

If you are considering opening an eating establishment, then one of the hurdles you will have to handle is purchasing [restaurant business insurance](#). You will need to know what types of insurance policies you might need and how they will affect

your business.

This article approaches this problem from an overview perspective and covers really the basic outline of the types of insurance policies that you should consider.

For more details on any of these types of policies, you may want to read more of my restaurant blogs at [www.RestaurantInsuranceGuy.com](http://www.RestaurantInsuranceGuy.com)

**Property Insurance** – You will need to consider coverage for your building and your contents. If you don't own the building, check your lease to be sure that your landlord is requiring you to carry coverage on the building.

Also, if you are a tenant, be sure to carry a high enough limit to replace all of your contents in a total loss.

Also, don't forget to include enough building coverage for the improvements and betterments that you make to the building itself in order to decorate the restaurant as yours.

**Liability Insurance** – You will need protection for your company for premises liability in case someone is injured on your premises. A good example of this would be someone who slips on a wet spot and is injured in your restaurant. In addition, you will need products liability for injury caused by the product you sell, that is the food.

This would protect you if someone breaks a tooth on a meal or claims food poisoning as a result of eating at your establishment.

**Business Interruption Insurance** – This coverage will provide your lost income and ongoing expenses that occur while your business is out of business due to a covered loss such as fire or tornado. It is very important to have this protection to make sure that once you rebuild, you are still able to stay in business.

Mechanical Breakdown Coverage – What happens if your air conditioner stops working in the middle of July? No one will visit your restaurant and suppose it takes 5 days to order the part and get the air conditioner repaired. How will you deal with the loss of earnings that occurred during this time? This protection solves that problem.

[For more detailed information on mechanical breakdown coverage visit my blog by clicking here.](#)

Liquor Liability – If you sell alcoholic beverages then this protection is a must. You can be sued by a third party if they are injured by one of your patrons who may have imbibed an adult beverage while visiting your establishment.

These claims can be huge and can come out of nowhere so it is very important that you don't overlook this protection.

Automobile Insurance – This is a no brainer if you purchase a vehicle in the company name. But even if you don't you need this coverage.

At the very least you need non-owned auto protection in case you ask one of your employees to run an errand for you and they have an accident while on that errand.

Workers Compensation – In NC the rules say that you don't have to purchase a workers compensation policy if you have 3 or less employees. But what most don't realize is that you are still on the hook for paying all claims yourself if you don't purchase a policy.

For more help with workers compensation rules and audit tips, be sure to visit my general blog at [www.InsuranceAnswerGuy.com](http://www.InsuranceAnswerGuy.com)

[Life Insurance](#) – You may need additional life insurance to cover the money that you had to borrow to set up your business, or you may want to fund a buy out in the case of your death with a key man life insurance policy.

Disability Insurance – don't forget to protect yourself in the event you become disabled and

cannot work for a period of time.

Many of these coverages can be combined into one package policy so that you won't have 10 or 15 different policies to keep up with. The best way to handle your insurance needs is to seek out an insurance agent that specializes in restaurants, one who knows the ins and outs of insuring restaurants and already insures 100 or more of them.

At Clinard Insurance Group, in Winston Salem, NC, we specialize in restaurants and write them in both NC and SC.

We understand that not every restaurant is the same and so to avoid making you a square peg jammed into a round hole, we have designed 5 different insurance programs for different types of restaurants.

We have a program for  
[casual dining restaurants](#)  
, one  
[for fine dining restaurants](#)  
, one for  
[fast food insurance](#)  
, one for  
[the bar and grill or tavern insurance](#)

and one  
[for catering insurance](#)

If you would like help with your restaurant insurance, please call us, toll free, at 877-687-7557 or visit us on the web at  
[www.TheRestaurantInsuranceStore.com](http://www.TheRestaurantInsuranceStore.com)