



Mind the (Insurance) Gaps

In seasonal industries like landscaping, the arrival of warmer weather signals turnover for your business. Equipment that sat idle through the winter is dusted off and prepped for action, seasonal employees are hired and trained, supplies are restocked and deliveries are scheduled — all in anticipation of the busy months ahead.

Landscaping is a hands-on industry, with business owners and employees spending their days outdoors immersed in the work. For many, this isn't just a job — it's a passion. The love of nature and fresh air, as well as the thrill of watching carefully planned landscapes and gardens take shape, likely inspired you to start your business in the first place. As the spring season unfolds, those visions begin to come to life again.

But there is always a side to running a small business that brings a dose of reality. Behind every beautifully designed landscape or thriving nursery are many administrative tasks, including securing necessary permits and managing payroll, taxes and insurance. But you likely got into this business because of your experience with the growing season, local flora and mitigating the effects of an unsuspected frost — not taxes and insurance.

With this expertise comes the knowledge that nature can be a fickle beast and even the most researched plans can get uprooted in the landscaping industry. From unpredictable weather to equipment

failures and the potential for property damage or injury — staff or clients — the potential for loss can be significant. The realization that not everything may come up roses is sobering.

Fortunately, there are actions you can take as a small business owner to bring some peace of mind as you go through the busy season. While some might think the most important priority is lining up clients, it isn't. Sure, building a strong customer base is not only helpful, it's necessary. However, the best thing you can do for yourself, your business and your employees is to ensure your business has the appropriate insurance coverage for your line of work. Don't let gaps in

your insurance coverage limit your company's success.

You might already have a general liability policy in place, which is a significant step toward protecting your business and ensuring success. A general policy typically helps cover your company in the case of accidental property damage or customer injuries. However, a general policy only goes so far. When it comes to businesses in the nursery and landscaping industries, there are risks to your company and employees' health and safety that may not immediately come to mind when determining the best way to keep your business covered from liability.

These are just a few examples of gaps you may have in your insurance coverage:

Workers' Compensation

General Liability Insurance does not cover costs associated with employee injuries. Workers' Compensation is just one of the other policies a business owner should consider — and ensure it is up-to-date — when gearing up for the upcoming season. In Michigan, all private employers with one or more employees working 35 hours or more per week or employers with three or more full- or part-time employees [must carry a Workers' Compensation Insurance policy](#).

Business owners can also consider including themselves under their business's Workers' Compensation policy, though in Michigan, the ability to do this depends on how your business is set up. A conversation with a knowledgeable insurance agent can help determine this quickly. Through the Michigan Nursery and Landscapers Association (MNLA), members can contact insurance expert Ashley Thomas for a free comprehensive overview of business risks and needs.

Pollution Liability

If your business utilizes pesticides, herbicides or fertilizers, it is wise to consider a Pollution Liability Insurance policy. From the possibilities of pesticide or herbicide overspray killing the plants of a client's neighbor to rain washing fertilizer into a nearby pond, each with potential resulting litigation, this is essential coverage for landscapers and nursery owners. While Michigan may not legally require a Pollution Liability policy, it is highly recommended, and some clients might require Pollution Liability Insurance before work may commence.

Tools and Equipment (Inland Marine)

A landscaping business is typically as good as its people and access to equipment. With that in mind, insuring your business's tools and equipment is a must as you gear up for the growing season. Tools and Equipment Insurance is a type of Inland Marine Insurance covering property like mowers or tractors. However, suppose your business uses a truck and/or trailer to transport this equipment between jobs. In this case, these items must be covered by a Commercial Auto Insurance policy, which helps safeguard your company against injuries or damages you or your employees might cause while on — or on your way to/from — the job.

Commercial Property Insurance for Home-Based Businesses

Often, a small business owner may use their home as the primary base for their business. They may think their Homeowners Insurance policy covers the business equipment stored there. But, a Commercial Property rider may be necessary. You can also consider a standalone Business Owner's Policy (BOP), which typically covers General Liability, Commercial Property and Business Interruption insurance.

Identifying coverage gaps can sometimes be complicated and overwhelming. But don't let the unknown threaten your business. Smart business owners identify and use their resources wisely, and industry organizations like MNLA provide a wealth of knowledge and access to industry experts. Through MNLA, members can access Gallagher Affinity to help you identify and secure the coverage your business needs. For a free comprehensive overview of your business's risks and coverage needs, contact Ashley Thomas at [918.764.1619](tel:918.764.1619) or ashley_thomas@ajg.com.

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