The Numbers Behind a Local Moving Company

A free field guide from Bytell Press. The figures come from our example financial model for a one-truck, one-crew local mover. They are planning assumptions, not quotes for your market; the worksheet at the end is for your own numbers.

Most new moving companies can fill a Saturday in June. The ones that close do it in February, because nobody worked out how many moves a month the business needs before the truck was bought. This guide gives you that arithmetic in two pages.

1. How the work is priced

Local moves are sold **by the hour and by crew size**, after a two-hour minimum, plus a flat travel fee. The example model uses these lines:

Service line	Model price	Model gross margin
Local move, two movers and truck	About $150 per hour	45–52%
Local move, three movers and truck	About $210 per hour	45–52%
Travel and fuel fee	About $90 per job	Included above
Packing and unpacking	Labor plus materials	40–50%
Longer flat-rate moves	About $2,200 average	35–45%
Blended across the mix	**About $720 per local move**	**About 48%**

In the model, a one-bedroom move with two movers and three billed hours comes to $540 and runs at about 54%. The two-hour minimum and the travel fee are what keep a small job like that worth doing.

2. What it costs to open

The example model borrows **$40,000** for the truck and equipment and opens with about **$22,000** of cash on hand.

Use of funds	Amount
Used box truck, pads, dollies, straps and floor protection	$30,000–$40,000
Insurance down payments, paid from working capital	$3,000–$8,000
Working capital and ramp reserve	$22,000

The reserve pays the crew through the ramp and the first winter.

3. What it costs to stay open

The model carries about **$11,231 a month** in fixed costs:

Monthly fixed cost	Amount
Insurance, software, parking or yard, phone and office	$3,200
Salaried crew lead	$2,800
Truck and equipment loan payment	$731
Owner draw	$4,500
Total	**$11,231**

Hourly movers are not in this table. Their wages sit in the cost of each move. Marketing at about 5% of revenue and card processing at about 1.8% also move with sales.

4. The break-even: the one number to know

Break-even revenue = monthly fixed costs ÷ margin.

Start with the 48% gross margin. Take off 5% for marketing and 1.8% for card fees. That leaves 41.2%. With the model's numbers: $11,231 ÷ 0.412 = about **$27,260 a month**. At $720 a move, that is **about 38 local moves a month**.

The model's steady month is about $40,000, from roughly 50 local moves and a few longer ones, so there is room. Without the owner draw, the break-even is $6,731 ÷ 0.412 = about $16,337 a month.

5. Plan for winter before it arrives

Moving is strongly seasonal. The model uses these multipliers against a normal month:

Period	Multiplier	On a $40,000 normal month
Summer	1.3–1.5	$52,000–$60,000
January and February	0.55–0.6	$22,000–$24,000
Opening month of the ramp	Not seasonal	$12,000

A $22,000 winter month is below the $27,260 break-even. It covers the bills and the crew lead, and leaves about $2,333 toward a $4,500 draw. The $12,000 opening month does not cover the fixed costs at all, and the model takes about ten months to climb to its steady rate. That is what the $22,000 reserve is for.

6. Your numbers

Fill this in with your own wage rates, insurance quotes and prices before you buy the truck.

Question	Model	Yours
Hourly rate, two movers and truck	$150	_____

Question	Model	Yours
Average local move in dollars	$720	_____
Margin after crew, fuel, marketing and card fees	41.2%	_____
Monthly fixed costs, with loan payment and your draw	$11,231	_____
Break-even revenue (fixed costs ÷ margin)	$27,260	_____
Moves a month to break even	38	_____
Cash reserve for the ramp and first winter	$22,000	_____

If your break-even needs more moves than one crew can book in your slowest months, fix the plan before you buy the truck: rent the truck first, hold a bigger reserve, or add packing work to raise the average job.

This guide is general business information, not legal, tax, accounting or investment advice. The figures are illustrative assumptions from an example model and are not a forecast or a promise of results. Licensing and insurance requirements vary by state and are not covered here; check yours with the state agency.

Bytell Press publishes the full business plan, the editable financial model behind these numbers, and the operating playbooks for a local moving company.

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