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SMALL BUSINESS

68% of Small Business Don't Have a Disaster Plan

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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.

“Small-businesses owners are crucial to our economy,” said Mark Berven, president of Nationwide Property & Casualty. “And they are often the ones impacted the most by a disaster. That's why it's so important for people to start preparing now — especially as we head into the spring storm season.”

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 the governor even landed to declare a state of emergency. Since then, Oswald has rebuilt and increased the square footage of his facility by 66 percent.

"I knew what a tornado could do, but you never think it would hit your place," Oswald said. "I didn't even recognize it. Indescribable. You don't know what street you're on or what you're looking at because you don't have any landmarks or anything in your memory that tells you where you're at. I think you kind of go into shock a little bit. But two days after the tornado, I had a check in my hand."

Then there were the hurricanes in 2017, which destroyed homes and businesses in Florida, Texas, Puerto Rico and the U.S. Virgin Islands.

[FEMA offers a small business disaster preparedness website with tips, guides and checklists.](#)

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