

State of the **TERMITE** **CONTROL** *Market*

Sponsored by



We create chemistry

- > Revenue: Up Despite Housing Woes
- > Service: A Combo of Tools and Treatments
- > Weather: Not for Swarms
- > Prices: Going Up
- > Outlook: It's Hopeful
- > Exclusive Research!

Termite Control: MISSION CRITICAL FOR OUR INDUSTRY

Once again, BASF proudly sponsors this year's PCT State of the Termite Control Market report. Our hope is that the research and data on the following pages deliver insights that can help shape how you and your company make decisions regarding the termite market. I believe the industry eagerly awaits this data each year as the termite season kicks off (I know I do!).

This report provides information about how companies are operating their termite services, including everything from pricing and staffing to treatment methods and business forecasting. If you're already offering termite control services, I hope these insights offer you some tips and tricks about how your peers are operating in this market segment. And if you are looking to *start* offering termite control, this is the report for you to gain valuable market knowledge.

I think you'll find the data here fascinating. One key takeaway is that 52 percent of pest management professionals report that termite control work is increasing, to the point that revenues somewhat or significantly increased during the last three years.

You won't be surprised to hear that PMPs reported termite swarms last year as "average," and half of those participating in the report said that weather was the reason for the average swarm season. Despite that, 43 percent said weather did not affect termite services from the Carolinas to California. In addition, the report shows that treatment prices are going up and the industry outlook is hopeful!

BASF offers industry-leading termite control solutions that can help you grow your business. This year we are celebrating a milestone in our product portfolio — the 25th anniversary of Termidor® termiticide/insecticide.

Each generation *one product* comes along that changes the pest control market forever. Termidor did just that. It not only transformed the termite market for both professionals and customers, but it remains as *the* tried, true and tested termite solution. This is a product that has become widely adopted as PMPs' primary termite management product for one reason — *it works!*

Termidor is backed by BASF's tremendous team, which is dedicated to making sure PMPs have all of the resources necessary to educate customers and control termites. From training to product availability to on-demand representatives for any need, our company's commitment to Termidor continues to strengthen each day.

Such market dedication is how a product becomes a mainstay in the industry and grows year after year. Pest professionals can depend on Termidor® and BASF to help grow their businesses with the best control on the market.

I personally want to thank each of you for helping represent the industry I love so much. And of course, it's your efforts every day that help the industry continue to grow. Please enjoy this 2025 State of the Termite Control Market report, sponsored by BASF. And, for even more market data, be sure to visit bit.ly/3W1DZUp to view a video with BASF's Technical Market Manager Dr. Freder Medina discussing this year's report. ■



Barbara Aguiar

Barbara Aguiar

Director
BASF Professional & Specialty Solutions North America

Revenue: UP DESPITE HOUSING WOES

Revenue from termite control services is on the upswing.

More than half (52 percent) of pest management professionals (PMPs) said termite revenue increased somewhat or significantly at company locations over the last three years, according to the 2025 PCT State of the Termite Control Market survey.

On average, termite services generated 24.6 percent of overall revenue at company locations.

That's good given the sluggish housing market. Inspections for real estate transactions, which lead to termite work, were down considerably last year, reported PMPs in follow-up interviews.

"The housing market was dead. We just didn't get a lot of that housing market business — refinancing and people selling their homes," said Bill Cowley, co-owner of Cowleys Pest Services, Farmingdale, N.J.

Atlantic Pest Control, Baltimore, Md., saw demand for wood-destroying insect (WDI) inspections drop significantly as mortgage interest rates increased. But instead of dropping the price of inspections, the company raised them.

"We are one of the few reputable inspectors in town, so we decided to start targeting a premium," said Phil Libby, vice president of Atlantic Pest Control.

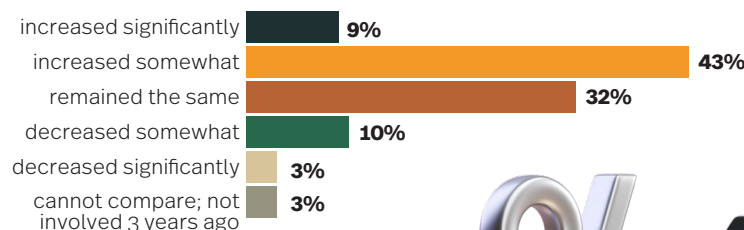
In greater Los Angeles, drywood termite work fizzled out in the fourth quarter of 2024.

"We've seen a pretty good decline in termite business. The demand is there, and people are still getting inspections. It feels like people are a little more apprehensive to spend money, especially on big ticket items if they don't absolutely need to," said Trevor Jones, general manager, Admiral Pest Control.

Nearly 17 percent of termite-related revenue came from termite renewal fees, the PCT survey found.

REVENUE INCREASED

In the past three years, has the percentage of your location's revenue generated from its termite control services increased, remained the same, or decreased?



Source: Readex Research; Respondents: 145

"We're still seeing modest growth with our renewals. We're looking to see an increase from last year. It's not going to be drastic by any means, but we're seeing improvement, which is always nice," said Libby.

Pre-construction treatments for new homes helped Team Pest USA, Loganville, Ga., grow termite revenue.

"The housing market is still growing. It's been a good thing for our business," said Alan Harlan, company vice president of service and quality control. Termite services account for about 60 percent of the company's overall revenue.

In north Houston, the arrival of Formosan termites helped Fullscope Pest Control boost revenue by 12 percent from 2023. "That's a significant increase for us," said Camille Landry, co-owner and entomologist.

She likened the spread of Formosan



termites in her market over the past seven years to an invasion. "Every year they just become more and more common. It's a little shocking how aggressive and how quickly they're doing extensive damage to people's homes."

Fullscope dealt with three major Formosan infestations last year. "We've been in people's attics where the rafters are covered in mud from termites," said Landry, citing the pests' industriousness. "They're hard workers. You've got to give them props for that."

The PCT survey found 85 percent of pest management companies offered termite control services last year. ■

24.6%

Average percentage of overall 2024 revenue derived from termite control services at pest control company locations

Source: Readex Research; Respondents: 145



16.5%

Average percentage of 2024 termite control revenue generated by renewal fees at pest control company locations

Source: Readex Research; Respondents: 120



Service: A COMBO OF TOOLS AND TREATMENTS

How do pest management companies decide which termite treatments to perform at their accounts? As with virtually all pest management treatments, pest management professionals rely on a wide range of tools in their toolboxes.

“The ultimate litmus test for me and my brother is, what would we have done at our own houses?” said Bill Cowley, who co-owns Cowleys Pest Services with brother, Drew Cowley.

They use a combination of termite baiting systems around the exterior and liquid termiticide treatment for vulnerable areas like the front stoop and garage.

“We combine methods on most of our treatments as long as we have a cooperative customer — if they see the advantage of doing that,” Bill Cowley said.

According to the 2025 PCT State of the Termite Control Market survey, 75 percent of PMPs said their company location offered both baits and liquid termiticide treatments.

Using a combination of both was the *primary* treatment for almost half (48 percent) of the survey’s respondents. Thirty-three percent of PMPs said their primary treatment was liquids; 16 percent said baits only.

“Different situations call for a different type of action,” said Jeff Preece, ZipZap Termite & Pest Control, located in Kansas City, Mo. His go-to treatment is termite baiting systems, but “there are some cases where we’ll use the termiticide dust,” he said. “There will be times that we use the termiticide foam, and there are times that we may do a spot treatment with liquid.”

Fullscope Pest Control began using termite baiting systems to help combat Formosan termites, which are now active in north Houston. Camille Landry said she likes the ability to use an above-ground bait station to target carton nests that can be found in attics and “are a little bit more difficult to locate or treat.”



Average callback rate for termite control services

Source: Readex Research; Respondents: 145

WDI/WDO INSPECTIONS. In the PCT survey, 85 percent of pest management professionals said their company locations performed termite inspections or reports for real estate transactions.

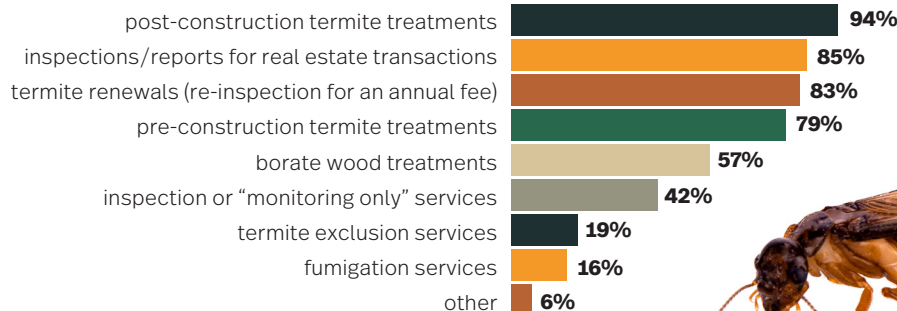
ZipZap Termite & Pest Control is not one of them. The company stopped performing WDI/WDO inspections for real estate transactions in 2023.

“They make no money for us. And they’re really not a generator for leads,” said Preece. Employees had to “drive all over the city and it really disrupts our flow



SERVICES OFFERED

Which types of termite control services does your location offer?

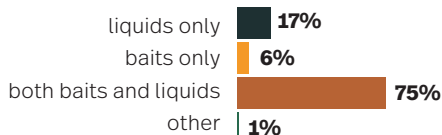


Source: Readex Research; Respondents: 145; Respondents could select more than one response



BAITS AND LIQUIDS

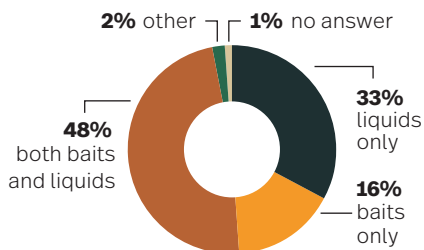
Does your location offer baits, liquids, or both as part of its termite control service?



Source: Readex Research; Respondents: 145

THE GO-TO? A COMBO

What is your location's *primary* termite control service offering?



Source: Readex Research; Respondents: 145

of programs. The windshield time was enormous." Plus, it was hard to charge a decent price for inspections in a competitive market, he said.

"We made a decision to stop that, and our revenue went up probably 40 percent," said Preece. Now instead of spending time performing a \$95 termite inspection, an employee can perform a

\$250 pest treatment.

The company still does about 16 real estate inspections a month — down from 300 — but it charges a higher price and mostly does inspections for refinancing. Those specific inspections, Preece said, aren't as time-bound as home sales and are easier to fit into existing route schedules.

"It's been very, very effective for us, and more profitable," said Preece of dropping the inspections.

Heath Porch, owner of 360 Pest Solutions, does fewer wood-destroying insect inspections in the greater Mansfield, Ohio, area than before.

"Nowadays, a lot of homeowners in Ohio are just using home inspectors who have never killed a termite in their life" to inspect for termites along with other conditions for a lower price. He said he's seen where some inspectors have misidentified termite and carpenter ant damage.

And if termites are found, he's still going to charge the customer to perform his own WDI inspection before performing treatment. He's not going to rely on the home inspector's assessment. "To me, that's unfair to consumers when they have to be double dinged."

DAMAGE REPAIR. Fixing termite damage is a growing revenue stream for Admiral Pest Control, which performs localized treatments and subcontracts fumigation for drywood termites. "Within our lane, we try to make sure we can do everything that's in our scope of work," said Trevor Jones.

Making the entire process seamless leads to long-term customer relationships.

"We do repairs, we do the treatments, we'll put you on a maintenance plan and make it easy for the consumer. That leads to a lot of customer referrals. And that leads to customer trust. That trust leads to a lot of cross selling," including general pest work, he said.

FUMIGATION. Sixteen percent of pest control company locations offered termite fumigation in 2024.

It was the only area of termite work that declined at Admiral Pest Control.

"Fumigations are down 20 percent over last year. That's been a trend that's gone on the last few years" as the cost of fumigation has increased, said Jones. As a result, localized treatment — using termiticide foam and borate-based products — has become more appealing to Admiral's customers.

PMPs reported that the average call-back rate for termite control services was 1.8 percent. ■

Weather: NOT FOR SWARMS



Weather had a negative impact on termite swarms last year.

According to the 2025 PCT State of the Termite Control Market survey, 54 percent of PMPs characterized the 2024 termite swarm season in their market area as average and 48 percent cited weather as the primary reason for it being average.

“Termite swarms were average this year and that’s why our numbers are average this year,” said Bill Crowley, Crowleys Pest Services, which operates in New Jersey. “In the springtime, we didn’t have an especially wet year, which is what you like to see.”

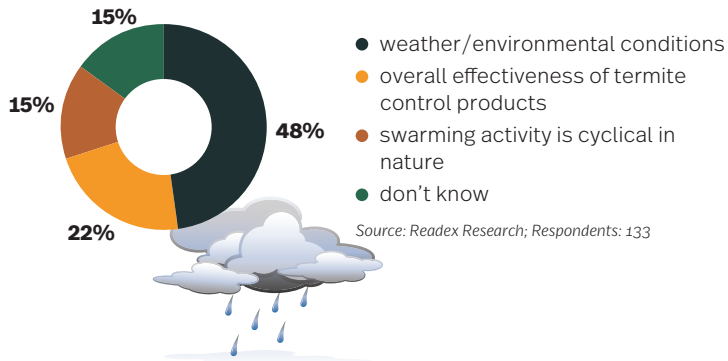
In California, swarms were mediocre despite getting more rain after a decade of drought and hotter temperatures than normal. Trevor Jones, Admiral Pest Control, was anticipating drywood termites to swarm like crazy. Not quite. “They swarmed twice but just not to the level we expected,” he said.

Likewise, swarms were “meh” in Georgia, North Carolina and South Carolina, said Alan Harlan, Team Pest USA. He offered two related insights as a result of this, saying: “Our post-construction definitely is not as healthy as our pre-construction” but “our damage claims are down.”

Even so, 43 percent said weather did not affect demand for termite control services. And 42 percent said the number of termite related service calls increased significantly or somewhat at their location compared to one year ago. ■

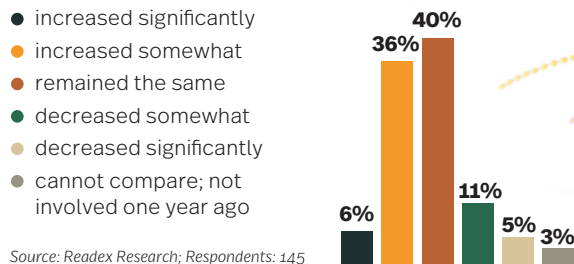
WEATHER A FACTOR

What do you believe is the primary factor for the average/below average level of termite swarming activity?



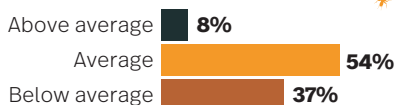
CALLS UP DESPITE WEATHER

Compared with one year ago, have termite-related service calls at your location increased, decreased, or remained the same?



AVERAGE SWARMS

How would you characterize the 2024 termite swarm season in the area in which your location provides services?



Source: Readex Research; Respondents: 145

PRICES: GOING UP

TERMITE TREATMENT IS GETTING MORE EXPENSIVE.

The average price charged for a typical post-construction termite treatment job in 2024 was \$1,100, found the 2025 PCT State of the Termite Control Market survey. For a pre-construction treatment, the amount was \$883.

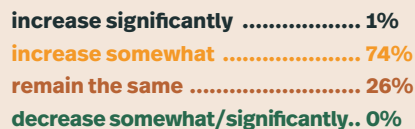
Seventy-five percent of PMPs expect the price of termite services to increase significantly or somewhat at their location in 2025.

Even so, some PMPs in follow-up interviews were frustrated by competitors who they said were keeping the price of termite work artificially low, thus making this work less profitable yet more competitive at the same time.

“These people who build their entire business around termite work, they just give the service away. So it’s impossible to raise prices and increase your revenue that way,” Bill Cowley said, Cowleys Pest Services. “It’s very difficult to be competitive.”

PRICES RISING

Compared with 2024, do you anticipate your location’s pricing for termite service will increase, remain the same, or decrease in 2025?



Source: Readex Research; Respondents: 145



Outlook: IT'S HOPEFUL

Bill Cowley of Cowleys Pest Services said, "Termite service is so dependent on things that are out of your control." Two big unknowns in 2025: the weather and the housing market.

"Hopefully the weather will cooperate, and we'll have a wet spring," said Cowley.

Lower interest rates would also bolster termite revenue. "If people are buying and selling homes, we should have the opportunity to get into more homes where we find termites and do some more business," he explained.

If new-home construction stays robust, the termite pre-treat business of Team Pest USA will benefit. "As long as the housing market stays consistent, we're looking at other places to expand our footprint," said Alan Harlan.

Growing pest control — not termite — has been the focus of Admiral Pest Control's marketing efforts for the past seven years. Termite work accounts for about 44 percent of the company's revenue overall but "a lot of it has to be sold again and again and again," Trevor Jones said.

With pest control, by comparison, you build it up and "it stays," he said. "They stay on contract."

Jones said demand for termite control remains strong in his market of WWII-era homes where termite pressure is high. "There's still a lot of need there. But sometimes it's a little bit harder of a sell" than other services, he said.

In north Houston, Camille Landry, Fullscope Pest Control, expected strong demand with Formosan termite infestations becoming the norm.

"Formosan termites are going to be more extreme every year," she said. Fullscope is pushing inspections and preventive termite services. This requires making homeowners aware of the damage these termites cause in a short amount of time. When homeowners see the damage caused by Formosan termites, they often panic. If they're satisfied with

the company's response, they sign up for more services.

"An emergency treatment typically tends to have that customer turn into an ongoing, lifetime pest customer," she said.

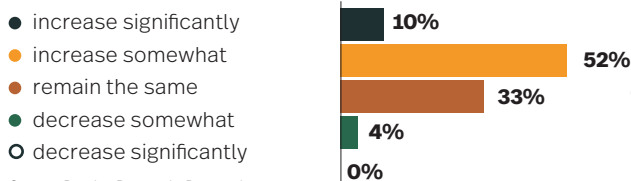
According to the 2025 PCT State of the Termite Control Market survey, 62

percent of PMPs expected the percentage of revenue generated from termite control services at their locations to increase somewhat or significantly in the year ahead.

Forty-one percent said termite control was just as significant to their location's bottom line as it was five years ago. ■

GREAT EXPECTATIONS

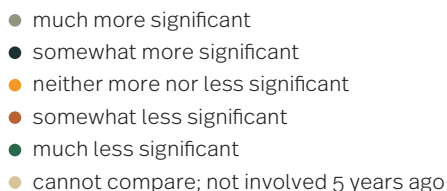
Compared with 2024, do you anticipate the percentage of your location's revenue generated from its termite control services to increase, remain the same, or decrease in 2025?



Source: Readex Research; Respondents: 145

JUST AS SIGNIFICANT

Is your location's termite control business more or less significant to your company location's bottom line today than five years ago?



Source: Readex Research; Respondents: 145

ABOUT THE SURVEY

Sponsored by BASF, the 2025 PCT State of the Termite Control Market study was conducted by Readex Research, a privately held research firm based in Stillwater, Minn. A sample of 7,179 pest control company owners, executives and technical directors was systematically selected from the PCT circulation file. Data was collected from 170 respondents — a 4 percent response rate — via online survey from Oct. 29 to Nov. 19, 2024, with 145 respondents stating their company location offered termite control services. The margin of error for 145 respondents is plus or minus 8 percent at the 95 percent confidence level. Charts may not add up to 100 percent due to rounding.



BASF

We create chemistry

Trelona® ATBS
Annual Bait Stations

Low profile, high performance

Trelona® ATBS Annual Bait Stations feature a superior design that leads to faster hits¹ and active, ongoing structural protection through colony elimination. Its annual inspection label gives you the flexibility to check stations just once a year, helping reduce labor costs, improve efficiency and grow your bottom line. With no ongoing fees or reporting requirements, you'll have full ownership of your equipment and accounts and complete control over your business.

For more information, visit pestcontrol.basf.us or contact your BASF representative.

¹2012 University of Delaware, Graduate Research Dissertation. Not statistically significant at $p < 0.05$; Statistically significant at $p < 0.10$.

Always read and follow label directions.

Trelona is a registered trademark of BASF. © 2025 BASF Corporation. All rights reserved.