

## Protect your data before you need to

Learn what data to back up and how to secure it

When considering an insurance plan as a business owner, you think of the things you can't afford to lose. Your building, equipment, and employees are vital to producing your product or service. But one valuable aspect of today's business that you might overlook is your data.

If you haven't already checked your policy, now's a good time to do it. Review your policy carefully to see what's covered and what isn't—before you have a loss. Take extra care to check to see if it includes data recovery. If not, we have a solution to help with that.

Hardware failure, lightning strikes, power surges, and fluctuations can leave you without your valuable data. Storms are a major hazard to smooth access to data, and can lead to long-term outages and suspensions of your business. In property insurance terms, wind, fire, and lightning are generally standard perils insured under a policy, but data restoration may not be part of the tangible damages, or may have limited coverage. Power surges due to other events aren't always covered, so check your policy thoroughly.

Storm surge is often associated with a hurricane. Most insurance policies don't cover this peril, but the Federal Flood Program is an option to cover business personal property, which includes computer equipment. Because data recovery may be an out-of-pocket expense for the affected business, any precautions will only help post-storm. To help avoid water damage before a storm surge may arrive, elevate your equipment—especially in basements and on the ground floor. Also, turn off the electricity to the building and unplug your hardware so it isn't damaged once the power comes back on.

### Data you need to protect

From an accounting and bookkeeping perspective, sales, inventory, payroll, and income statements are crucial. You might have an accountant who takes care of this part of your business, but many smaller retailers and growers don't. Having access to those records is important in the event of a loss, whether it's a hard drive failure due to a lightning strike, or a computer damaged in a hurricane. Having access to a backup of the data will help you get back in business as quickly as possible.

Income statements are important if you have business income insurance. In the event of a loss, you'll need to be able to prove basic expenses and profits over time, particularly when they may fluctuate greatly by season. Your inability to produce monthly profit/loss statements may impact how quickly a loss is paid.



Preset sales agreements, equipment leases, corporate records, and existing contracts that are suspended at the moment, but may be picked up again, are more examples of data that should be protected. Losing LLC documents and payroll records in a disaster would be a major headache for your business.

If you operate a smaller floral or horticultural business, you might keep track of your own payroll. If you handle backups on your own, make sure you include the right data. You may need to be able to prove what you've paid to each of your employees.

In addition to financial data, it's important to protect your customer database. If your hard drive is wiped out due to a lightning strike, or your facility is lost due to a tornado, you need to be able to know who still owes you money and who's scheduled for a delivery. When your business gets back on its feet, you'll need those customers.

Customer data is important—even more so when your loss doesn't impact your inventory. For example, if you have plants stored in a warehouse that aren't impacted by your loss, you could ship those plants from that site to customers—as long as you have customer data.

### How to protect your data

There are many options for backing up your data, including manually copying files to a disk or external drive, or using an outside service to automatically backup your files to a remote location. If you back up your data yourself, here are a few tips you might consider:

- **Check the backup:** Make sure the data copy works and is usable.
- **Seek a different location:** Store backups away from your business—far enough away they aren't damaged in the same storm—so you don't lose the original and backup if something were to happen.
- **Try network-attached storage options:** Consider separate servers for saving data that can be set for automatic backups.
- **Look at cloud storage options:** You can get a small amount of storage space for free. The major advantage to these backups is that data syncs between multiple machines.

If your computer system includes laptops, you might be able to simply grab and go, making data access much easier. And cloud-based storage allows you to sync to your data with your computer from anywhere—providing a jump-start to notifying customers as quickly as possible.

The cloud-based backup is a good option for small-to-mid-size businesses. A larger business such as a wholesale nursery or retailer may need an internet provider that offers encryption, more space, and more options for a fee.

Following the tips provided can help you avoid some of the risks. And if you need help, ask a Hortica agent or call us at 800-851-7740.

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