

4 ways your business can benefit from equipment breakdown coverage.



From computers to cranes, stoves to HVAC systems, your business undoubtedly relies on equipment to run smoothly. The mechanical, electrical and computer equipment your company uses, however, is not invincible. It can break down, malfunction, be damaged and cause unexpected disruption. So, to protect your business, let's explore what is equipment breakdown coverage.

What does equipment breakdown insurance cover?

Your machinery and equipment may not always be there for you when you need it, but thankfully there's something that is: equipment breakdown coverage. Here are four ways your business can benefit from a policy.

1. Payment to repair or replace equipment. Breakdowns can happen at any time. But there's almost never a good time to have to repair or replace damaged items, especially expensive ones. With a policy, covered equipment includes:

- Electrical distribution systems
- Electronic equipment
- Telephone systems
- Heating and cooling systems
- Refrigeration equipment

2. Coverage for lost income. Let's say you run a restaurant and service is halted when your refrigerators break down. Or your factory has to press pause when a press stops working. Equipment breakdown coverage can cover the loss of business income you incur until you're able to return to business as usual. Equipment breakdown will even cover costs to replace lost inventory

(like the spoiled menu items at your restaurant).

3. Peace of mind in modern times. Technology has become invaluable for most businesses. But it has also created new risks. Electronic equipment often is sensitive to internal disturbances like power surges and electrical shorts. And because so many electronic and electrical systems are interconnected, one small glitch can cause a chain reaction of issues. This type of policy can cover costs associated with the time and labor needed to repair and replace your damaged equipment.

4. Protection for gaps in other coverage. Some businesses may not realize it, but certain equipment damage is not included in commercial property insurance. For example, a commercial property policy may protect equipment from external forces like fire and storm, but not against breakdown, accidental damage or failure. Equipment breakdown can cover gaps that other policies don't.

If you have concerns about power surges, electrical shorts, mechanical breakdowns or motor burnout, equipment breakdown coverage could be right for you. Talk to a local, independent agent about getting a policy today.