



## Business Interruption – How You Can Survive in the COVID-19 World

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The COVID-19 pandemic has disrupted our business lives and caused widespread economic panic in virtually every corner of the economy. For businesses subject to various shutdown orders or having employees diagnosed with COVID-19, the idea of business interruption is now a reality. Many businesses have insurance policies which contain “business interruption” coverage, and business owners must determine whether they can mitigate or cover entirely any losses they are sustaining. Businesses must now ask themselves...

**The Problem:** Do I have a legitimate claim for business interruption under my insurance policy to cover any of the losses caused by the COVID-19 pandemic closures, shutdowns, or illnesses?

**The Short Answer:** Probably not (but don’t take “No” for an answer – see below), if your policy has a standard, current business interruption coverage provision. While the phrase “business interruption insurance” itself would naturally seem to apply to our present circumstances when business is, in fact, interrupted, chances are that it might not provide any coverage (especially after the mid-2000s and SARS outbreak when coverages were revised to exclude “viruses” or similar causes). Indeed, insurers currently draft these policies to cover certain financial losses arising from a devastating event that causes your physical business operations to shut down or be interrupted and not a government shutdown or virus pandemic like we now face.

**It Ain’t Over Yet Strategy:** But how do you *know* whether your policy provides coverage or not, without first getting the expected “no” from the insurance company? You must carefully review each particular policy coverage, exclusion, rider, and addendum applicable to your business, because your policy might be different. Plus, you might have other coverages, such as “civil authority” coverage, which could very well provide coverage for losses sustained by your business in this COVID-19 world. The specific wording of your policy (and all its related coverages) is crucial in any analysis.

Reviewing insurance policies for coverage can be an intricate process. Thus, consult legal counsel to get a realistic assessment of your business’ ability to file an insurance claim.

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Wisler Pearlstine, LLP can assist you with these and many other COVID-19-related legal problems. Please contact David M. Burkholder, Esquire at [dburkholder@wispearl.com](mailto:dburkholder@wispearl.com) or (610) 825-8400 for more information on how we can help you today with your business.

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