

# FOOD TRUCK BUSINESS

We're going to start our own FOOD TRUCK business! Let's learn the business side of things to be sure we make good financial decisions before selling our first taco.

We're going to need the following things for our business:

- A food truck: Depending on the truck you select from page 2, you'll also need to factor in regular repair and maintenance (like oil changes), and basic operating costs (like gas). If you opt for the most expensive option, you can skip the kitchen upgrade.
  - Food (inventory): \$5,000 / month
  - Basic kitchen equipment: \$4,000 (one-time cost) for all except the nearly-new expensive model
  - Mobile POS: \$3,000 (one-time cost), this is an online cash register that enables you to take credit cards and mobile wallet transactions, handles customer loyalty points, and take orders online.
- Annual cost of "doing business": these vary by city, so we've bundled them together in a chart on page 4. Here's what those big numbers include:
  - Business registration
  - Vehicle registration
  - Food service permits
  - Fire safety permit
  - Food truck license to operate
  - Food truck parking fees
  - Insurance (basic liability)

## **SELECTING A FOOD TRUCK:**

High mileage, requires \$1,200/month in maintenance & repairs to keep it going. Fuel is \$5/gal, 8 mpg.



### **Big Red Food Truck**

**\$50,000**

- Year: 2000
- Model: Frontliner
- Mileage: 30000
- Gas or Diesel: diesel

[View Details](#)

HICKVILLE, NY  
Food Truck

Good condition, requires \$500/month in maintenance & repairs to keep it going, fuel is \$5/gal, 10 mpg.



### **Turnkey Mobile Kitchen/Food Truck Business**

1998 26' Chevrolet P30 Step Van Food Truck / Mobile Kitchen for Sale in Texas. Complete Turnkey business! Sale includes website, social media with following, merchandise, recipes,...

**\$83,300**

- Model: P30
- Mileage: 115000
- Gas or Diesel: diesel

[View Details](#)

FLOWER MOUND, TX  
Food Truck

Nearly new, no maintenance or repairs, fuel is \$3/gal, 12 mpg. Registration double, no kitchen or equip costs.



### **Gourmet Food Trailer with a Full Kitchen**

Curtis G4 Thermopro Single Brewer with 2 airpots, Beverage Refrigerator, Air Curtain, 2 x Deep Fryer, Other miscellaneous kitchen/cooking utensils (cutting boards, pans, baking sheet...

**\$138,000**

- Year: 2022

- Model: Cargo-24'
- Mileage: 1500
- Gas or Diesel: gas

[View Details](#)

LAS VEGAS, NV  
Food Trailer

**FOOD TRUCK LOAN:** Loans: Which is the right choice for you?

Which truck did you decide on? Write the total amount you need a loan for here:

- Food truck cost:
- Kitchen equipment:
- POS equipment:

Total cost: \_\_\_\_\_

4 year loan with 6% interest

[Click here for loan calculator!](#)

Monthly payment: : \_\_\_\_\_

Interest Paid: : \_\_\_\_\_

Total amount paid: \_\_\_\_\_

5 year loan with 5.5% interest

Monthly payment: : \_\_\_\_\_

Interest Paid: : \_\_\_\_\_

Total amount paid: \_\_\_\_\_

10 year loan with 4.5% interest

Monthly payment: : \_\_\_\_\_

Interest Paid: : \_\_\_\_\_

Total amount paid: \_\_\_\_\_

**FOOD TRUCK LOCATION:** You know you can serve the most customers in a big city! Circle the city nearest to you in both lists. The list on the left is one-time purchase, the one on the right happens every year.

Cost of obtaining permits and licenses (one-time costs):

CITY	COSTS
Denver	\$811
Indianapolis	\$590
Philadelphia	\$1,778
Minneapolis	\$1,674
Orlando	\$629
Austin	\$1,139
Phoenix	\$1,540
Portland	\$1,877
St. Louis	\$1,204
Houston	\$1,788
Raleigh	\$848
Nashville	\$1,343
Los Angeles	\$2,439
New York City	\$1,075
Chicago	\$2,713
Columbus	\$1,560
San Francisco	\$3,481
Washington	\$2,720
Seattle	\$6,211
Boston	\$17,066

Cost of operating a food truck, including health and safety inspections, insurance, taxes, vehicle registration, etc. (annual costs):

CITY	COSTS
Portland	\$5,410
Phoenix	\$25,187
Indianapolis	\$20,435
Columbus	\$20,820
Orlando	\$19,621
Denver	\$22,751
Houston	\$22,746
Raleigh	\$22,827
Seattle	\$32,076
Los Angeles	\$29,096
Austin	\$22,168
Nashville	\$29,579
Philadelphia	\$25,292
Minneapolis	\$31,694
New York City	\$28,085
St. Louis	\$26,191
Chicago	\$32,461
San Francisco	\$28,642
Washington	\$29,382
Boston	\$37,907

**MENU & ORDERS!** You're doing a "soft opening" to make sure everything is running smoothly this weekend, and as soon as you pull up, two customers line up and place orders! Let's find out how much their orders will cost.



### **CREATE TWO DIFFERENT ORDERS:**

Customer 1:

Main dish:

Side #1:

Side #2:

Drink (\$1.50 each):

Customer 2:

Main dish:

Side #1:

Side #2:

Drink (\$1.50 each):

**SALES TAX & DISCOUNTS** While it might seem that you have a pile of cash from two orders already, let's see if we can more account for each transaction more accurately.

Customer 1: What is the total cost of the order if you include 5% sales tax and a 15% tip?

Customer 2: They give you a 10% off coupon and tip you \$2. What is the total they paid you?

**PERCENT INCREASE & DECREASE** Your business is doing so well, you decide to change the prices a bit to see if you can earn more. Use your menu prices to calculate the percent you changed the following items:

1. Select one of your main meal items:

Item:

Price:

You decide to increase your taco price \$0.50. What is the percent change?

2. Select one of your sides:

Side:

Price:

Your cost to make this just got cheaper! You can decrease the price of this side by \$0.25. What is the percent of this change?

3. Last week, you sold 425 tacos but this week you only sold 275 tacos. What is the percent change?

4. In November, you sold 1,410 sides. In December your sales increased to 1,950. What is the percent change?

**SPECIAL EVENT PRICING:** Your taco business is really taking off! Customers have asked you to cater their special events for their guests. You've been to weddings, sporting events, and the summer fair. Let's make sure you are making a profit:

1. For any special event over 100 people, you mark up your three of your main meal item prices by 15%. Calculate the new price of each of your choices.
2. For special events over 100, your sides are reduced by 25%. Calculate the new price for three different prices of sides:
3. Based on past data, you sell 75 tacos for every 50 people that stop at your taco truck. How many do you expect to sell to 250 people?
4. Based on your data, an average of 15% of your customers order a soda. Last week you had 350 customers. How many sodas do you estimate that you sold?



## **ARE YOU PROFITABLE?**

How do you know if your business is doing well? Which loan should you select? Let's find out!  
Use the space below to write out the math equations as you follow along in the video!