



# WATA *Difference*

## WISCONSIN AVIATION TRADES ASSOCIATION

### WATA's New Board Meets In West Bend

WEST BEND, WIS. – The new board of directors of the Wisconsin Aviation Trades Association (WATA) met at West Bend Air, West Bend, Wis. Hosting the meeting was newly elected board member Craig Devenport, president of West Bend Air and Fond du Lac Skyport, Fond du Lac.

Elected president of WATA was Jeff Baum, president of Wisconsin Aviation, Inc., Madison, Watertown and Juneau. Elected vice president was Craig Devenport; elected secretary was Jay Griggs of Griggs Aviation, New Richmond; and Bruce Botterman of NewView Technologies, Oshkosh, was elected treasurer.

Also serving on the board is Pete Schoeninger of Gran-Aire, Inc., Milwaukee-Timmerman Airport, Milwaukee. Past board member Peter Laper of Oldenburg Group, Waukesha, Wis., will host the WATA website at [www.wataonline.org](http://www.wataonline.org). Dave Weiman of *MIDWEST FLYER MAGAZINE* is editor of WATA *Difference*.



(L/R) WATA board members Pete Schoeninger, Bruce Botterman, Jay Griggs, and Craig Devenport. Not pictured is Jeff Baum.

*Photo by Dave Weiman*

## WATA

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Wisconsin Aviation Trades Ass'n

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Vice President – Craig Devenport

Secretary – Jay Griggs

Treasurer – Bruce Botterman

Additional Director – Pete Schoeninger

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## Are Your Liability Limits Adequate?

by Tom Watry

Without question, aviation is becoming safer and safer, but the damage awards keep getting higher and higher. In the event of an accident, the lack of high enough limits can lead to life-long financial disaster. But unfortunately, the ability of the average pilot/aircraft owner to obtain adequate limits is becoming more and more difficult at any price!



Tom Watry

Typically, the average pilot carries limits of \$500,000 to \$1 million, but many, if not most pilots, with a sub limit of \$100,000 per passenger or per person. Most of us have better limits on our auto policies – in part due to the

added protection provided by "umbrella policies" that generally cover anything above the auto and house liability limits, up to the limit of the umbrella policy (usually \$1 million).

This lack of high enough coverage for aircraft occurs for several reasons, not the least of which is premium dollars. All insurance underwriters offer the sub limits, but precious few offer the higher limits necessary in today's "sue happy" society.

The underwriters that do offer higher limits have minimum pilot requirements, typically 750 or 1,000 hours pilot in command, with further requirements for retractable gear, multi-engine, and make and model. The more time you have, the better the opportunity there is to obtain higher limits at an affordable price. Some underwriters do offer sub limits of \$150,000 or \$250,000 per passenger or per person, which is an improvement, but still not totally adequate.

In the not too distant past, insurance companies offered higher limits as a matter of course, on any request for quotations, but recently and particularly since 9/11, the availability of substantial limits has been greatly restricted.

Prior to 9/11, it was not uncommon for individuals requesting quotations to get alternate quotations from underwriters of \$1 million, \$2 million or even \$5 million of liability coverage without a sub-limit restriction, but that has become almost non-existent today. Many are even finding that their current insurance companies are offering more restrictive limits of liability on their renewals and the coverages they had in the past.

While price is always a consideration when purchasing any type of insurance, it should not be the sole determining force when looking at aircraft coverages. Certainly aviation insurance is not inexpensive, but the need for adequate limits should outweigh the desire to save a few dollars. If premium savings were necessary, it would be better to look at reducing the amount of hull coverage since we at least know the maximum loss that will be sustained in the event of an accident, whereas with liability coverage, the sky is the limit.

Unfortunately, there is no easy answer to this perplexing problem, but it should be something we should all keep in mind every time we check with our broker for quotations. It's a tough time for consumers in the aviation insurance marketplace, and many times we are helpless because of low pilot times, but we should all be cognizant of the need for adequate limits and continually try to seek out these coverages through our brokers.

**QUESTION:** If aviation is becoming "safer and safer," and each policy has a maximum limit on liability, how can the insurance industry justify rate increases based on larger damage awards?

**ANSWER:** On the smaller limit policies, the maximum awards are being given, and on the larger limit

policies, higher awards are now more common than they were in the past. Unfortunately for the smaller consumer, the aviation industry is a rather small group when compared with the automotive and homeowner industries. So the law of large numbers does not come into play as readily as it does in those other areas. We are all lumped into the same pot – the large corporations down to the Piper J-3 Cubs.

When a Midwestern senator or a basketball team is involved in tragic accidents, these giant awards and payouts have a direct effect on all aircraft policyholders. Also, the other areas of aviation insurance, particularly the "hangar keepers" liabilities and products/completed operations liabilities of fixed base operators, are also put into the mix. The available pool of underwriters and international reinsurers has been shrinking over the years, which magnifies the effect of very large awards on all aviation policyholders.

**QUESTION:** AOPA offers its members a "liability waiver" form for pas-

sengers to sign before getting into an aircraft. How effective is such a form in limiting liability suits?

**ANSWER:** The courts have generally construed these agreements with some skepticism and interpreted them in their narrowest forms. While I am not an attorney and cannot give you legal opinions on these forms, I do know that over the years, they have not been as effective as everyone hoped when they first came out some 15 years ago.

There are many problems with the (waiver) forms, not the least of which is the very narrow interpretation they have by the courts. Generally, courts and juries are looking for ways to pay injured parties, not trying to relieve insurance companies of their liabilities.

Some of the other problems with the forms are that each jurisdiction (state) will have its own legal precedence for the use of these forms and also their own interpretation of them. By the nature of aircraft, we cannot foretell where an accident might occur, even though we are from or based in a particular state. If an acci-

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### **LIABILITY LIMITS FROM PAGE 33**

dent would occur in a more liberally interpretive state, the injured parties would simply file legal actions in that state and the waiver would be useless.

Also, there are the personal considerations. How do you demand that you have your best friend and his wife sign this type of a waiver prior to allowing them to get into your aircraft? Would the friendship last?

Even according AOPA (quoting an article entitled "Liability Release Forms: A Current Case" by AOPA legal counsel John S. Yodice, March 1992), it is stated: "Aircraft owners and pilots should not rely on the use of a liability release form. As reason-

able as it seems that a competent person should be able to waive his or her right to sue for personal injury for what might be deemed after the fact to be carelessness, our judicial system is just too unpredictable and too inclined to impose liability."

It is always very easy for plaintiffs to argue, after the fact, that while they did sign the form, your passengers were not fully aware of its meaning or that they were misled as to the competency, training and/or experience level of the pilot prior to the departure.

These types of forms just have not worked out over the years and unfortunately for all of us, proper and ade-

quate insurance limits are our best – and in most cases – our only protection.

EDITOR'S NOTE: To see a copy of the AOPA liability waiver form, AOPA members can go to the AOPA website at [www.aopa.org](http://www.aopa.org), click info resources, library, forms, member only services, and liability release form.

Tom Watry is president of Aero Insurance, Inc. of Menomonee Falls, Wis. The company is a broker for all major companies and Lloyd's of London, providing aircraft, FBO and airport insurance protection. The company was founded by Watry and his wife, Renee, in 1968. □

### **SURFSIDE FROM PAGE 26**

can fly to your own destination, or select from among Adventure Seaplanes' favorite spots.

Schanche has built a reputation as the CFI to go to for both primary and remedial training. Schanche has both single and multi-engine seaplane pilot certificates. CFIs Ken Partyka and Lowell Seim assist Schanche with seaplane, instrument, commercial and amphib training.

There is no minimum number of hours required to get seaplane certified, but most pilots acquire between 6 and 10 hours of dual instruction before getting signed off.

Schanche owns three seaplanes: a PA-12, Cessna 172 Skyhawk, and Cessna 185 Skywagon – all on straight floats. In addition, Schanche owns a Cessna 182 Skylane on wheels, and leases another Cessna 185 on floats.

For additional information on Adventure Seaplanes, contact Brian Schanche at 763-783-2498 or 612-868-4243

([www.adventureseaplanes.com](http://www.adventureseaplanes.com)).

Surfside Seaplane Base, located on Rice Lake, is a public-use facility, located approximately 4 miles east of Minneapolis Anoka County/Blaine Airport (ANE).

- Lat/Long: 45-08-59.8780N / 093-07-00.8000W (est).

- Elevation: 880 ft./268 m (est).

From the town of Lino Lakes, Minn., it's 2 miles south. By ground from the Twin Cities, take 35W north to Lino Lakes, Exit 36/Hwy 23, turn right and go one mile, then turn left into the seaplane base.

- CTAF: 122.9. Left Traffic.

- Pattern Altitude: 1480 ft. MSL.

- Fuel: 100LL.

- Parking: Buoys and Tiedowns.

- Camping: Under your wings.

The invisible water runways are 6,500 by 1,000 feet (NE/SW) and 5,500 by 1,000 feet (NNW/SSE). Parallel to the lake is Surfside's grass airstrip (Rwys 02/20), which is for private-use and by invitation only. The runway is 1,900 feet long by approximately 120 feet wide with

trees lining both sides of the runway, and projecting 100 feet on the approach end to Rwy 02.

Bruce Hanson, 74, is owner and airport manager, and the person most responsible for getting Schanche inspired to get his CFI. He says that his trucking business is what kept the airport alive for many years, but the airport is now self-sufficient with 50 seaplanes based there. Surfside was established in 1942. Hanson bought the facility in 1970, and can be reached at 651-780-4179.

The airport is served by Seaplane Services which is owned by Robert Timm who employs four full-time mechanics to handle both based and transient aircraft. For additional information, contact Robert Timm at 651-792-4703 ([www.seaplaneservices.com](http://www.seaplaneservices.com)).

There are five airport dogs at Surfside: an English Setter which is owned by Schanche, and two Doberman Pinschers owned by the Hansons; and two Black Labs, owned by Bob Timm and Mike Kunai. □

### **PILOT SAFETY FROM PAGE 31**

Another feature is the "Event Search." Here you can search by state or zip code using keywords. For example, if you are interested in learning more about gliders or sea-

planes, you can search a region for any programs relating to your specific area of interest.

I strongly encourage all pilots and aviation enthusiasts to register at

SPANS. The FAA is planning to replace the paper flyer they currently send announcing programs with this new service, which will provide more timely and complete information. □