

BEST'S HAZARD INDEX

Line	Best's Hazard Index	Underwriting Comments
Automobile Liability	2	
Automobile Physical Damage	0	
General Liability	4	Slips and falls common.
Product Liability and Completed Operations	4	Much lower without "pro-shops."
Professional Liability	0	
Environmental Impairment Liability	0	
Workers' Compensation	4	
Crime	5	
Fire and E.C.: Property	6	Higher if insured has lacquer-based finishes on lanes.
Business Interruption	5	Peak season exposure.
Inland Marine	3	
Boiler and Machinery	0	

Low 1-3, Medium 4-6, High 7-9, Very High 10

SIC CODES AND CLASSIFICATIONS

5812	Eating Places
5813	Drinking Places (Alcoholic Beverages)
5941	Sporting Goods Stores and Bicycle Shops
7933	Bowling Centers
7997	Membership Sports and Recreation Clubs
7999	Amusement and Recreation Services, NEC Outdoor

ISO CODES AND CLASSIFICATIONS

10015	Amusement Centers
10220	Bowling Lanes
18206	Sporting Goods or Athletic Equipment Stores

RELATED CLASSIFICATIONS

[Bars, Taverns, Cocktail Lounges and Nightclubs](#)

[Daycare Centers](#)

[Fast Food Restaurants](#)

[Sporting Goods Stores](#)

[Vending and Amusement Machine Operators](#)

RISK DESCRIPTION

Since the severe slump of the mid-1980s, **bowling** centers have tried to improve their image and business by introducing features aimed at attracting new bowlers and luring back old ones. Centers nationwide have tried to reposition themselves as "family entertainment centers." The **bowling** industry also has moved quietly away from the term "**bowling** alleys," in favor of the more business-like "**bowling** centers." Additionally, other changes have been implemented to improve the public's perception of **bowling** as a sport. For example, the grooves along the sides of **bowling** lanes are no longer referred to as "gutters," but as "channels." These changes mainly are aimed at ending **bowling**'s image as a blue-collar game only for adults. To further attract families, children, and young people, modern **bowling** centers now offer child-care areas, full-service or fast food chain restaurants, billiard tables, video game machines, and "cosmic **bowling**."

Two leaders in the **bowling** industry introduced cosmic **bowling** in the early 1990s, with each one finding an enthusiastic response. "Cosmic **bowling**" is the industry's latest attempt to draw teenagers and the young-at-heart off of the streets, out of the malls, and into their local **bowling** centers. In cosmic **bowling**, the lights are turned out on the lanes around 11 p.m. or midnight, dance or rock music is cranked up, blacklights and lasers are turned on, and fog machines also may be used to obscure the players' vision. The balls, lanes, and walls are all coated with special paints that glow when exposed to ultraviolet blacklight. Mirrored balls hung from the ceiling cast rotating light spots on the floor and walls, as planets, stars, and other designs that are invisible in the daylight suddenly appear painted on the walls. While not popular with most league bowlers due to the distracting elements, many young people have responded very enthusiastically to cosmic **bowling**, also sometimes called "galactic" or "glow" **bowling**, "Rock n' Bowl" or "Laser Bowl." All of the special effects serve to create a party atmosphere that appeals to casual bowlers who may not view the sport as seriously as league members do. So far, the numbers have proved very positive - in Atlanta there is typically a two-hour wait for lanes at cosmic **bowling** centers, while centers in Illinois now have a cover charge on Friday nights.

The age of computers has brought automatic scoring machines to the **bowling** world. Combined with automatic pinspotters, a scoring machine detects how many pins were knocked down, whether the player stepped over the foul line, and keeps a running total of the players' scores. These machines also can recommend where to throw the ball for a spare based on which pins are standing. While league veterans may scoff at such "crutches," most casual bowlers have welcomed automatic scoring machines as an aid in deciphering potentially confusing rules.

Industry experts acknowledge that revenues earned from league members comprise the bulk of **bowling**'s business, because they purchase accessories, uniforms, and balls. However, many people's lifestyles have changed, and it is now harder for players to commit to be in one place for 35 straight weeks. Occasional bowlers are now often as equally coveted as leaguers.

The number one **bowling** company in the U.S. owns approximately 10% of the 6,880 **bowling** centers in the United States. The majority of the rest are independent, family-owned or "mom-and-pop" lanes whose owners are now looking to retire, while large chains aggressively seek to buy them up. Many sole proprietors are approaching retirement age and the large chains are trying to buy up their independently owned **bowling** centers. Currently, approximately 50% of **bowling** centers are owned by sole proprietors, and the rest are owned by chains. If the current trend continues, the likelihood of chain ownership will be even greater. When most large chains purchase a center, they routinely spend \$300,000 to \$400,000 carrying out renovations; discolored lanes are torn out, and aging equipment is replaced by state-of-the-art technology and amusements. Experts believe the industry is ripe for consolidation by the larger companies.

More than 54 million people bowled at least once in 1996. About 6.1 million people are members of sanctioned **bowling** leagues, and the **bowling** industry is reported to be a \$4.2 billion business domestically and a \$10 billion business worldwide. The average gross revenue per lane per year in the U.S. stands at \$24,500. There are an estimated 132,924 lanes in the United States. Although revenues are up in the U.S., most growth is expected to come from foreign markets, such as Asia and South America.

In general, smaller, older, and rural centers are the ones shutting down, while the newer centers tend to be larger and located in thriving urban or suburban commercial shopping areas. The newer, larger centers often employ between 10 and 50 workers, while the smaller or older ones may have only one to four workers.

The hours of operation of a **bowling** center are usually from 10 a.m. until 1 a.m. or 2 a.m. during the week. Some centers may be open later on weekends. Most are open seven days a week. Since many **bowling** centers sponsor league play and tournaments, they often will suspend or reduce the amount of open **bowling** on those nights. Once league play is over, open **bowling** hours will resume again. Most league play will require two to three hours per night, often once per week.

Leagues usually are sponsored by a particular **bowling** center. Each league may have 10 or more teams in them. Teams are based on players' average scores, ages, gender, or employment in a sponsoring company. Champion teams may move up to regional or state tournaments.

Observers of the industry note that current tastes in sports favor golf and soccer, while layoffs in the blue-collar industries and the growth in the number of working women have shrunk **bowling's** rank-and-file. Video games, television, and other forms of entertainment compete for the attention of a time-starved population. However, others claim that the current emphasis on family values bodes well for **bowling** centers; the centers provide a healthy, physical activity that an entire family can engage in. To further this atmosphere, some operators have posted smoke-free hours, especially when children are likely to be present. Other operators have shortened league schedules and jazzed up **bowling** centers with cosmic **bowling**. In addition, leagues are awarding vacations to winning teams instead of traditional banquets.

Bowling's potential for growth has caught the eye of Wall Street; in 1996, a major merchant bank bought a two-thirds stake in the largest **bowling** company for \$1.3 billion. **Bowling** centers' high cash flow is very attractive to investors, according to experts. To further this goal, the **bowling** industry recently collaborated to form Strike Ten Entertainment, which is the marketing association for the entire industry.

The crown jewel of **bowling** is the mammoth National **Bowling** Stadium in Reno, Nevada. This complex features 80 lanes, a 450 foot scoreboard, 500 silk ferns, a two-ton bronze statue of a family **bowling**, and a 1940s-theme diner that sells meat loaf for \$6.99 and champagne for \$110 a bottle. The stadium's gift shop rivals the size of a large department store; indeed, the facility cost over \$47 million to build.

The proposed tobacco settlement currently in Congress may have a dramatic effect on **bowling** centers in the United States. The bill, if passed, effectively will prohibit smoking in most indoor public places, including **bowling** centers. Where allowed, smoke must be exhausted directly to the outside, and smoking areas must be kept at "negative pressure" (lower air pressure) compared with adjoining areas. This bill also would protect employees from second-hand smoke exposure by preventing their entry into areas where smoking is occurring. In addition, tobacco companies would be banned from sponsoring events and tournaments. These changes could severely impact the **bowling** industry since many tournaments rely on tobacco company advertising revenues. Prizes and vacations for tournament winners also may be provided courtesy of tobacco companies. In addition, many **bowling** centers currently permit smoking during league and open **bowling**. A possible ban or severe restriction on smoking may prompt additional bowlers to abandon the sport due to smoking's popularity among bowlers.

MATERIALS AND EQUIPMENT

Automated equipment: pinsetters, ball return machines, scoring machines.

Maintenance equipment: lane conditioners, floor machines, welding equipment.

Ball drillers, grinders, engravers, ball cleaning units.

Oils, solvents, urethane finishers, and cleaners.

Kitchen and bar equipment.

Tables, benches, chairs, racks, **bowling** balls, shoes, and accessories.

Entertainment equipment: stereo, speakers, fog machine, lasers, blacklights.

NARRATIVE LINES OF BUSINESS

Automobile Liability

Exposures: Nonowned vehicles. Transporting equipment and supplies off-site. Youthful Operators.

On-Site Inspection:

Vehicles - number; age; type; condition

Vehicles stored in locked garage or a well-lit, fenced parking lot

Items to Investigate:

Drivers - ages; training; experience; MVRs; CDLs; certificates of insurance

Frequency of travel and radius of operations

Are the insured's vehicles owned or leased?

Employees use nonowned vehicles for business purposes

Are owned vehicles taken home evenings and weekends?

Does the insured transport groups of people to the premises?

Does the insured transport tables or equipment for tournaments and special events?

Vehicle maintenance contracted out to qualified, professional mechanic

General Liability

Exposures: Slips and falls. Finger injuries. Daycare centers.

On-Site Inspection:

Layout of insured's premises

Level of housekeeping

Bowling and eating areas neat and free of clutter

Do stairs and ramps have nonslip treading and sturdy handrails?

Floors and floor coverings in good condition and properly grounded

Ball return machines - age; type; condition

Ball racks - not higher than elbow level; secured properly; good condition

Signs posted warning bowlers to maintain control of their ball at all times

Signs posted advising patrons of dangers present in **bowling** centers

Furnishings - age; type; condition

Electrical equipment - age; type; condition; NRTL-listed; properly grounded

Does the insured have a bar, grill, or snack areas on premises?

Swivel chairs anchored to floor

Does the insured operate a daycare center on the premises?

Condition of playroom furniture and equipment

Premises equipped with emergency backup lighting system and emergency communication system

Fire exits - adequate number; well lit; clearly visible

First aid equipment readily available

Locker areas in good repair with no sharp metal edges

Is all hole drilling performed in a back room or away from customers?

Vending machines properly grounded

Parking lots and sidewalks - in good repair; free of trash and debris; well lit

Outdoor traffic patterns clearly marked

Items to Investigate:

Hours of operation

Average and maximum numbers of visitors

Does the insured have a policy prohibiting the consumption of food and drinks near alley approaches?

Does the insured serve alcoholic beverages?

Compliance with local and state liquor control laws

Spills cleaned up promptly

Employees available to assist patrons select the proper weight ball

Children and seniors assisted or supervised when selecting balls from rack

New bowlers offered lessons by experienced employees for proper ball delivery

How frequently are ball returns serviced and repaired?

Bar and restaurant areas swept and mopped regularly

Proper supervision of childcare areas

Employees responsible for children trained to deal with potential emergencies

Does the insured ever hold tournaments?

Is crowd control contracted out or are the insured's employees responsible?

Employees trained in crowd control and emergency evacuation techniques

Employees trained in first aid techniques

Rental **bowling** shoes disinfected and inspected between each use

Have any hold-harmless agreements been signed?

Contract(s) signed with vending machine company

Who is responsible for outdoor maintenance of leased premises?

Arrangements for prompt removal of ice and snow

Product Liability and Completed Operations

Exposures: Poor equipment recommendations. Improper drilling of **bowling** balls. Contaminated food.

On-Site Inspection:

What products does the insured sell?
Is there a pro-shop on the premises?
Snack bar and restaurant areas clean and neat
Vending machines - number; types; condition

Items to Investigate:

Employees - levels of training and experience; new workers properly supervised; qualifications and experience of supervisory personnel
Who manufactures the clothing and equipment the insured sells? What are their reputations and loss histories?
Are any items manufactured abroad?
Insured in compliance with local and state Board of Health and FDA regulations for food preparation
Vendors' reputations, loss histories, and liability assumed by insured

Workers' Compensation

Exposures: Slips, falls, cuts, and back strains. Burns. Shocks. Intoxicated patrons.

On-Site Inspection:

Level of housekeeping
Machinery has emergency cut-off switches
Types of tools and equipment used by workers
What types and amounts of cleaning chemicals does the insured have on hand?
Chemicals stored separately in a ventilated, cool, dry place in appropriate containers
First aid equipment readily available
Extension cords not used
Products and surplus stock stacked to be readily and safely accessible by employees

Items to Investigate:

Workers - number; ages; training; experience; supervision
Are temporary workers hired during busy months?
Housekeeping - spills wiped up immediately; trash collected and disposed of daily; floors vacuumed and inspected regularly
Appropriate materials-handling equipment provided to employees
What types of maintenance activities do workers perform?
Insured shuts down all lanes to clear ball and pin jams or just a few
Insured in compliance with OSHA standard 1910.147, The Control of Hazardous Energy (Lockout/Tagout)
Insured follows manufacturers' instructions for assembling and maintaining equipment; proper electrical requirements are met
Pinsetters turned off before being repaired

Are equipment mechanics employed by the insured or are independent contractors used?
Does the insured use automatic pinsetters?
Are the insured's workers required to clean and maintain the premises?
Floor refinishing contracted out
Is toluene used by employees?
Insured in compliance with OSHA standards 1910.134, Respiratory Protection and 1910.106, Flammable and Combustible Liquids
Employees instructed in proper use and storage of chemicals
Employees provided with and required to wear proper personal protective equipment (e.g., gloves, protective clothing, goggles)
Employees provided with material safety data sheets (MSDSs); insured in compliance with OSHA standard 1910.1200, Hazard Communication
Employees trained to handle emergency situations and administer first aid
Wall receptacles rated for proper voltage/ampereage required by equipment
Does the insured ever host or rent the premises for competitions and exhibitions?
Are employees or professional security teams responsible for crowd control?
Bouncers and security personnel trained to deal with customers, particularly in bar areas
Untrained employees instructed not to attempt to handle unruly customers; trained to call police if security personnel are unavailable

Crime

Exposures: Large amounts of cash. Theft of **bowling** balls and shoes.

On-Site Inspection:

Does the insured have a restaurant, cafe, or bar on the premises?
Are expensive items sold in the pro-shop? Are they displayed in such a way as to make them difficult to steal?
Does the insured have video or stereo equipment on the premises?
Pro-shop located in an enclosed area that can be closed down and locked in the evenings
Bowling shoes marked conspicuously to deter theft
All doors equipped with double-cylinder, dead-bolt locks; windows equipped with tamperproof locks
Insured's premises connected to a central station alarm monitoring facility

Items to Investigate:

Average and maximum amounts of cash on hand daily
How is cash safeguarded? How frequently is it deposited?
Employees trained in check and credit card verification procedures
All checks stamped "For Deposit Only" immediately upon receipt; cash, checks, and credit card receipts kept in an NRTL-listed, fire-resistant safe
Customers barred from areas behind sales desk and cash register
Can the register be opened only by an employee with a special key or code? Is the register equipped with a system that allows the cash drawer to be opened only when the need arises?
How often are cash registers emptied?
Customers in pro-shop supervised by an employee at all times
Rental shoes stored in an enclosed area with restricted patron access
Does the insured require renters to leave their shoes at the counter when renting shoes?
How is easily concealed merchandise protected against shoplifting?

Are extra security measures employed if tournaments or other special events are held?
Pre-employment screening procedures
Separation of cash disbursement and bank statement reconciliation functions
Audits - regular and unscheduled
Bookkeeping and accounting personnel required to take vacations in at least one week increments

Fire and E.C.: Property

Exposures: Kitchen fires. Single fire divisions. Large concealed spaces. **Bowling** pin refinishing. Moral hazard.

On-Site Inspection:

Premises - age; condition; construction
Number of fire divisions
Are there concealed spaces where fires could burn undetected?
Does the premises share a common wall or roof with another business?
How is the roof anchored?
Level of housekeeping
Metal hoods in kitchens equipped with noncombustible hood filters and explosion-proof lights
Deep-fat fryers - located well away from combustibles; covered by exhaust hoods; contain automatic extinguishing systems
Cooking facilities - equipped with automatic hood and duct fire suppression systems; exhaust ventilation systems; smoke alarms
Cooking and ventilating equipment adequate for grease-producing load
Bowling equipment - age; type; condition; properly grounded; NRTL-listed
Electrical transformers - located outdoors; properly grounded; protected from vehicle damage
Pin refinishing area - fire resistant construction; sprinkler-equipped; located in a separate fire division from main **bowling** area; adequately ventilated
Smoking areas equipped with self-closing, fire-resistant receptacles
Flammable material kept away from any potential ignition sources
Smoke detection and fire suppression systems - age; type; condition
Sufficient number of annually tagged and inspected, Class ABC fire extinguishers located throughout the premises, especially in kitchen and food preparation areas

Items to Investigate:

Hazards from insulation and soundproofing materials, particularly in older buildings
Hazards from adjacent occupancies
Cleaning of hoods, ducts, filters, and fans conducted by a qualified outside firm at six-month intervals
Bowling equipment cleaned and serviced by manufacturers' service representatives
How frequently are inspections conducted by the local fire service or other qualified officials?
Electrical wiring - age; type; condition; adequate to handle insured's electrical load; in compliance with NFPA 70, National Electrical Code
Independent contractor resurfaces **bowling** lanes; lacquer-based finishes not used
Insured contracts out **bowling** pin refinishing
Insured in compliance with NFPA 30, Flammable and Combustible Liquids Code
Has the insured established non-smoking hours for times when children are likely to be present?
Are restrictions against smoking enforced in areas where combustibles are stored?
Flammability of furnishings in lounge and food service areas

Trash collected and disposed of daily
Boxes and crates discarded as soon as possible
Average and maximum values exposed to loss
Has the insured established procedures for the removal or reduction of ice and snow during and after storms
Employees trained in fire extinguisher use
Has the insured participated in prefire planning?
Response time of local fire service; fire service notified of the presence of hazardous chemicals
Moral hazard - local business climate; years of experience; nearby recreational facilities

Business Interruption

Exposures: Peak season. Wooden lanes. Expensive equipment.

On-Site Inspection:

Does the insured use an electronic **bowling** system that resets pins, returns balls, and keeps score for patrons?
Is there a manual backup system available?
Is the insured's operation located in a mall, shopping center, or freestanding building?

Items to Investigate:

Length of time required to rebuild or repair the premises
Are there any similar establishments in the area?
How dependent is the insured on league **bowling** and tournaments?
Does the food service constitute a large percentage of the center's income?
Who supplies the food products prepared or sold in the insured's food service area?
Number of food service suppliers; their reputations and loss histories; hold-harmless agreements

Inland Marine

Exposures: Bailee. Electronic data processing. Accounts receivable. Valuable papers and records.

On-Site Inspection:

Does the insured operate a coat or shoe check for customers?
Are coin-operated lockers available for patrons to store belongings?
Valuable records and documents stored in a fire-resistant, NRTL-listed safe located in a secure area
Does the insured use a computer for inventory and record keeping or controlling lighting and **bowling** systems?

Items to Investigate:

Shoe and coat check areas located in a supervised area, away from customers

Does the insured accept checks or credit cards for payment?

What percentage of the insured's business is by credit card?

Duplicate copies of valuable records and documents stored off premises in a fire-resistant, NRTL-listed safe

OSHA REFERENCES

OSHA Standards: (Pertinent OSHA standards that apply to this classification; for other appropriate OSHA standards, see the Introduction.)

1910.94	Ventilation
1910.95	Occupational Noise Exposure
1910.106	Flammable and Combustible Liquids
1910.134	Respiratory Protection
1910.147	The Control of Hazardous Energy (Lockout/Tagout)
1910.159	Automatic sprinkler systems
1910.176	Handling Materials - General
1910.1200	Hazard Communication