

# RESTAURANTS FACE FORMIDABLE RISKS. BRING MORE COVERAGE OPTIONS TO THE TABLE.

## TARGET STANDARD INDUSTRIAL CLASSIFICATION CODES (SICs)

5812	Eating & Drinking Places (fine dining, full service (with wait staff), delicatessen, coffee shop, fast food or quick service, doughnut or bagel shop, ice cream shop, juice bar, cafeteria, buffet, caterer)
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Visit our [Appetite Guide](#), accessible through the EBC, for a complete list of eligible classes.

## DEFINITION

Maximum Property Values

- \$10M per location
- \$15M per policy total

Maximum Sales Values

- \$15M per location
- \$15M per policy total

Payroll: \$5M

“Eating in” is becoming a cost-saving practice for many. For that reason, restaurant franchise owners are putting more emphasis on locations with a heavy takeout and delivery business,<sup>1</sup> opening up opportunities to sell auto coverage. Restaurateurs have other challenges you can help them manage. For instance, the highest rate of substance misuse of any profession.<sup>2</sup> And a dearth of qualified applicants to hire from, increasing the potential for injuries and liability.<sup>3</sup> Serve up proven solutions from The Hartford.

## WHAT GOOD LOOKS LIKE

What kinds of restaurants have risks we'd underwrite? Those with:

- Franchise operations
- The same ownership for 1-2 years
- Limited delivery
- Hours ending at 12am
- Moderate liquor sales
- No live entertainment
- Newer construction
- No loss frequency
- Standalone building
- Sprinklered building
- Limited deep frying
- Limited happy hour

## SPECTRUM® BUSINESS OWNER'S POLICY (BOP)

### OPTIONAL COVERAGES



### KEY PROPERTY COVERAGES

- **Franchise Upgrade Coverage** – Helps pay additional costs a franchisee may incur to upgrade damaged property to franchise standards following a loss covered by the policy. Very few carriers offer this coverage.
- **Business Income for Cloud Service Interruption** – Helps replace lost income if affected by a sudden and unexpected interruption in cloud service. No other carrier currently offers this coverage on a BOP.
- **Business Income from Dependent Properties** – Helps replace lost business income if a third party that a restaurant depends on for a large portion of their income, or for income generation (e.g., anchor store, customer, supplier or manufacturer) is unable to purchase services or goods or provide products or inventory due to a covered property loss at their location.

- **Spoilage** – Helps a restaurant owner recover from spoilage of perishable stock (e.g., meat, poultry, fish, dairy products) resulting from the mechanical failure of coolers, refrigerators and freezers. It also covers spoilage due to power failure or contamination by a refrigerant.
- **Food Contamination** – Helps cover lost income and extra expenses when restaurant operations are suspended by a Public Health Authority due to food contamination. It also helps pay to clean and sanitize contaminated equipment and to replace contaminated food.



## KEY LIABILITY COVERAGES

- **Data Breach** – Helps pay for first-party response expenses, such as: Crisis management costs, notifying impacted parties, public relations and good faith advertising.<sup>4</sup>
- **Employment Practices Liability** – Covers employment-related claims like discrimination and wrongful termination.<sup>5</sup>
- **Liquor Liability** – Covers those risks with eligible liquor exposures.
- **Umbrella Policy** – Provides a layer of excess liability protection over specifically identified primary policies (e.g., Business Liability coverage, Business Auto policy).
- **Broad Form endorsement** – Included on all policies and features 19 coverage enhancements.
- **Fender Bender and Accident Forgiveness Program** – Rewards your clients for making safe choices, which may help control premium costs.



## WORKERS' COMPENSATION

DEFINITION: Maximum Payroll per policy (where used as the rating basis): \$5M

- **Broad Form endorsement** – Added to every policy we write. Includes six additional coverage features, at no additional cost.<sup>6</sup>
- **Billing options** – Helps your clients manage cash flow.
- **Value-added services** – Customers of The Hartford have access to programs that could improve the health of their businesses and the safety and well-being of their employees.<sup>7</sup>
  - **CareerBuilder Employment Screening** – Background checks, drug testing services and MVR searches
  - **Herman Miller®** – Ergonomic workstations
  - **Naturally Slim®** – Corporate wellness
  - **Shoes for Crews®** – Slip-resistant footwear<sup>8</sup>



## DIGITAL SERVICES

Simple, easy and always available, allowing your clients to:

- **Request Certificates of Insurance and auto ID cards** from their smartphone, laptop, tablet and more.
- Have **direct access to us** 24/7, 365 days a year from anywhere that's convenient for them.



## AUTO

DEFINITION: Coverage is available for all industries and property values/sales/payrolls when supported by a Spectrum® BOP and/or workers' comp policy. Not all classes or fleet sizes are eligible for monoline auto.

## QUOTE THE HARTFORD TODAY!



Property  
Liability  
Workers' Comp  
Business Auto

<sup>1</sup> <https://www.restaurantbusinessonline.com/financing/why-retail-apocalypse-main-factor-restaurants-traffic-problems>

<sup>2</sup> <https://www.latimes.com/food/la-fo-sobriety-addiction-restaurant-industry-chefs-support-20190604-story.html>

<sup>3</sup> <https://restaurant.org/research/reports/state-of-restaurant-industry>

<sup>4</sup> Verizon's 2017 Data Breach Investigations Report, Executive Summary.

<sup>5</sup> Limits up to \$1M are available to policies written in Sentinel Insurance Company, Ltd. Limits up to \$500,000 are available to business written in all other underwriting companies. Limits above \$1M may be available through Hartford Financial Products (privatecompanyinsurance.com). Third-party liability endorsement is only available to eligible policyholders.

<sup>6</sup> Not available in all states.

<sup>7</sup> The Hartford does not offer or provide the Shoes for Crews, Naturally Slim, Aurico and Herman Miller products and cannot make any claims or promises that use of those products or services will result in lower workers' compensation losses. All such products and services are provided by Shoes for Crews, Naturally Slim, Aurico or Herman Miller, respectively. Herman Miller® is a registered trademark of Herman Miller, Inc. The use of research provided in this document is not an endorsement by the researchers or their associated organizations.

<sup>8</sup> The Hartford does not offer or provide the slip-resistant footwear and cannot make any claims or promises that use of the footwear will lower workers' compensation losses. All Shoes for Crews products and guarantees are provided by Shoes for Crews. Visit [shoesforcrews.com/thehartford](https://shoesforcrews.com/thehartford) for detailed terms and conditions.

Property value changes do not apply in Florida. Agents should refer to our Florida Wind Underwriting Guidelines.

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