

PERSONAL INSURANCE

## Uncorking the Basics of Wine Insurance



Alternate investments can sometimes seem dubious or perhaps a bit abstract. However, collecting wine is a hobby that dates back hundreds of years and in recent decades, has emerged as an alternative to traditional investing. Depending on the collector, fine wine collections can range in value, oftentimes into the millions of dollars.



### Why Should You Insure Your Wine Collection?

Wine lovers and collectors alike know all too well how even minor changes in wine storage, such as fluctuations in temperature, humidity or light exposure, can alter a wine's taste – and not for the better. Not to mention, there are myriad ways that a wine collection could become compromised by unfortunate events such as:

- Damage caused in a climate-controlled storage facility; for example, a power outage that results in increased temperature or humidity, which could cause the wine to spoil.
- Bottle breakage or damage to any of the bottle's components such as the label or the cork. This often occurs during moving or in transit from the vineyard to your home or when moving from one home to another.
- Theft or lost bottles.
- Damage caused by a natural disaster, for example a label that is damaged by wildfire or a bottle that shatters during an earthquake.



## Determining the Insurance Cost for A Wine Collection

Firstly, consider when you plan to consume the wine. Some bottles may not be worth insuring, especially if they are intended for consumption in the near future. However, if a particular bottle is meant to be held for a long period of time, it is crucial to work to protect your investment.

When determining the true value of your wine collection, consider hiring a professional appraiser who can perform a full inventory of your collection and present an accurate replacement valuation.

Be sure to save purchase receipts of your bottles. Using a wine inventory management system or even a spreadsheet to track purchase data is a great way to ensure that your collection is being accurately valued and managed. This data will be extremely useful when determining the cost to replace your collection in the event of a loss.

Some factors that go into pricing wine insurance include:

- The size of the collection
- The location of the collection and proximity to natural disaster zones
- Whether there are measures already in place to protect the collection such as a security system, temperature gauges or a fire-detection system

Remember that wine insurance becomes void once a bottle is opened, so it's important to take this into consideration before uncorking a prized bottle.

### How Brown & Brown Can Help

Just as you would trust a Sommelier to help you select the perfect bottle of wine at a tasting, be sure to do your research when selecting a trusted broker to help guide you through the insurance process.

Our team works to provide itemized coverage for unique collections with high values or blanket coverage for broader collections of lower-valued items. We can help you protect your most valuable items, including cars, jewelry, art and more. Whether your collection is large and complex or composed of just one or two pieces, our team can offer solutions to meet your unique needs.



## How Brown & Brown Can Help

Connect with our Brown & Brown team to learn about our knowledge in your industry, how we build our risk mitigation strategies and how we can aid your business in building a cost-saving program.



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