

Picture Framers Guild of Australia Incorporated

Insurance Cover Customer's Goods

Don't assume that your business insurance policy automatically covers customer's goods while they are in your possession! You need to check.

It's worth remembering that as a business owner you have a duty of care when it comes to customer's goods. When the goods are left in your possession you need to make sure that the processes of handling, storing and documentation ensure that the goods do not suffer damage and that their location within your business is known.

But what happens when things go wrong whether it be through yours and an employee's negligence or some thing beyond your control such as fire, theft or storm damage.

In order to ensure that you are covered against all risk associated with customer's goods in your possession you should first contact your insurance provider and discuss this issue with them. There are a host of issues that may affect a claim and it is your responsibility to understand what these are and take every step necessary to ensure that you comply. In addition a discussion with your legal advice may also be required. The common practice of displaying a sign indicating that goods are left at the customers own risk may not in fact provide any real protection.

Very expensive items or items having a high sentimental value perhaps need a different approach when dealing with the customer. Consider asking the customer to bring the items back at a later date when all framing components have been finished and all that is left is the final assembly. In this case the risk is minimized by not having to store the item for a longer time. The topic of insurance should be raised with the customers before any undertaking is given to hold the work.

You need to read your insurance documents, review the details on a regular basis and check that sums insured and/or limits of liability are adequate.