in your policy. With a floater, you know what you are getting. With a standard policy, there may be limits or restrictions that you won't find about until after you've made a claim. For this reason, a CGL without a floater may be less money, but it may not be the bargain that you think it is. (Oh... and don't blindly trust what your agent says. They may not even know what's in the policy - read it for yourself.)

In addition to your photography equipment, there's things like office chairs, file cabinets, computers and the like. They're generally referred to as business personal property.

These items don't usually need to be itemized as for the photography equipment. A separate limit may apply – again, be sure to make sure that you have enough coverage to pay for a serious, if not catastrophic loss.

There's also a variety of specific coverages that may or may not apply to your business. One that you'll want to think about is Valuable Papers. It covers things like portfolios and not-so minor things like all of your images including digitally stored ones. Usually this coverage is set at \$10,000 so make sure that your limit is high enough so that you can recover after something catastrophic like a fire.

One more thing before we leave the property topic: make sure that you have Replacement Cost coverage NOT Actual Cash Value. This is true for all your insurance including your homeowner's policy. With ACV coverage, they'll pay what you could get for your equipment if you sold it on ebay. That means that you wouldn't be able to easily replace your gear with the money that you receive. With replacement cost, they'll give you money to buy comparable equipment new. (So if you lost an MIII, you'll be buying an MIII. Much better.)

Liability Coverage

Most of us never think of this part of the policy. We just know it's there in case we get sued. Liability coverage is there to protect you in the event that you should physically injure someone or damage someone else's property. Typically, policies cover up to one or two million per occurrence. That's a lot of coverage for not much money.

In addition, the insurance company will pay for your defense in the event that you get sued. There's no limit to the amount an insurance company will pay for your defense. Also, there is no deductible for a claim made under the liability portion of the policy.

Of course, there are many types of liability claims that can arise beyond the basic coverage of the liability policy. As a result, the CGL typically offers a variety of add-ons, also known as endorsements, that extend coverage for specific losses.

Advertising Injury is one such provision. That covers you in case you should slander or libel someone (important coverage for those who go a little too far on online forums). It also provides trademark infringement and rights of privacy coverage. That last one will come in handy if that model release of yours doesn't stand up in court or (god forbid,) you fail to get one and the model comes after you.

Property of Others, also known as Garage Keepers Liability, covers property that is not yours but is under your "care, custody or control." For example, if you break a bunch of your client's prototypes during a photo shoot or if you break an expensive vase at a location you've rented, you'll need this coverage to protect you. (Note: If you are shooting a wedding and you break a vase at the venue, that would be covered under your liability coverage since you were just a guest and the property was NOT under your "care, custody or control.")

Property of Others also covers rental equipment. Usually this limit is set to \$10,000. Obviously, your liability can exceed this if you rent a couple of cameras and big lenses so make sure that you either obtain enough coverage right off the bat or that you can easily add coverage through a temporary endorsement if necessary.

Usually, these coverages come in a policy form known as a "Super" or something like that. There's other coverages thrown in with the Super such as Products and Completed Operation (which would cover you in case your client's album spontaneously combusted and burned their house down) that don't apply much to us, but it's coverage that is pretty cheap and thus worth having.

A coverage that I consider mandatory is called "Hired and Non-Owned Auto." This protects you in the event that your assistant is driving his/her own car and they get in a crash while on company business. Without this coverage, you would be on the hook since there is a well-established legal doctrine known as RESPONDEAT SUPERIOR which means "let the master respond." Your own auto insurance will not cover you since the person wasn't driving your car. Even if you send your assistant out for a sandwich, you could be on the hook if something happens since that person was acting on your behalf. (Yes, that's the way our legal system work.) Again, this coverage is pretty cheap so don't think twice about it.

A little more esoteric is Errors and Omissions coverage, also known as Professional Liability coverage. This covers you in the event that you either make a mistake or fail to provide professional services. For example, if you lose all your film from a shoot, this insurance would save your very miserable behind. This coverage is included with some CGL's, frequently those packaged on behalf of a professional trade organization.

Often, the E&O limit is lower than the regular liability limit. That's usually okay since what you are most interested in is the defense of such claims since that can be the most expensive part of the equation. Usually these cases resolve themselves with a reshoot or a refund of monies paid. It's not like we're doctors and someone will die if we don't do our job correctly. Bottom line, if you can get higher limits, go for it, but I wouldn't lose too much sleep if you don't.

One more note on E&O, different companies handle it differently. The popular Fireman's Fund policy sold by Tom Pickard & Company has E&O, but it doesn't cover losses such as lost film from a shoot. According to an agent with Tom Pickard, that's covered under separate shoot insurance endorsement (which costs extra). In any event, be sure to ask about what you're getting when you sign up.

Other Considerations

A couple things to inquire about when obtaining coverage. Ask about how much it costs to obtain an Additional Insured Certificate which many locations require before they'll let you shoot there. With some companies it's free. With others, you have to pay \$25 or so. Also, ask about Worker's Comp and see if you can add that on easily if need be.

One big issue that I recently learned about is that many business policies do not offer international coverage. If you're doing destination weddings, that's obviously going to be a problem. It's also an issue for San Diego photographers like myself who are hired to shoot weddings just across the border in Baja, Mexico.

My suggestion would be to look at the policies offered by the trade organizations such as WPPI, APA, ASMP, or PPA first since they've likely taken into consideration the needs of photographers and thus you are less likely to encounter any surprises.

Before you purchase any insurance, you should consult your attorney and insurance

agent. I am neither so be sure to do your homework and don't just rely on what I have to say since I could be miserably wrong. (My version of a disclaimer.)

Again, read the fine print with any policy that you obtain. Policies are meant to be understood by anybody so if you don't understand something or what you read isn't what you thought you were being sold, then you have a problem. Best to find those out right away, not after your camera bag and film develop legs after a big shoot.

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