



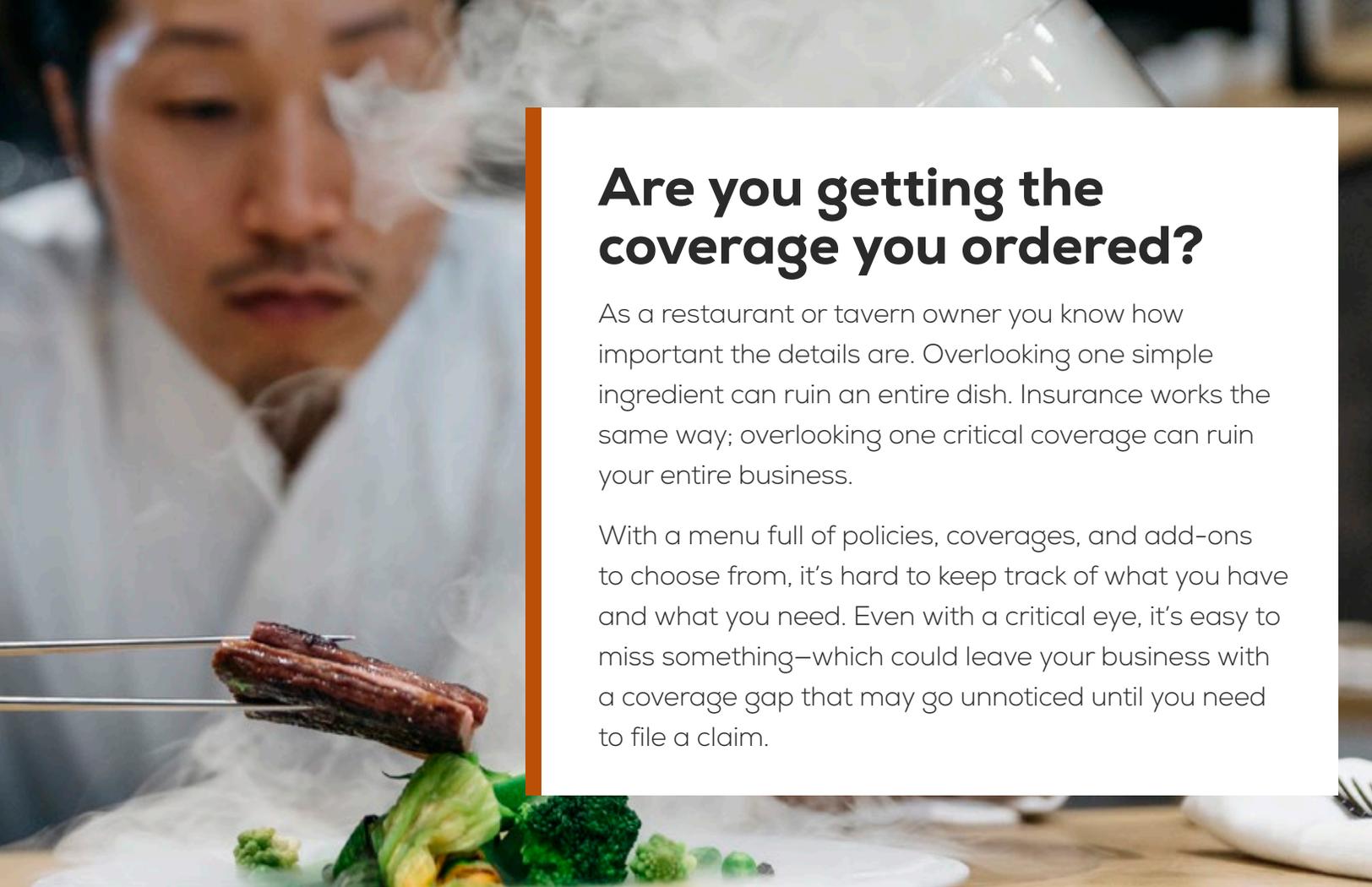
**Unexpected gaps**

**in the coverage recipe  
of your restaurant**

 **THREE**

**BY BERKSHIRE HATHAWAY**

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## Are you getting the coverage you ordered?

As a restaurant or tavern owner you know how important the details are. Overlooking one simple ingredient can ruin an entire dish. Insurance works the same way; overlooking one critical coverage can ruin your entire business.

With a menu full of policies, coverages, and add-ons to choose from, it's hard to keep track of what you have and what you need. Even with a critical eye, it's easy to miss something—which could leave your business with a coverage gap that may go unnoticed until you need to file a claim.

### Grandma's recipe, but definitely not her business

The restaurant and tavern business has experienced a lot of changes in recent years. Even restaurants with just a few tables are dealing with card and contactless payments, online orders, and third-party delivery services.

As the industry has evolved and new risks have emerged, insurance has not kept pace. Incremental additions to jargon-filled policies have only compounded the complexity. Things have gotten so unwieldy that even insurance professionals are sometimes left confused.

About **37%** of all **sexual harassment charges** filed with the U.S. Equal Employment Opportunity Commission come from the restaurant industry.<sup>1</sup>

1. Hultin, Suzanne. "Addressing Sexual Harassment in the Workplace" National Conference of State Legislatures LegisBrief: A Quick Look into Important Issues of the Day. May 2018



Meanwhile, small business owners are left to piece together an assortment of coverages, sometimes from multiple agents and carriers. This messy, time-consuming system can lead to restaurants and taverns struggling to identify and secure the right coverages, which can leave them dangerously underinsured.

Eating and drinking establishments have changed a lot over the years, both in terms of what they serve and how they function. Even today, a new restaurant might start out providing standard table service and perhaps be available for private parties. Over the years, they may broaden their offerings to include:



on and off-site catering



an art gallery wall



hosting outdoor events



digital reservations



selling food items, drink mixes or other goods at their location or online



maintaining a customer database for reservations, deliveries or marketing



delivery or support delivery services

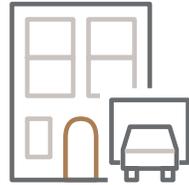
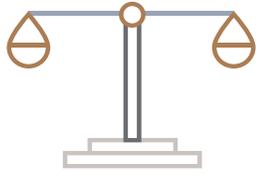


offering cooking classes

Each of these activities creates new risks, some of which may not be covered under **basic policies**.

See how THREE's comprehensive coverage protects restaurant and tavern businesses.

[THREEinsurance.com/why-three/restaurants-taverns/](https://THREEinsurance.com/why-three/restaurants-taverns/)



In today's world, restaurants and taverns need to be particularly aware of risks when it comes to **liability**, **property**, and **cyber**.





**Liability insurance** covers your business if it is sued by another party. Slips and falls used to be the primary risk for restaurants and taverns, but times have changed.

**Today, liability concerns include:**



Workplace harassment



Allergens/food incidents



Delivery and off-site catering



Liquor liability



**Property insurance** covers your business's property, which includes your physical establishment, equipment, and even food.

**Property is susceptible to all sorts of risks, including:**



Kitchen fires



Storms (wind, hail, rain, snow)



Floods



Theft



Spoilage

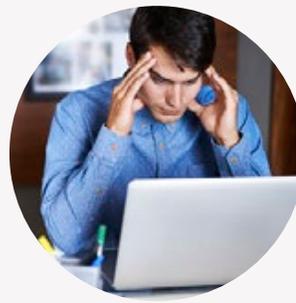


**Cyber insurance** covers your business for incidents involving your computer systems and your data. As restaurants and taverns become increasingly digital, the risk of a data breach or hack becomes increasingly likely.

Whereas in the past you might have known a regular's favorite drink, today you might have a record of their name, address, birth date, and credit card number. A data breach or hack could mean:



Stolen customer data



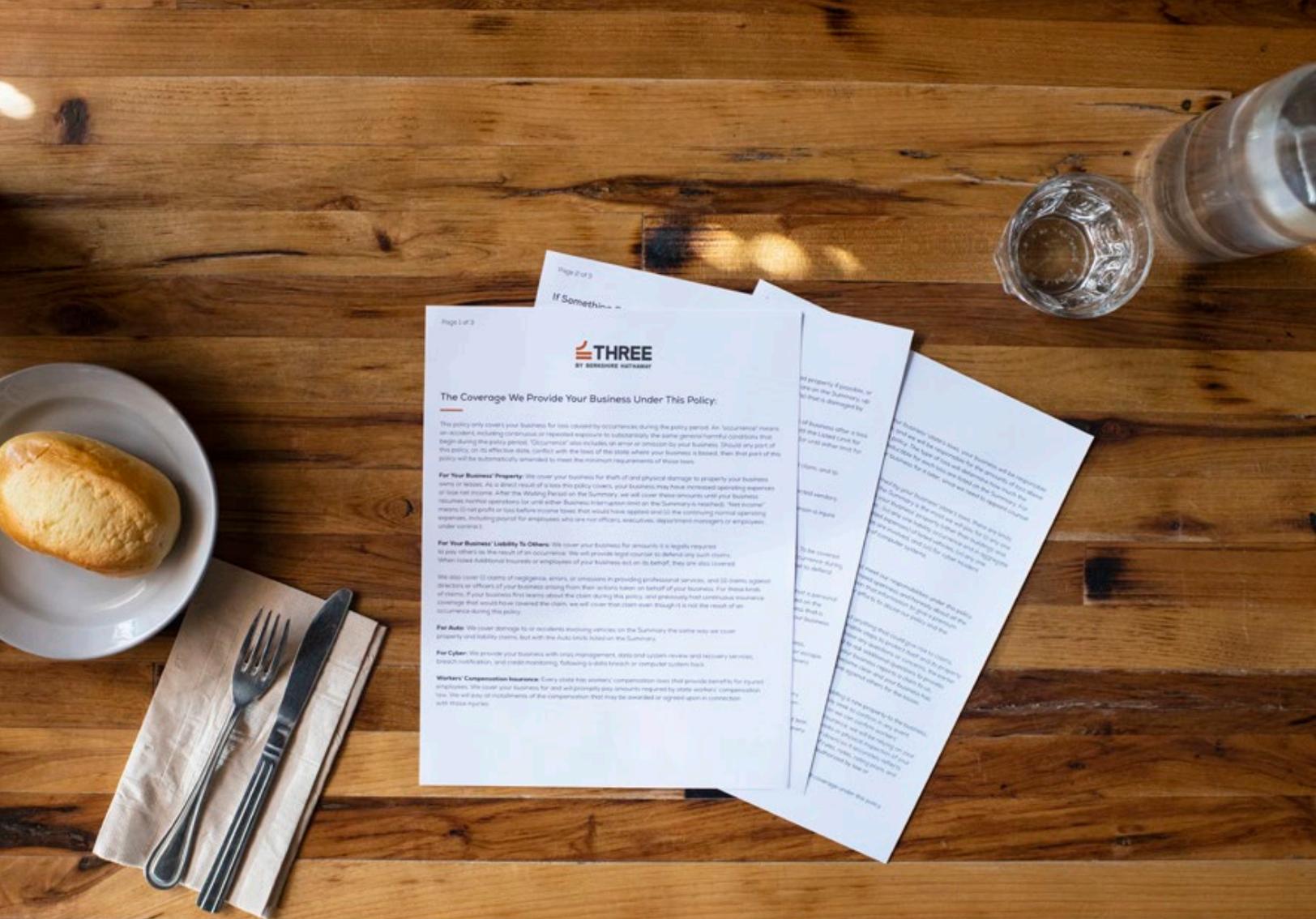
Ransomware attack



Compromised reservation system



Disruption to inventory system



## When the time comes, will your insurance provide **coverage** or **excuses**?

If only securing the right liability, property, and cyber policies were as straightforward as it sounds. There are several areas where coverage under these policies may be restricted or excluded entirely.

For example:

- Your restaurant or tavern's liability for an accident caused by an intoxicated patron might be excluded from a liability policy.
- Damage caused by a flood is typically excluded from most property insurance policies.
- Cyber coverage may cover the costs to investigate a cyber security breach, but not the damages claimed by your customers or suppliers.



## Get to know your coverage

**The best thing you can do to protect your business is assume nothing when it comes to your insurance coverage. Below are some questions to consider when reviewing your coverage.**

Am I covered for liability when performing all of the services my business provides? Be specific and think about all the services the restaurant provides (e.g., dining, catering, special events, delivery).

What property is covered (e.g., building, outdoor signage, equipment, food)?

Is that property covered both on-premises and also in-transit to another site, such as at a catering job?

Is my property covered for events that concern me (e.g., fire, theft, wind, flood, spoilage)?

If I have Workers Compensation coverage for my employees, does it also extend to me, the owner?

Do I have cyber coverage?

What limits and deductibles apply in each situation?

What are my responsibilities to protect my property or notify my insurer in the event of a loss?

**This is too important to put off. Contact a THREE Small Business Advisor to **review your coverage today**: 1-800-507-4495**

**If all this seems like a lot to consider, that's because it is. And if you think there must be a better way to protect everything for which you have worked so hard, there is.**

In May 2019, Berkshire Hathaway, an insurance industry leader, launched THREE, a completely new kind of small business insurance designed to provide simple, comprehensive coverage in a single policy. **It's the small business insurance that actually insures your small business—your operations, your people, and your property.** From floods to fires and physical injuries to cyber theft, it's all covered under one simple, cost-effective policy.





## Comprehensive coverage for your whole business.

It's time to leave that old convoluted pile of policies in the past. With THREE you can protect your business from the unexpected. From cyber incidents to injured workers to kitchen fires, THREE provides the comprehensive coverage modern restaurant and tavern businesses need to enable their growth.

### THINGS TO CONSIDER

- Is my business covered for all the services it provides?
  - Catering?
  - Delivery?
  - Special Events?
- What are my limits and deductibles?
  - Are they too high? Too low?
- Do I have the right liability coverage?
  - Employment-related?
  - Liquor?
  - Cyber?
- Are my property and equipment covered in the event of a fire? Storm? Flood?

Don't leave your business unnecessarily vulnerable.

Request a quote today.



[THREEinsurance.com](https://www.threeinsurance.com)



1-800-507-4495