Restaurant insurance is a specialized package of policies designed to protect food service businesses from risks like customer injuries, property damage, food contamination, and employee mishaps. Key coverages typically include general liability, property insurance, liquor liability, and workers' compensation, often bundled into a Business Owner's Policy (BOP).

Essential Restaurant Insurance Components

- General Liability: Protects against claims of bodily injury (e.g., a customer slips) or property damage to others.
- Commercial Property Insurance: Covers your building, kitchen equipment, inventory, and signage from fire, theft, or vandalism.
- Liquor Liability: Essential if you serve alcohol; it covers damages if a patron is intoxicated and causes harm.
- Workers' Compensation: Legally required in most states; covers employee injuries sustained on the job.
- Business Interruption: Reimburses lost income and pays expenses if you must close due to a covered event like a fire.
- Food Spoilage/Contamination: Covers inventory lost due to power outages or mechanical failures.
- Product Liability: Protects against lawsuits stemming from foodborne illnesses or contaminated food.

Why Restaurants Need Specialized Insurance

- Restaurants are high-risk environments with high foot traffic, fire hazards, and potential for spoiled inventory. A single incident, such as a fire or lawsuit, could force a restaurant to shut down permanently without proper coverage.

Common Add-ons and Customizations

- Equipment Breakdown: Covers repair/replacement costs for specialized kitchen machinery.
- Assault & Battery Liability: Addresses claims related to employee or security behavior.
- Hired/Non-Owned Auto: Protects the business if an employee uses their personal car for deliveries.