

Spoilage coverage...I'm sure most of you don't really give it a second thought. Most restaurant insurance policies "throw in" \$5,000 or even \$10,000 of coverage. Even the policies that don't automatically include it have a relatively cheap endorsement to add it. But that coverage could disappear just when you need it if you didn't take notice of the stealth clause that voids your protection. Has your agent explained this little known protection stealer to you?

The first area to take a little time on is to answer the question, how much spoilage coverage do you actually need? Most agents will just ask "how much spoilage coverage do you want?" or some will just throw in an arbitrary number and go with it...but do you know how much is enough?

I've developed a pretty straightforward formula that will give you a good indication of how much you need. I invite you to give me a call if you want to find out more and I'll be more than happy to share this formula with you.

The other BIG issue with spoilage is what I call the "stealth clause". On the declarations page you'll see your coverage amount and deductible and you think all is well and good and then a freezer bites the dust on you (of course the day AFTER you get your steak order!) and you call in the claim. The insurance company adjuster shows up and asks you for your written refrigeration contract....What? no one said anything about having a written maintenance agreement. The adjuster then proceeds to show you where, buried on page 127 section C subparagraph 2 that the spoilage coverage only applies if you have a written refrigeration maintenance agreement in place and then he denies your claim.

This "stealth" clause is more common than you think. We have companies that understand that maybe you maintain your refrigeration yourself (I know I did when I had my restaurants and I still have the Freon gauges and a jug of R12 in the basement.) This is just one of the items on our proprietary checklist that we go through with you to insure you have the protection that you need at the most competitive price.

This blog just points out one of hundreds of reasons why you should only purchase your restaurant insurance policy from an agent who specializes in restaurants insurance. If your agent doesn't handle at least 25 or more restaurants, then you probably aren't dealing with a

specialist and what your agent doesn't know could hurt you financially.

At Clinard Insurance Group, in Winston Salem, NC, we specialize in both North Carolina restaurant insurance and South Carolina restaurant insurance. We want all of our clients to be informed insurance buyers and we work hard to help them understand all the ins and outs of the restaurant insurance policy. It doesn't matter if your establishment is fine dining, casual dining, fast food, bar & grill or even catering, we understand your business and we have a program that can help you. Please call us, toll free at 877-687-7557 or visit our [Restaurant Insurance Page](#).