



# Hortica Equipment Breakdown Coverage for Florist Shops

Florist shops sell fresh-cut flower arrangements, floral supplies, plants, event supplies, holiday merchandise, and also deliver floral arrangements. Florists use refrigeration systems, air conditioning systems, electric motors, and all types of electronic systems including office computers, scanners/copiers, telecommunications equipment, and security systems, making them susceptible to equipment exposures.

Electrical breakdown is the most prevalent cause of loss at a flower shop. This breakdown is typically caused by poor electrical power quality delivered by the electrical utility grid, and from load switching inside the building. These types of losses would be covered by equipment breakdown. From a loss standpoint, boiler and pressure vessels account for the lowest frequency of loss. Damage caused by a sudden breakdown to critical refrigeration compressors/motors not only leads to loss of customer business, but can also result in costly inventory spoilage.

## Typical Losses

The defrost timer on a walk-in cooler was damaged by an electrical arcing event which resulted in a perishable inventory loss leading to missed deliveries, and loss of customers.

Additional expenses were incurred to replace the lost products and dispose of damaged inventory.

<b>Property Damage:</b>	\$265
<b>Consequential/Spoilage:</b>	\$3,500
<b>Extra Expense:</b>	\$1,850

A refrigeration compressor supporting the walk-in cooler mechanically seized. As a result, the inventory in the cooler spoiled, and the compressor had to be replaced.

<b>Property Damage:</b>	\$2,330
<b>Consequential/Spoilage:</b>	\$1,375

After an outage, the main controller supporting the phone system grounded. As a result, the insured was unable to take orders. In addition to repairing the phone system, a business income loss was experienced.

<b>Property damage:</b>	\$3,890
<b>Business Income:</b>	\$2,250

## Exposures

### Boilers and Pressure Vessels

Boilers  
Water Heater

### Mechanical Equipment

Automated Dosing System  
Pumps  
Air Conditioning Units  
Fogging/Misting System

### Electrical Equipment

Motors  
Electrical Distribution Panels  
Business Signs  
Ventilation Fans/Blowers  
Refrigerated Display Cases  
Transformers  
Lighting System  
Computer Servers and Routers  
Point-of-Sale Equipment  
Telecommunications Equipment  
Security System  
Refrigeration System  
Computers

### Time Element

Business Interruption  
Extra Expense  
Expediting Expense  
Service Interruption

### Class-Specific

Consequential Damage/Spoilage