The Numbers Behind a Pest Control Business

A free field guide from Bytell Press. The figures come from our example financial model for an owner-run pest control company with one to two technicians. They are planning assumptions, not quotes for your market; the worksheet at the end is for your own numbers.

Pest control is light on equipment and the product applied costs little. What decides whether the business works is how fast the book of recurring customers builds.

1. How the money comes in

The center of the business is the **recurring plan**: a home on a set schedule, billed on autopay. The example model uses these lines:

Service line	Model price
Initial clean-out service	$150–$300
Quarterly plan	$120–$175 per service
Bi-monthly plan	$50–$75 per service
One-time general treatment	$150–$350
Rodent control and exclusion	$300–$1,500
Mosquito and tick program	$400–$800 per season
Termite treatment	$1,200–$2,500 and up

| **Blended across the mix** | **About 50% gross margin** |

Materials are only about 4–8% of revenue in the model. The cost of a visit is mostly the technician's time and the drive, so the margin is made on route density. A quarterly plan at $135 a service brings in $540 a year and about $370 of gross profit in the first year, counting the initial service.

2. What it costs to open

The example model opens on about **$45,000**: a $30,000 loan and $15,000 of the owner's cash. The loan is spent roughly like this:

Use of the $30,000	Model range
Used service vehicle and fit-out	$12,000–$16,000
Application and inspection equipment	$5,000–$9,000
First chemical and materials inventory	$2,000–$4,000
Fees and first-year insurance	$3,000–$6,000
Route software, website, branding	$2,000–$4,000

Use of the $30,000	Model range
Working-capital reserve	The balance

The owner's $15,000 is the opening cash that carries the business while the route builds.

3. What it costs to stay open

The model carries these costs every month, whatever the revenue:

Monthly cost	Amount
Fixed overhead (insurance, software, office, phone, admin, equipment allowance)	$5,500
Loan payment	$645
Owner draw	$5,500
Total	**$11,645**

Technician wages sit in the cost of doing the work. Two more costs move with revenue: card processing at about 2% and marketing at about 6%.

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

Break-even revenue = monthly fixed costs ÷ margin.

The margin to use is the 50% gross margin less the two costs that move with revenue: 50% – 2% – 6% = **42%**.

With the owner draw and the loan payment: $11,645 ÷ 0.42 = about **$27,726 a month**. If every dollar came from quarterly visits at $135, that would be about 205 visits a month.

Before the owner is paid, the overhead alone needs $5,500 ÷ 0.42 = about $13,095 a month, or about 97 visits. The gap between the two is the owner's pay and the loan.

5. The risk the numbers show: the ramp

The model starts at about **$8,000 a month** and takes roughly ten months to reach a steady $42,000. In the opening month, $8,000 leaves $3,360 after the cost of the work, card fees and marketing. That is $2,140 short of the overhead alone and $8,285 short of the full $11,645.

The model passes the first break-even within several months and covers the full owner draw around the middle of the first year. Until then the gap comes out of the $15,000 of opening cash, or out of a smaller draw.

If a heavier mix of one-time work pulls gross margin down to 45%, the break-even with the draw rises to $11,645 ÷ 0.37 = about $31,473 a month.

6. Your numbers

Fill this in before you borrow anything.

Question	Model	Yours
Quarterly plan price per service	$135	_____
Gross margin after technician pay, materials and route cost	50%	_____
Card fees and marketing as a share of revenue	8%	_____
Monthly fixed overhead	$5,500	_____
Loan payment plus the draw you need	$6,145	_____
Break-even revenue (all fixed costs ÷ margin)	$27,726	_____
Months until revenue reaches break-even	About 6	_____

If your break-even is further away than your opening cash will last, fix the plan before you buy the truck: start with a smaller draw, cut a fixed cost, or sign recurring customers faster.

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

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