



NEWS RELEASE

Water And Freezing Damage, Burglary Lead The Hartford's Top Five Small-Business Claims

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Leading small-business insurer shares tips for preventing and minimizing common property and general-liability claims

HARTFORD, Conn.--(BUSINESS WIRE)-- Damage from water leaks and frozen pipes are among the most common insurance claims for small-business owners, while claims involving fire are the most expensive, according to an analysis of The Hartford's small-business claims from 2020 to 2024.

"At The Hartford, we help customers stay ahead of risk, and if they do have a claim, we pride ourselves in helping them recover quickly through excellent service," said The Hartford's Head of Small Business Chris Jones. "Our investments in digital, data analytics and AI have enabled us to create industry-leading tools that help small businesses take steps to proactively avoid substantial damage and prevent claims. Water sensors that detect leaks and video cameras that monitor for slips-and-falls are just a few of the smart tools now available to help small businesses mitigate risk."

According to The Hartford's analysis of more than 1 million small-business property and liability policies, water and freezing damage has represented approximately 22% of small-business claims over the past five years.¹ Water and freezing damage claims are also the fourth most costly, averaging \$34,600.

The Hartford's 2025 analysis builds on its **2015 claims report**, allowing for a 10-year comparison that includes some

notable shifts². For example, the volume of claims from water and freezing damage rose from 15% to 20%. Wind and hail claims remained consistent (15%) over the decade. The average cost of fire damage claims rose from \$35,000 in 2015 (approximately \$47,600 adjusted for inflation) to \$80,000 in 2025, making it the top-ranked costliest claim.

The number of slip, fall and customer-injury claims also increased and became more expensive from 2015 to 2025. The trend is due in part to a growing influence of litigation and legal system abuse, resulting in higher settlements and costlier verdicts.

Top 5 Property and Liability Claims

Most Common Claims		
Rank	2025 ³	2015
1	Water and freezing damage (20%) ⁴	Burglary and theft (20%)
2	Burglary and theft (20%)	Water and freezing damage (15%)
3	Slip, fall, customer injury (20%)	Wind and hail (15%)
4	Wind and hail (15%) ⁵	Fire (10%)
5	Fire (10%)	Slip, fall, customer injury (10%) ⁶

Costliest Claims ⁷		
Rank	2025	2015 ⁸
1	Fire (\$80,000)	Reputational harm (\$50,000)
2	Vehicle accident (\$50,000) ⁹	Vehicle accident (\$45,000)
3	Slip, fall, customer injury (\$45,000)	Fire (\$35,000)
4	Water and freezing damage (\$35,000)	Product liability (\$35,000) ¹⁰
5	Reputational harm (\$35,000)	Slip, fall, customer injury (\$20,000)

The Hartford has been supporting small businesses for centuries, including the creation of a dedicated Small Business insurance unit more than 40 years ago. The company insures more than 1 million small businesses, largely through its Spectrum Business Owner's policy, which includes general liability, business property and business-income insurance. The Hartford also offers small businesses additional coverages such as workers' compensation, commercial auto, professional liability and data breach insurance.

Based on the claims analysis, The Hartford suggests small-business owners follow these tips to mitigate and prevent damage:

What can a small-business owner do to prevent or mitigate damage from water or freezing?

- Maintain proper indoor temperature during extremely cold weather.
- Clear roofs and overhangs of excessive snow and ice.
- Instruct key personnel on water shut-off valve locations.
- Install water sensors that alert early to unexpected leaks or temperature changes.

How can a small-business owner deter burglary and theft?

- Conduct background checks.
- Install devices, signage and fencing to control unauthorized entry.
- Ensure adequate exterior and interior lighting.
- Install video cameras to alert you to on-site motion events.

What can small-business owners do to mitigate or prevent damage from wind or hail?

- Prune and maintain trees.
- Choose damage-resistant materials in new windows or apply protective film.
- Secure or store items that could become airborne in high winds.
- Conduct roof inspections and maintenance.
- Establish plans for sheltering in place.

How can small-business owners reduce the likelihood of slip, fall and other customer injuries?

- Clean up spills or leaks quickly and ensure proper drainage to prevent water or ice pooling.
- Use weather monitoring systems to prepare for rain, snow or ice.
- Install video cameras in high-risk areas to monitor slip and fall incidents.
- Review contracts for correct liability protections.
- Ensure appropriate product safety management such as warning labels and instructions.

About The Hartford

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<https://www.thehartford.com>.

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¹ Based on an analysis of five years of claims data (2020 - 2024).

² Information outlined in the 2015 release was based on an analysis of five years of claims data (2010-2014) from more than 1 million of The Hartford Business Owner’s policies.

³ The remaining 15% not in the top five most common claims includes vehicle accident, reputational harm, product liability and other claims.

⁴ Water and freezing damage generally involve damage from wind driven water or burst pipes.

⁵ The wind/hail claims generally involve structural damage, primarily to roofing or signage.

⁶ Slip, fall and customer injury covers damage to the customer’s property and injury to the customer caused by the insured small business owner. These were separated in 2015 and have been combined for this report.

⁷ Property claim averages reflect direct repair or replacement only and do not include additional loss event costs like business interruption.

⁸ 2015 analysis using dollars when claims occurred (i.e., not adjusted for inflation).

⁹ Vehicle accidents include accidents involving employees of the small business owner who use their personal vehicles for business purposes. Average costs can be higher if a lawsuit is involved.

¹⁰ Product liability insurance may apply to injury or damage arising out of the use of a covered product.

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