

More and more restaurants these days find themselves searching for ways to pick up additional revenue. One of the easiest ways to do this is to add food delivery as an optional service. Done correctly, it can be like expanding your dining room seating capacity without paying additional rent. If you have added delivery service, or if you are thinking of doing so, don't forget about the insurance issues associated with this service.

The most important step to take when adding delivery is to bring your insurance agent in on this decision. You want to keep your insurance company informed of this change in your business and you may need to add some additional insurance protection to keep your restaurant safe from some of the hazards of delivery service.

Perhaps the most important restaurant insurance issue that delivery creates is the need for some automobile insurance protection. Most restaurants simply let delivery employees use their own vehicles to deliver their food to customers' homes and businesses. This makes a lot of sense from the standpoint of avoiding the costs of buying, insuring and maintaining a fleet of vehicles. But how do you protect your restaurant from risks of financial loss stemming from an accident caused by one of your delivery employees?

Protecting your eating establishment from losses caused by your employees in their cars running deliveries, requires some type of non-owned auto insurance coverage. Non-owned auto liability can often be added to your restaurant insurance package at very low costs. Now be careful, some policies will only add this coverage with a low limit of protection. You should evaluate your limit of coverage very carefully to be sure that you have enough insurance to protect your restaurant from the most serious accident.

Non-owned auto insurance is typically an excess coverage. This means that the claim will only be paid when all primary insurance in force has been exhausted. Your employees' personal insurance policy will usually be seen as the primary insurance and should provide a bit of a buffer between you and the loss in most cases. With this in mind, I suggest that you establish a system for obtaining a copy of each driver's personal auto policy. Make a note of when the current policy will expire and make sure that you have a system in place to check to be sure that your employee renewed his or her personal auto policy and that you obtain a copy of the renewal. It is also important that you study the limits of liability on these primary policies that your employee's provide. The higher the limits that you can require them to carry, the larger that buffer of protection before your non-owned auto policy has to be activated on a claim.

Restaurant insurance is complicated and requires that you choose an agent with a great deal of experience in writing restaurant insurance. Once you have found that agent, make sure that you keep him or her in the loop about any and all changes that you implement in your restaurant. You never know when some change you put in place might leave your restaurant exposed with no insurance coverage. If you need any help with your restaurant insurance or if you just have questions you would like to ask, I hope you will feel free to call Clinard Insurance Group, toll free, at 877-687-7557.