Vendor Insurance
What Does My Market Require Me To Have?

Why Care About Insurance?

Insurance is protection against some of the risk involved in doing business. There are multiple types of policies that can be purchased to insure yourself and the products you sell at the market. It’s important to research insurance coverage and what will not be covered in your policy. Liability insurance is in place to cover legal claims against the insured and is commonly required for vendors at farmers markets in Iowa.

Handout 4 of 12

1) Market Manager
As commander of the market, the market manager will easily be able to answer general questions and refer you to who to talk to for more detailed information. Talk to them about insurance requirements for vending at the market. Don’t forget to ask if the market is a member of the Iowa Farmers Market Association, which may have access to membership perks related to insurance.

2) Insurance Provider
Have a conversation with your current home, auto, life, etc. insurance provider. When talking to an agent, be clear about what products you want covered by the policy and make sure their policy covers those products. Not all policies and providers are the same, so it’s important to do your research before deciding on a policy for your business.

3) Similar Vendors
Chat with farmers market vendors who sell products similar to yours and ask them questions. Experienced vendors are a wealth of knowledge and can speak to situations where insurance has helped them in the past. Who is their agent and provider? What kind of policy do they have? What information should you gather before meeting with an agent?

No matter what business you’re in, there is always risk involved. Insurance is one way to protect yourself from these risks.

- Washington State Farmers Market
LIABILITY INSURANCE
Making Sure You’re Covered

Producer liability insurance is an umbrella term for two specific types of insurance, 1) Product Liability and 2) General Liability.

**Product Liability**
Covers claims related to product that the farmer sells, which typically includes fruits, vegetables, eggs, baked goods, etc.

*Example:* A consumer buys a dozen eggs, and later claims that those eggs made them sick. They sue you for food poisoning.

**General Liability**
Covers claims brought against the farmer that are not related to product that the farmer sells.

*Example:* A shopper tripped over one of the bungee cords that ties down your tent and needed to get stitches. They sue you for personal injury.

**What do you want covered?**
Not all producer insurance policies offer the same coverage. When buying producer insurance, be very clear and specific with the agent about what products you want covered by the policy and make sure that the policy provides that coverage.

*Example:* Product Liability insurance may cover your fruit and vegetable sales, but not your meat and dairy sales.

*Example:* General Liability insurance might not cover temporary structures, such as tents or tables.

**Questions to Ask about Insurance**

**Ask Market Managers:**
1) Do you require vendors to carry insurance?
2) If so, what type of insurance requirements do vendors need to attend your market?
3) When and where does the market operate?
4) Does the market have insurance?

**Ask Insurance Providers:**
1) What products are covered by my product liability insurance? What types of products are not covered?
2) What incidents are covered by my general liability insurance? What types of incidents are not covered?
3) Does my liability coverage extend to only one market, or to all of the markets that I attend?
4) Does my coverage extend to my employees and representatives and their actions?