



## **Insurance for drones that are commercially owned and operated by design and survey firms.**

Ownership and operation of small-unmanned aircraft systems (UAS), also known as drones, may seem innocuous to an Architect or Land Surveyor at first glance. Anyone can purchase a drone from a local mall store so no big deal right? When it comes to liability and insurance, commercial operators in particular need to be aware of potential exposures such as bodily injury, advertising/personal injury liability and contractual liability prior to taking ownership and flight of a drone.

For example, an Architect operates an owned, unmanned aircraft in a metropolitan city to determine potential view issues that may arise from construction of a new skyscraper next to an existing high-rise condominium. Remotely operated by a pilot using data link transmissions, the drone is used to collect video and photographs from outside the condominiums at all viewpoints on each floor of the building. The Architect posts the photos and video on their website and social media sites as a way to demonstrate this new service capability of the firm. Two weeks later lawsuits are filed against the Architect by the neighboring condominium owners alleging invasion of privacy, emotional distress and reputation damages from unsolicited, unauthorized or unwanted aerial surveillance and data collection.

Consider the condominium example above. The lawsuit is generated because Drones can reach heights that building tenants consider private airspace where the threat of a “peeping Tom” scenario should not be a concern. Upon careful review of the video footage and photos, the Architect can clearly demonstrate that there is no factual basis for the lawsuits. Still, the Architect is left with a burden to hire legal counsel to defend their firm and pursue dismissal from a judge. Do typical insurance policies for a design professional cover defense costs in this situation, and if so, which policy responds?

Most drones are equipped to mount high-powered cameras, infrared sensors, facial recognition technology, and license plate readers. Owning and operating drones creates a multitude of liability and issues not covered

under the typical general liability and property insurance policy purchased by Architects, Land Surveyors, Environmental Consultants and other industry professionals.

**Top 3 most common uninsured risks presented by the ownership and operation of drones are as follows;**

- Third party bodily injury & property damage claims arising out of the ownership, maintenance or use of a scheduled aircraft. (i.e., damage caused by a drone crashing into a car or striking a person).
- Loss or damage to the drone and attached equipment including, and not limited to, physical damage from operations, theft, fire and vandalism.
- Allegations from third parties of damages arising out of drone operations such as libel, slander, invasion of privacy, and infringement to name a few.

Before purchasing or using a drone for your business, it is in your best interest to confirm that proper insurance coverage for drone ownership and operation is in place, or can be secured for coverage. As an insurance broker for more than 4,000 A&E firms nationwide Hall & Company offers all lines of commercial insurance policies custom-designed to meet the unique needs and exposures of design, survey and environmental firms -- including insurance for drone ownership and operation.



**To obtain a full coverage review,  
or get a quote for drone insurance,  
contact Michelle Savage  
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