

SCORE SouthEast Wisconsin

Business Insurance – what kind and how much?

Many entrepreneurs dismiss, or neglect, or postpone looking at insurance for their business. “I have priorities: all my energy goes into building my business.” Insurance coverage with premium payments can wait.

For my business what kind of insurance do I need? How much coverage is adequate but not excessive? What does it cost? What companies offer this type of insurance?

Main coverages: property, liability, worker’s compensation, automobile and umbrella policies.

These things you find out from an insurance agent, one that deals everyday in business or commercial insurance. Not auto, not medical, not life insurance, etc. Your ideal agent is one who has clients in similar businesses.

Contact friends, business associates, even competitors in your community who might be a reliable and honest agent for you. Ask your banker, or accountant. Pick an agent with experience, preferably one who deals in your type of business, who knows the risks your industry is exposed to, and can suggest what is a prudent deductible amount.

Interview two-three-four agents and get their input into your situation. Listen to their suggestions on what kinds of coverage you might need, and in what dollar amounts. Coverage and costs relate to the dollar volume of your business. From their ideas you can estimate yourself about what you need, and can afford.

Some agents are company agents and represent one company. Others are Independent Agents and represent a stable of companies. Find an agent who specializes in commercial policies. Independent agents have the advantage of finding the lowest cost for you because they deal with multiple companies.