

Pull out your current policy and check the box next to any coverage you can confirm is already in place — anything unchecked is worth a quick conversation with your advisor. Coverage checklist for boba and bubble tea shops. Priorities reflect typical exposure for this class; confirm against the shop's actual menu and delivery model.

CORE

PREVALENT

SITUATIONAL

— Core: almost always needed · Prevalent: commonly carried by businesses in this class · Situational: depends on specific exposure

COVERAGE	WHY THIS BUSINESS NEEDS IT	PRIORITY
☐ Commercial General Liability (incl. Products)	Covers customer injuries in the shop and claims from drinks served — choking on pearls, allergic reactions, illness, or foreign objects.	CORE
☐ Commercial Property / Business Personal Property	Covers sealers, cookers, refrigeration, and build-out improvements.	CORE
☐ Workers' Compensation	Staff boil and strain pearls, run cup sealers, and work on wet floors; many are young workers.	CORE
☐ Spoilage / Food Contamination	Covers spoiled inventory and cleanup costs after a refrigeration failure or contamination event.	PREVALENT
☐ Business Income	Replaces income if a fire, equipment failure, or health closure shuts the shop.	PREVALENT
☐ Equipment Breakdown	Covers sealers, refrigeration, and cookers that the shop cannot operate without.	PREVALENT
☐ Hired & Non-Owned Auto	Responds if employees deliver orders or run errands in their own vehicles.	PREVALENT
☐ Cyber / Privacy Liability	Covers card payments, loyalty apps, and online ordering data.	PREVALENT
☐ Umbrella / Excess Liability	Extends limits above GL — useful where a choking injury to a child could be severe.	SITUATIONAL
☐ Employment Practices Liability	Covers claims by a young, high-turnover staff.	SITUATIONAL

COMMON COVERAGE GAP FOR THIS CLASS

The exposure most specific to boba shops is what is in the cup. Germany's federal risk assessor warned that tapioca pearls can be inhaled through wide straws, especially by young children, and Consumer Reports found lead in every boba pearl sample it tested in 2025. A choking injury or a lead claim falls under products liability, so confirm the products-completed operations limit is adequate and that the shop keeps supplier test certificates. Shops that import ingredients directly should know they may be treated as the importer in a product claim, with no U.S. supplier to share it.

IMPORTANT — PLEASE READ

This checklist is a free educational tool from Cory Washington & Co. to help you review your own coverage and have a more informed conversation with a licensed insurance professional. It is general information only — not insurance, legal, or financial advice, and not a recommendation to buy, change, or cancel any policy. The Core / Prevalent / Situational labels describe general patterns observed for this class of business — what is commonly carried, not a personalized recommendation or needs analysis for your specific operations. Coverage terms, availability, limits, and requirements vary by policy, carrier, and state, and only the language in your actual policy governs what is and isn't covered. Checking or leaving blank any item above does not indicate that you are adequately insured or under-insured. Using this checklist does not create a client, agency, or fiduciary relationship. Always consult a licensed professional about your specific situation.