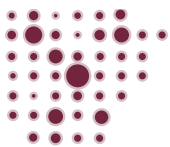


# STARTING A FOOD TRUCK

How to Start a Successful Mobile Food  
Service Business in Arkansas



ASBTDC

ARKANSAS SMALL BUSINESS AND  
TECHNOLOGY DEVELOPMENT CENTER

# HERE TO HELP

The Arkansas Small Business and Technology Development Center wants to help you turn your business idea into a reality, step by step. Through our network of locations around the state, we offer no-cost services for entrepreneurs.

ASBTDC is here to help you plan, research, weigh options, and take action.



**If you are preparing to start  
a business, this e-book is for you!**



Business start



Existing business



Business purchase



**e**book by ASBTDC

This publication was created by the Arkansas Small Business and Technology Development Center.

ASBTDC gratefully acknowledges the Arkansas Department of Health, the Arkansas Hospitality Association, and Arkansas Business Navigator for contributing to the development of this e-book.

Find the full list of ASBTDC e-books at [asbtdc.org/e-books](https://asbtdc.org/e-books).



## CONTENTS

---

01	Introduction	10	The Business
02	Startup Roadmap	13	Startup Checklist
03	The Truck	15	Call on Us
05	The Food	16	Additional Resources
07	The Kitchen		



# INTRODUCTION

---

Operating a food service business requires an understanding of multiple regulations beyond the average scope of managing a business. This e-book provides guidance on starting a mobile food service business in Arkansas, specifically, considerations for handling food, operating a mobile business, and ensuring a safe environment for you, employees, and customers.

If this is your first business, we recommend reviewing our startup guides for foundational small business information, as this supplemental guide only details the additional requirements for food trucks. To find each of the titles below, visit [asbtdc.org/e-books](https://asbtdc.org/e-books).

- 1 **New Business Guide: How to Start in 6 Steps**
- 2 **License, Permit and Tax Requirements for Arkansas Small Businesses**
- 3 **Funding Your Small Business**







## STARTUP ROADMAP

To be successful and attract customers, you want to develop a different offering than what is already out there.

Research other food trucks to discover if you can build a **competitive advantage** with one or more of these factors:

### RESOURCES

Check out our New Business Guide resources page for additional guidance to develop your business plan, including "Mapping a Startup" and "Fine-Tuning Your Business Idea" worksheets.

[asbtdc.org/new-business-guide-resources](https://asbtdc.org/new-business-guide-resources)

1

### THE HOURS

What demographic will your restaurant attract? Set hours based on their typical schedules and dining preferences.

2

### THE MENU

Bring the flavor! Customers are eager for new flavors and food experiences.

3

### THE LOCATION

Identify neighborhoods and venues that welcome food trucks. Be sure to consider events and festivals in your area, and connect with organizers.

4

### THE PRICE

Calculate your costs before setting prices. Also, bake in additional expenses such as rising ingredient and labor costs.

5

### THE OPERATION

Write down how you would manage, staff, and optimize production in the food truck.



# THE TRUCK

## Insurance

After purchasing a food truck, you will need a **commercial car insurance policy** and a business owner's policy for **general liability protection**.

Your goal is to cover the vehicle and any permanently attached appliances for physical damage from a traffic accident and comprehensive damages like those caused by theft, vandalism, or weather.



Typical annual cost for insurance may range from **\$2,500 to \$4,500**.

## Licensing

In most situations, a standard driver's license is sufficient to legally drive and operate a food truck.

If the truck weighs over 26,000 lbs., you will need to obtain a **Commercial Driver's License** to operate the vehicle.

Your local municipality may have its own requirements before your food truck can be open for service, including:

- » Parking permits
- » Fire safety review
- » Registration with Advertising and Promotion Commission ("A&P") or other body that collects local food taxes





## Fire Protection

Make fire safety a priority. To protect your truck from a fire event, consider the following:

- » Maintain 10 feet of clearance away from buildings, vehicles, structures, and combustible materials.
- » Ensure clearance is provided for the fire department to access fire hydrants and connections.
- » Make sure your fire extinguisher and fire suppression systems are installed correctly and routinely inspected.
- » Ensure that workers are routinely trained on how to respond to a fire event.

## RESOURCE

Check out this **Food Truck Safety Fact Sheet** from the National Fire Protection Association to learn best practices for reducing the risk of fire to your food truck.

[nfpa.org/downloadable-resources/fact-sheets/food-truck-safety-fact-sheet](https://nfpa.org/downloadable-resources/fact-sheets/food-truck-safety-fact-sheet)

## Finding Your Truck

If you don't already have a truck, Facebook food truck groups and [roaminghunger.com](https://roaminghunger.com) are good places to search for used food trucks for sale.

## Aesthetics

Since your business is on wheels, make it a **mobile advertisement**.

Consider the impact of investing in a graphic artist to design an eye-catching logo and vehicle wrap for your truck.





# THE FOOD

---

## Food Safety

Knowledge of food safety and proper food handling is critical for successful food truck operations and reduces the risk of illness among staff and customers. You'll need to know your responsibilities and best practices for food handling, and both you and your employees will need to obtain certifications, including:

- » Owners and managers are required to obtain a **food manager** certification.
- » A best practice is to require that all staff involved in food handling activities obtain a **food handler** certification. However, you do have the option to train them on food safety through an in-house training and reporting system.



### RESOURCES

The **Food Protection Program of the Arkansas Department of Health** maintains a thorough resource page where you can find training opportunities, guidelines, posters, and a list of ANAB-CFB Accredited Programs where you can obtain required food safety certifications.

[healthy.arkansas.gov/programs-services/topics/food-protection](https://healthy.arkansas.gov/programs-services/topics/food-protection)

## Food Liability Insurance

Obtaining food liability insurance is another risk reduction strategy. A food liability insurance policy provides protection against customer illness, employee injuries, and property damage.

Factors such as the food you sell and the value of the truck and equipment will affect the policy rate. Contact your insurance agent for a quote, but research other companies to find the best rate and coverage for your food truck. You may want to request quotes from boutique insurance companies that specialize in the food industry, such as the **Food Liability Insurance Program (FLIP)**. Learn more about FLIP at [flipprogram.com](https://flipprogram.com).

In Arkansas, the **UA Division of Agriculture Cooperative Extension Service** and the **Arkansas Hospitality Association** deliver the National Restaurant Association's ServSafe® training and certification in person, making this an accessible option for your staff to obtain or renew their food handler certification.





# THE KITCHEN

---

## Plan Your Kitchen Operations

Write out how you plan to operate the kitchen by developing standard operating procedures. These will include information on health and hygiene policies for staff, how to operate equipment, and how to properly clean after a shift. Also, review the [ADH Rules and Regulations for Retail Food Establishments](#) to make sure you have included all of the necessary food safety measures for the truck, such as fresh and gray water tanks, plumbing, and handwashing sinks.

### KEY DECISION

During this process, decide whether you will **prep and cook in the truck or rent time at a commissary kitchen.**

Check out the list on the next page for commissary kitchens in Arkansas. Plan a visit to see if one is right for your business.

To operate a food truck, you will need to submit a **Retail Food Plan Review** and apply for a Retail Food Establishment Permit with the Arkansas Department of Health. This application includes a checklist for the establishment plan, an example of how to draw a plan, a permit application, and a Service Area Letter. The Service Area Letter is used to demonstrate where mobile facilities will dump their wastewater, where they will store dry goods and extra food, and where they may do some of their prep work. All of these areas have to be approved by ADH for food safety.







## Commissary Kitchens in Arkansas

---

- » Little Rock - **Arkitchen**
- » Marshall - **Kitchen of the Arkansas Ozarks**
- » Rison - **Share Grounds**
- » Springdale - **Arkansas Food Innovation Center  
Market Center of the Ozarks (coming soon)**
- » West Memphis - **Delta Cuisine**

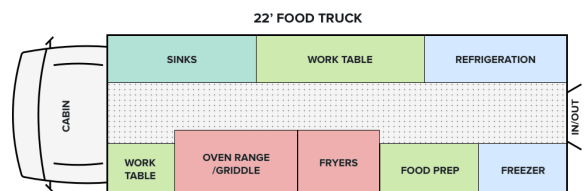
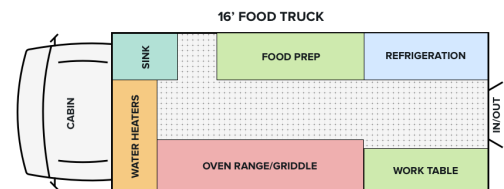
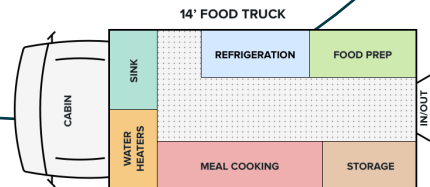


The size of your truck and wastewater system may limit the size of your menu. **Start with just a few main dishes to streamline production and efficiency.** This will help to lower your ingredient costs, inventory management, storage space, and waste output.

## Wastewater Disposal

You will need to identify a wastewater disposal site. Operating a mobile unit requires collecting the wastewater (also called gray water) that is generated from the kitchen. This water contains grease, soap, bacteria, and food particles and will need proper disposal. There is also a requirement for freshwater tanks to be drained, sanitized, and filled with water from an approved source every 14 days and documentation to track this activity.

Reach out to local restaurants and commissary kitchens to ask if you can use their approved fresh and gray water system. Also, ask the local **Environmental Health Inspector** for help designing your water system and identifying an approved gray water facility.



# THE BUSINESS

---

## Accepting Payments

Most consumers pay using a credit or debit card. Others enjoy the flexibility of using mobile wallets such as Apple Pay. To set up systems for accepting these types of payments, first consider whether you will accept payments on the spot, online, or both.

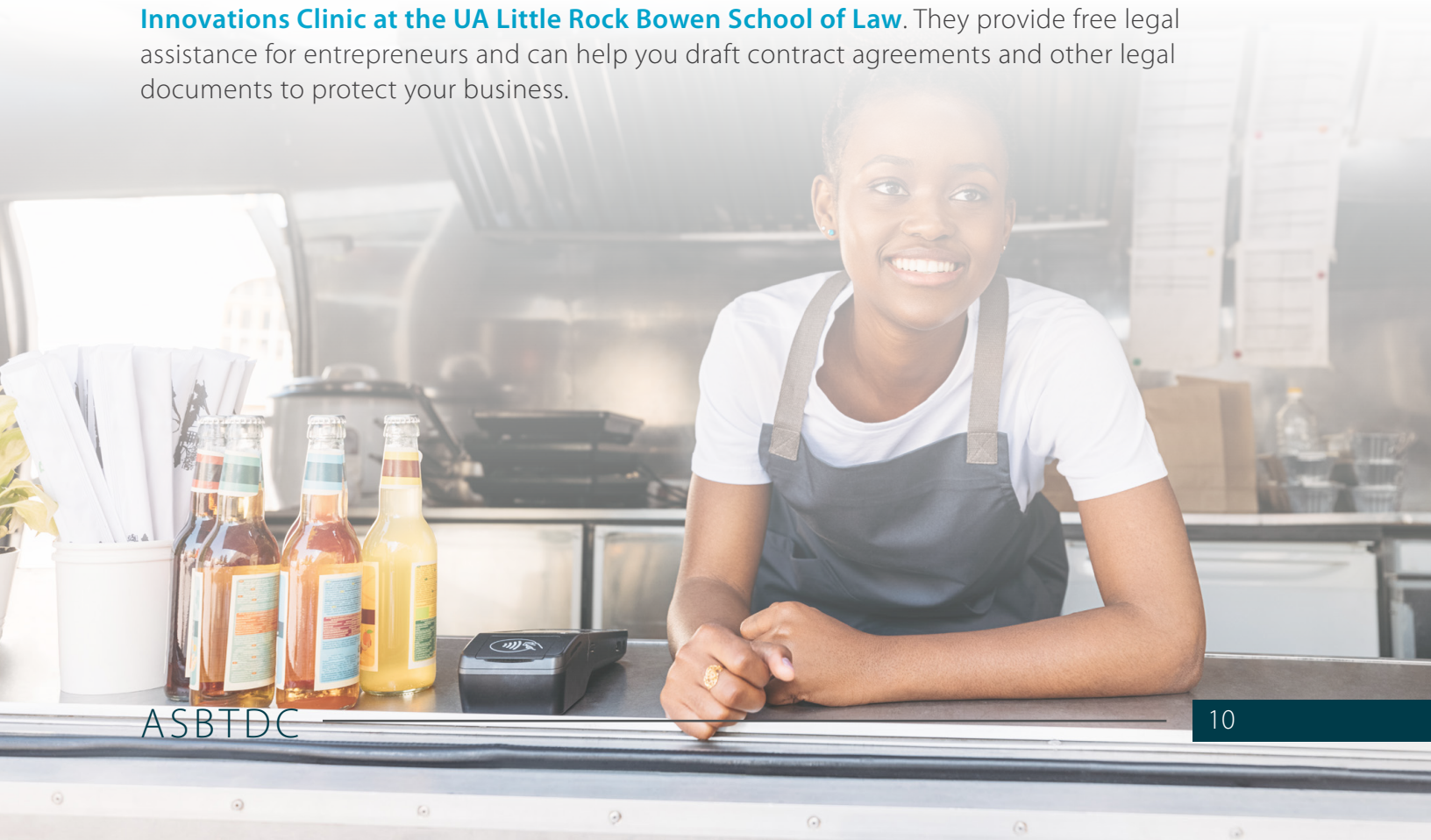
Compare different point-of-sale (POS) systems and review the security features, the hardware required, contract terms, customer service features, and the cost of pricing plans and fee structures. There are also systems made solely for food truck operations.

## Paying Others

When starting a business, you will also need to open a business bank account. If you don't have a bank, research banks in your area and ask other food truck operators about their banking experiences. Being an on-the-go business, ask about online money management systems.

Consider applying for a business credit card and using this account to pay vendors and purchase supplies. There are several rewards and perks associated with using a credit card. Talk with your bank associate to see which card works best for your business purchasing needs.

If you are negotiating contracts with suppliers and need help, reach out to the **Business Innovations Clinic at the UA Little Rock Bowen School of Law**. They provide free legal assistance for entrepreneurs and can help you draft contract agreements and other legal documents to protect your business.







## Paying Taxes

Food trucks in Arkansas must remit **sales tax payments** to the State Department of Finance and Administration.

- » Register your business on their payment portal, [atap.arkansas.gov](http://atap.arkansas.gov).
- » Look up your tax rate to make sure you charge the appropriate rate to your customers.
- » Depending on the community in which you intend to operate, you may be obligated to pay a local retail food tax, also known as a “hamburger tax.” Each city’s Advertising and Promotion Commission (“A&P”) usually manages the collection of this tax.

## Managing Employees

To help manage staff and expectations, create an employee handbook. The ASBTDC website has an easy-start **HR Guide** with templates to help you get started.

## Local Business Permit

You’ll need to apply for a business permit with your local municipality. Contact the city or county office to make sure you have met all of the requirements to operate a food truck within their area. If you plan to travel to additional communities, reach out to each city to ask if additional permits are required for their jurisdiction.



## Startup Costs

You can use our [Startup Cost Worksheet](#) that can help you develop an estimate of your general startup costs. Listed below are additional items that were covered in this guide. Be sure to customize your budget to fit your specific business needs.

- » Truck
- » Food safety training
- » Licensing and permits
- » Insurance
- » Point-of-sale system
- » Marketing
- » Equipment
- » Paper goods and cleaning supplies
- » Maintenance and repairs
- » Fuel
- » Commissary fees (if renting kitchen space)
- » Wastewater disposal fees
- » Parking expenses
- » Professional services such as legal, accounting, and graphic design



## Operating Budget

Developing an operating budget is critical for managing your food truck business, and **will be necessary to get financing**. One of the most appealing aspects of a food truck business is that costs like rent and utilities are more variable and adjustable than a traditional brick-and-mortar restaurant. However, that doesn't mean that you won't still have recurring costs.

You can use the "Monthly Income Statement (Budget) Projection Worksheet" from the ASBTDC New Business Guide resources page to develop your first-year operating budget. You'll find the worksheet at [asbtcd.org/new-business-guide-resources](https://asbtcd.org/new-business-guide-resources). Be conservative and realistic as you develop your budget. Remember that most new businesses take time to build up a customer base and reach sales targets.

# STARTUP CHECKLIST

---

This checklist is a great starting point but is not necessarily complete or in chronological order. Add your own items and reorder them as needed. If you plan to apply for financing, wait for loan approval before signing contracts. The timeline for financing can shift unexpectedly, so don't obligating yourself to any purchases you can't afford before you've received the loan.

## RESEARCH

- ☐ Find locations to park the food truck during off-duty and open hours
- ☐ Contact local municipality about food truck requirements and sales tax on prepared food
- ☐ Create a business name and conduct a name search on the Secretary of State's website
- ☐ Seek advice from an attorney about incorporation options and liability risks
- ☐ Install or inspect commercial hood ventilation and fire extinguishing systems
- ☐ Contact local Environmental Health Inspector for guidance on fresh and gray water systems
- ☐ Find an approved location to dispose of gray water
- ☐ Obtain commercial vehicle insurance for the food truck
- ☐ Get quotes from designers for the creation of your logo, brand, and website

## CREATE

- ☐ Write out your kitchen operations plan (standard operating procedures)
- ☐ Create your employee handbook
- ☐ Write out your employee training plan
- ☐ Develop your food menu
- ☐ Create a logo and brand for the business
- ☐ Set up social media account(s) for the business
- ☐ Create your business on Google Business Profile (if you plan to stay in one location)





## BUY

- ☐ Purchase a truck
- ☐ Purchase kitchen equipment
- ☐ Purchase fire suppression equipment
- ☐ Hire a designer to develop your logo, branding, and website (or use a DIY option)
- ☐ Obtain general liability insurance
- ☐ Obtain food liability insurance

## DO

- ☐ Register for an EIN (federal taxpayer ID) for the business
- ☐ Register your business with the Secretary of State's office
- ☐ Open a business bank account
- ☐ Register the vehicle with the Arkansas Department of Motor Vehicles
- ☐ Food manager certifications (owner or manager)
- ☐ Employee food handler certifications or in-house training
- ☐ Apply for a permit with the Arkansas Health Department and prepare for inspection
- ☐ Apply for a sales tax permit with the Arkansas Department of Finance and Administration
- ☐ Register your business with the local municipality and prepare for inspection (if required)

## ADDITIONAL TASKS

- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_

# CALL ON US

---

While you prepare to launch your new food truck business, take advantage of ASBTDC's no-cost, confidential, one-on-one professional business consulting, available through our network of offices.

Visit [asbtdc.org](https://asbtdc.org) or reach out to us at **800-862-2040**.

A great place to begin is with one of our startup training sessions.

Check our event calendar at [asbtdc.org/training](https://asbtdc.org/training) for upcoming programs in your area and live webinars, or take advantage of on-demand options.



# ADDITIONAL RESOURCES

- » Arkansas Department of Health Food Protection:  
[healthy.arkansas.gov/programs-services/topics/food-protection](https://healthy.arkansas.gov/programs-services/topics/food-protection)
- » Internal Revenue Service Small Business and Self-Employed Tax Center:  
[irs.gov/businesses/small-businesses-self-employed](https://irs.gov/businesses/small-businesses-self-employed)
- » Arkansas Secretary of State's "Doing Business in Arkansas Guide":  
[sos.arkansas.gov/uploads/bcs/8-01-2023\\_DBA\\_Web.pdf](https://sos.arkansas.gov/uploads/bcs/8-01-2023_DBA_Web.pdf)
- » Arkansas Department of Finance and Administration Sales and Use Tax:  
[dfa.arkansas.gov/excise-tax/sales-and-use-tax/](https://dfa.arkansas.gov/excise-tax/sales-and-use-tax/)
- » ASBTDC e-books:  
[asbtdc.org/e-books](https://asbtdc.org/e-books)
- » UA Division of Agriculture Cooperative Extension ServSafe Training:  
[uaex.uada.edu/life-skills-wellness/food-safety/servsafe-training/](https://uaex.uada.edu/life-skills-wellness/food-safety/servsafe-training/)
- » Arkansas Hospitality Association ServSafe Training:  
[arhospitality.org/servsafe.html](https://arhospitality.org/servsafe.html)

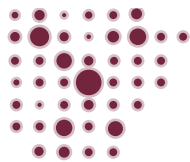


## Arkansas Hospitality Association

The Arkansas Hospitality Association is the state's leading trade association for the restaurant, lodging, and tourism industries. AHA is dedicated to protecting and improving the hospitality industry. AHA members can access exclusive workshops, webinars, and resources, networking through local chapter meetings, and discounted ServSafe training.







# ASBTDC

ARKANSAS SMALL BUSINESS AND  
TECHNOLOGY DEVELOPMENT CENTER

[asbtdc.org](http://asbtdc.org)



The Arkansas Small Business and Technology Development Center is funded in part through a cooperative agreement with the U.S. Small Business Administration through a partnership with the University of Arkansas at Little Rock College of Business, Health, and Human Services and other institutions of higher education. All opinions, conclusions, or recommendations expressed are those of the author(s) and do not necessarily reflect the views of the SBA. All ASBTDC programs are extended to the public on a non-discriminatory basis. Language assistance services are available for limited English proficient individuals.

