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A majority (68 percent) of small-business owners don't have a written disaster recovery plan — even though about half (49 percent) said it would take their business at least three months to recover from a natural disaster, according to [Nationwide's Small Business Indicator](#).

That's according to a survey from Nationwide Insurance, which was conducted

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claims. While the number of claims has fluctuated over the past decade, the severity has increased steadily. The insurance company says it has seen a 26 percent increase in the average severity of commercial catastrophe claims when comparing the three-year period between 2014-2016 with the seven-year period between 2007-2013. The company has also seen a 14 percent increase in unique commercial catastrophe events that impact a business when comparing those same time periods.

Despite those statistics, the survey revealed critical gaps in disaster preparedness for small businesses:

- 71 percent of small-business owners don't have business interruption insurance, which can be vital to survival since an estimated 25 percent of businesses never reopen following a major disaster
- 21 percent of small-business owners without a written disaster plan said they don't have one because it's not a high priority for them
- 22 percent of small-business owners have already been impacted by a natural disaster

While most small-business owners don't have a formal plan, many have taken various steps to prepare for a natural disaster. The majority reported that they can work remotely in case of a natural disaster (82 percent), have duplicated and stored their company's vital records off site (75 percent) and have access to alternative suppliers (78 percent).

In addition to taking steps like these to keep businesses running following a disaster, insurance can play a critical role in recovery. For example, Nebraska-based seed dealer Dan Oswald never expected rare twin F4 tornadoes to tear through his small rural town in 2014 and destroy his business.

But because Oswald was properly insured, his insurance claim was processed before

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Small Business

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