



INSURANCE

What you need to know

By Jennifer Houston CAIB
Registered Insurance Broker
jhouston@hsfinancial.ca

So, you're open for business! Have you included in your business plan how you are going to protect your investment? Every business owner, small or large, should be aware of the risk of operating without insurance. Incidents such as a fire, theft, storm damage can have devastating effects if you need to replace everything you have. Whether you are home based or operating a grooming studio, you are vulnerable to events that are out of your

control and can affect the success of your business. Every business is different, but there are a few key coverages to consider when insuring your business.

Commercial Property insurance coverage includes furnishings, equipment, stock and renovations you may have done to the space where you groom. You set the limit of insurance according to the replacement cost of these items. On property coverage there will be a deductible applied,

usually \$500 or \$1,000. This is the amount a business owner pays before the insurance coverage kicks in. If the cost to replace damaged property is below the deductible, then you don't claim it through insurance.

Commercial General Liability covers property damage or bodily injury to third parties. It is often referred to as "slip and fall" coverage. If you rent a location, it is most likely in your lease

Continued on Next Page



Are you protected?

Customized, affordable liability insurance for dog groomers

Whether you're a spa, mobile, private groomer or a groomer in a veterinary clinic, we offer a comprehensive package of professional liability, general liability and content insurance.

We cover a wide range of services including grooming, bathing, ear and eye cleaning, expressing and nail clipping.*

* Certain conditions apply.

PROfur™

Insurance for Pet Care Professionals

To learn more, call toll free at
1-800-411-7979 • Toronto: 905-727-4605
or visit our website at www.profur.ca

The PROfur™ groomer insurance program is offered exclusively by:



It's your business. Protect it with PROfur™!

L1613

READ CANADIAN GROOMER ONLINE!



www.CanadianGroomer.net

Insurance continued from page 22

agreement to carry a liability limit of \$1,000,000 or higher. The thing about liability insurance is, if you don't have it and are sued for negligence, then you are on your own.

All your legal fees and settlements awarded to the injured party come out of your own pocket. This can put business and personal assets at risk if the settlement is a large one. That includes "alleged" negligence. You may have done nothing wrong, but once someone decides to sue you, you still need to respond and deal with the costs.

Home based business owners often think they don't require commercial liability because they have home insurance, but home insurance is not designed to cover a business. A home-owner policy may actually exclude business operations completely.

Professional Liability (also known as malpractice) covers liability arising out of negligent acts in rendering, or failing to render, professional services. Professionals are people who hold themselves out as having a special

skill, knowledge or experience. As a professional groomer, your business provides a service for a fee, therefore you have a professional liability exposure. If you do not have professional liability insurance, the defense and settlement costs can risk everything you have worked to achieve.

If you belong to a professional association, check to see if they offer a discounted insurance package as a benefit to their members. These insurance packages usually have coverage more specific to your industry like dog bites or runaway dogs.

One important distinction to make is a commercial business policy will not respond if you, the groomer, are injured or ill and unable to work. There is coverage for injury to clients and damage to property, and some policies include loss of income if you experience an interruption of business operations due to an insured loss (eg. fire, theft). If you, the owner, get injured or become ill and cannot work, you need Disability or Critical Illness coverage, and these are not

included on a commercial business policy. How long could you continue to cover your expenses and maintain your client base if you can't work? A licensed representative can help you determine how much coverage you need to stay afloat during a difficult time that affects your ability to work.

Many times I have been told "I have been in business 10 plus years and never had a problem, "I'm very careful." A serious loss or accusation need only occur once to put you out of business, and that is the purpose of insurance. To put you back in the same shoes as before the loss. You never know when a natural disaster will strike, or a break-in could occur. It's better to be prepared than to be hit with a large bill after it happens.

And finally once you have purchased that insurance don't file it away, and never look at it again. Review your insurance policy at least once a year to make sure it still meets your needs.

PetQuest 2010

July 22-25, 2010

**The Drawbridge Inn,
Fort Mitchell, KY**

**Top Industry
Speakers**

**BIG Pet Care
Trade Show**

**IJA Grooming
Events**

www.barkleigh.com

Phone: (717) 691-3388 • Email: info@barkleigh.com