

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Jesus
Unique Extreme Playgrounds & More

Prison Entrepreneurship Program
P.O. Box 926274
Houston, TX 77292
(832) 767-0928
www.pep.org

Unique Extreme Playgrounds & More

“Swing high, slide by, and shoot for the stars”

Business Plan
January 2020

Jesus
Owner & Founder

TABLE OF CONTENTS

EXECUTIVE SUMMARY1

PERSONAL FIT2

OPPORTUNITY3

SOLUTION3

CUSTOMERS4

DIFFERENTIATORS6

EXTRAS7

MARKETING.....7

RÉSUMÉ ATTACHED

FINANCIAL PROJECTIONS ATTACHED

EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>People are experiencing separation during long work hours and neglecting children and significant others. There is also a rise in violence and drugs that hinder parents from allowing their children to go to public play areas.</p>	<p>At Unique Extreme Playgrounds & More, our goal is to unite families across America. We believe that hard work, dedication, and practice goes a long-way and can be done in the comfort and safety of your home.</p>	<p>Designing and creating back yard dreams and giving children confidence to practice the sport they love in the comfort of their own back yard.</p>																																				
Customers	Differentiators	Extras																																				
<p>Parents, Grandparents, Sport Coaches & Sports Enthusiasts.</p>	<p>I will be offering a unique 1 of a kind back yard experience with over the top safety to meet all my customers' needs.</p>	<p>Due to my contacts and experience in this field I will be able to make a significant lasting impact in this market.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>I will be taking advantage of all forms of social media, flyers, business cards and word of mouth to reach as many customers as possible.</p>	<table border="0"> <tr> <td>Sales:</td> <td style="text-align: right;">\$ 827,000</td> <td style="text-align: right;">100%</td> </tr> <tr> <td>COGS</td> <td style="text-align: right;">549,800</td> <td style="text-align: right;">66%</td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;"><u>277,200</u></td> <td style="text-align: right;">34%</td> </tr> <tr> <td>Overhead</td> <td style="text-align: right;">15,800</td> <td style="text-align: right;">2%</td> </tr> <tr> <td>Pretax income</td> <td style="text-align: right;">261,300</td> <td style="text-align: right;">32%</td> </tr> <tr> <td>Tax expense</td> <td style="text-align: right;">65,300</td> <td style="text-align: right;">8%</td> </tr> <tr> <td>Owner withdrawals</td> <td style="text-align: right;">55,000</td> <td style="text-align: right;">7%</td> </tr> <tr> <td>Net income</td> <td style="text-align: right;"><u>\$ 141,000</u></td> <td style="text-align: right;">17%</td> </tr> </table>	Sales:	\$ 827,000	100%	COGS	549,800	66%	Gross profit	<u>277,200</u>	34%	Overhead	15,800	2%	Pretax income	261,300	32%	Tax expense	65,300	8%	Owner withdrawals	55,000	7%	Net income	<u>\$ 141,000</u>	17%	<table border="0"> <tr> <td>Owner investment - cash</td> <td style="text-align: right;">\$ 21,800</td> </tr> <tr> <td>Owner investment - equipment</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Vehicle and/or equipment loan</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Start up financing</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td>Total start up costs:</td> <td style="text-align: right;"><u>\$ 26,800</u></td> </tr> <tr> <td>Plan Purpose:</td> <td style="text-align: right;">Startup</td> </tr> </table>	Owner investment - cash	\$ 21,800	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	5,000	Total start up costs:	<u>\$ 26,800</u>	Plan Purpose:	Startup
Sales:	\$ 827,000	100%																																				
COGS	549,800	66%																																				
Gross profit	<u>277,200</u>	34%																																				
Overhead	15,800	2%																																				
Pretax income	261,300	32%																																				
Tax expense	65,300	8%																																				
Owner withdrawals	55,000	7%																																				
Net income	<u>\$ 141,000</u>	17%																																				
Owner investment - cash	\$ 21,800																																					
Owner investment - equipment	-																																					
Vehicle and/or equipment loan	-																																					
Start up financing	5,000																																					
Total start up costs:	<u>\$ 26,800</u>																																					
Plan Purpose:	Startup																																					
Personal Fit																																						

I will be using all of my experience and industry connections to enable me to succeed in giving my customers exactly what they need to establish and maintain lasting and memorable connections with the one's they love.

PERSONAL FIT

I was born on September 18, 1981 to Juan and Maria. I am the second child of four and the father of four children, two boys and two girls. I was raised in El Paso, Texas in the neighborhood called Segundo Barrio where the streets were full of gang violence and drugs. The people we looked up to were drug dealers and gang members and the violence was rampant growing up. It is sad to say but I was a part of it.

My mother and father always gave us what we need and still I still have no excuse why I turned out like I did. I was never good at school and I would always get suspended for fighting because my peers would call me “menso” dumb. I loved the weekend because I got to get out of the neighborhood and spend time with my grandfather. He would take me to go to work with him at the swap meet and pay me twenty dollars per day. The love of money is what made me start doing crime and breaking into cars and schools is what landed me in juvenile hall. I was charged with multiple felonies and got my parents in trouble to because they had to pay a \$10,000 restitution fine. The adrenaline rush was all that I wanted and soon I was in the monitor selling drugs at school and that did not end up well because I got caught. The only difference was that I was an adult and ended up in county jail. Soon after I got out I got charged with robbery and I was facing real time. That was a wakeup call for me. I settled down with my high school sweetheart and married her and soon after we had our first child. I thought I was happy but I craved the adrenaline rush I would get while committing crimes. I started selling drugs and was back in the gang life and soon got divorce and met my second wife. I was blessed once again with my second child, my baby girl Unique but not long after that I was charged with a State Jail Felony. The bad part is that my wife was expecting our second child Raphael. After I was released we were behind on bills and I chose once again to sell drugs. When I had finally gotten ahead and was saving to buy a house I got caught. The saddest part was that she was pregnant with our third child Marrissa and she was alone.

I was sentenced to five years but the only person I thought loved me was fed up and left me and my children. I was a single father in prison and nothing mattered to me anymore. I was a walking wreck, all I did was get into trouble. So when I made parole I still had a criminal mind set. Not long after being released, I absconded from my parole and a year later I was charged with Possession of a Firearm by a Felon. I got sentenced to four years and the transformation started. I received a letter from my daughter saying she forgave me for not spending time with her and missing all her birthdays. She also said that she was happy because she got to see me more now that I was in jail. I broke down crying like a child and I decided I was done that I had enough. I started attending NA/AA before I was transferred to TDCJ. The first thing I did was renounce any part of and social group and started hitting the books. I read many educational books and started getting involved in positive classes, sport events and church. I completed changes, family health, and work ethics and as the fury passed I prayed for him to send me a sign to show me what he wanted from me. I received a JPAY from PEP. I soon was transferred to Venus and began PEP and GED. I was encouraged and helped by my peers and soon received my ultimate goal that I thought I would never get and that was my GED. I have changed so much that people that were locked up with me before are amazed.

Yeah I comb my hair to the side. Luckily I have hair now to comb to the side. It reminds me of when I was a store manager at McDonalds and Richard Castro asked me why should I trust you and invest in you. MY response was that I can do the job better than any man could and trust is the tricky part knowing my past. I told him it is not just a job that I come to do it is a family business that I come to run. If I work for you like family and if you invest in me you will never regret because I am not going to drag my family name in the mud. The only thing a man has at this point is his word and his word is his bond.

OPPORTUNITY

- Can I solve the problem given my skills and personality?
 - Yes, I have 20 yrs. Experience in installing playgrounds.
- Is the customer looking for a more holistic solution than his or her immediate complaint?
 - Yes. They just do not know it yet until they see the quality of the work they will not know what they are missing.
- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
 - I will hire help but will also install metrics to assure and maintain quality.
- Is there growth potential to expand my business, or is this a dying market?
 - There is extreme growth potential.
- How soon can I get my business up and running?
 - I will have my business running 6 months to 1 yr. after my release.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
 - It would be a combination of both but it has a low startup cost.
- Is this something I would be proud to share with my family and parole officer?
 - Absolutely I would encourage them to have a playground of their own installed.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
 - Yes, I believe it is.
- Would my business start as a part-time venture or need to be full time?
 - I will start part time until demand increases.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Absolutely.
- What are the benefits (not features) that I am providing?
 - Safety, durability, satisfaction guarantee and affordable pricing.
- Why can I do this better than another business (competitor)?
 - With my dedication to safety and durability combined with my knowledge of the industry I believe growth opportunity is tremendous.

- How will I deliver this better idea to my customers?
 - I will rely heavily on my existing contacts and use work ethics to produce quality product.
- Is my delivery (retail store, home service, etc.) consistent with how I will produce the service (one-day delivery, hand-made products, etc.)?
 - Yes.
- Is my solution consistent with my passion for selling?
 - Yes.
- Is the price of my solution equal to or less than the customer's pain?
 - Yes.
- Is the approximate cost of my solution lower than the price?
 - Yes.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - I will operate an office from home but I will be on location.
- Do I offer a guaranty or return policy?
 - I offer both, plus 100% satisfaction guarantee.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - Absolutely not we will seek to serve both equality.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - Does not have an age just homeowners or have permission to install in property.
- Does my customer need to be married, single or does it matter?
 - It does not matter.
- Do language or ethnicity differences improve or limit my ability to sell to my ideal customer?
 - Absolutely since I am bilingual I will be able to serve several markets.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
 - Recreational, outdoors and children conscience people.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - No, I will work with all customers to achieve the backyards of their dreams.
- Does my customer need to own specific assets (car, house, boat)?
 - No, just need permission.

Location:

- Where will I sell to my customers (their home, their workplace, on the street, online, my store, an event like trades day)?
 - Their home mainly but will also use contacts through churches, online and word of mouth.
- Do I go to my customer (home service) or does my customer come to me?
 - Both.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - No specific area.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - DFW 40-50 miles.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - I think they will come one at a time and those will provide referrals.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - Both.
- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - Highly likely and they will also give me a referral.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
Walmart	Indirect	TV, Ads, Online sales & Circulars	Various	Established large company with great supplier contacts	Cheap equipment, they sacrifice quality by buying in bulk	Better quality equipment, sale and install same company, warranty & satisfaction guarantee
Lowe's	Indirect	TV, Ads, Online sales & Circulars	Various	Established large company with great supplier contacts	Cheap equipment, they sacrifice quality by buying in bulk	Better quality equipment, sale and install same company, warranty & satisfaction guarantee
Rainbow	Indirect	TV, Ads, Online sales & Circulars	Various	Established large company with great supplier contacts	Cheap equipment, they sacrifice quality by buying in bulk	Better quality equipment, sale and install same company, warranty & satisfaction guarantee
Academy	Indirect	TV, Ads, Online sales & Circulars	Various	Established large company with great supplier contacts	Cheap equipment, they sacrifice quality by buying in bulk	Better quality equipment, sale and install same company, warranty & satisfaction guarantee
Pro Playgrounds	Direct	TV, Ads, Online sales & Circulars	Various	Established large company with great supplier contacts	Cheap equipment, they sacrifice quality by buying in bulk	Better quality equipment, sale and install same company, warranty & satisfaction guarantee

EXTRAS

External Extras:

- Do you have a connection with a supplier in your industry?
 - Yes.
- Do you have access to a favorable location for your business?
 - Yes.
- Are you going to be the first company of your type in your chosen area operations?
 - I believe I am if not the first I will be one of the first.

Internal Extras:

- Do you have a new or cutting edge concept?
 - I believe I have a unique concept.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
 - I believe they can match it but they will not.
- Are you an especially charming or personable person?
 - I am a salesman by birth and I have unmatched enthusiasm and charisma.

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - We offer unique and extreme playground dreams turned into reality.
- What is your tagline?
 - We swing high, slide by and shoot for the stars.
- How does your name and tagline make you different than your competitors?
 - It is unique and interesting.
- Can your message be effectively conveyed through multiple types of media?
 - Most definitely.
- Is your message effective across different demographics?
 - Yes.
- Is your pricing consistent with the market for similar offerings?
 - Yes it is consistent or lower.
- Is your pricing consistent with the degree of personalization?
 - I believe it is.

Media:

- What are three types of media you will use to reach your customers?
 - Partnership with surf, Mailchimp and search engine optimization.

- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - I believe it will be in the multiple thousands range.
- Once you've reached your typical customer, how many will actually buy from you?
 - I believe with flexible pricing I can achieve at least 80% ratio.
- For each of the three, what do you think the estimated cost will be?
 - Surf is \$1 per day, Mailchimp is \$100 per month and Search engine optimization \$100 per month.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - It is a recurring charge for all three.
- How will you collect customer reviews?
 - Through my Chimpmail marketing platform.

RESUME

Jesus

1100 Hwy 1807
Venus, TX 76084
Cell 999-999-999, myaccount@gmail.com

Experience

McDonalds Store Manager 2002-2005
Payroll, Inventory and Truck

Incredible Pizza Company Supervisor 2006-2007
Made pizzas

Migrant Worker 2016
Picked Lettuce, Habanero peppers and Jalapenos

NCC Structures and Wood Framer 2016
Built cabinets and fancy woodwork

Skills

- **Manager Skills**
- **Fork Lift Operator**
- **Grill Cook**
- **Wood Framer**
- **Inventory Management**
- **Maintenance Clerk**

Education/Certifications

PEP *May 2019-January 2020*
Values-based entrepreneurship program of intensive three-month leadership academy and six-month business plan competition with training in business, marketing, finance and competitive strategies. Participants are coached by top executives and MBA advisors from universities across the country culminating in a 30-minute presentation to CEOs and investors. Graduates earn certificate in Entrepreneurship from Baylor University's Hankamer School of Business.

Texas Education Agency 2019
Certificate of Completion

Owner's name	Jesus
Company name	Unique Extreme Playgrounds & More
NAICS Business Classification	
Sector (general classification)	_23_Construction
Sub-sector (more specific classification)	238: Specialty Trade Contractors

Start-up Costs
Year 1

Assumption 4 - Total Uses

Non-Depreciable Costs	Paid or contributed in Month 1
marketing, business cards, fliers	2,000
cell phone purchase	120
car/truck down payment, if leased	
permits	
supplies, office & misc.	500
Cash needed for start-up expenses	2,620

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	6,000		6,000
company trailer	1,000		
computer, printer, fax	2,000		2,000
			-
			-
			-
building/office deposit		N/A	N/A
beginning cash balance	15,180	N/A	N/A
Cash needed for start-up assets	24,180	-	8,000
			<u>60</u> assumed life (months)
			<u>133</u> monthly depreciation

Total start up cost **26,800**

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	21,800	81%
Vehicle loan and other equipment debt (see note 7 for financing)	-	0%
Startup financing, if applicable (for example Kiva loan)	5,000	19%
Outside equity investment, if applicable		0%
Total start up cost, total sources	26,800	100%

Jesus dba Unique Extreme Playgrounds & More
Projected Income and Cash Flow Statements
Year 1

	Assump- tions	Start-up Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	First Year	% of Total Revenue
Revenue	2														
Playground	6	-	10,000	20,000	30,000	30,000	50,000	50,000	50,000	60,000	60,000	60,000	60,000	480,000	58%
Sports Courts	6	-	14,000	14,000	14,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	266,000	32%
Tree Houses	6	-	1,800	5,400	5,400	5,400	9,000	9,000	9,000	9,000	9,000	9,000	9,000	81,000	10%
Total revenue		-	25,800	39,400	49,400	63,400	87,000	87,000	87,000	97,000	97,000	97,000	97,000	827,000	100%
Cost of Goods Sold	2														
Playground	6	-	5,700	11,400	17,100	17,100	28,500	28,500	28,500	34,200	34,200	34,200	34,200	273,600	33%
Sports Courts	6	-	12,050	12,050	12,050	24,100	24,100	24,100	24,100	24,100	24,100	24,100	24,100	228,950	28%
Tree Houses	6	-	1,050	3,150	3,150	3,150	5,250	5,250	5,250	5,250	5,250	5,250	5,250	47,250	6%
Total COGS		-	18,800	26,600	32,300	44,350	57,850	57,850	57,850	63,550	63,550	63,550	63,550	549,800	66%
Gross profit		-	7,000	12,800	17,100	19,050	29,150	29,150	29,150	33,450	33,450	33,450	33,450	277,200	34%
Expenses	2														
Auto or truck lease	-	-													- 0%
Depreciation	3	-	133	133	133	133	133	133	133	133	133	133	133	1,467	0%
Gasoline & fuels	-	-	100	100	100	100	100	100	100	100	100	100	100	1,100	0%
Insurance - bonding	-	-													- 0%
Insurance - vehicle	-	-	150	150	150	150	150	150	150	150	150	150	150	1,650	0%
Interest - equip & start up	7	-	-	-	33	32	31	29	28	27	25	24	23	253	0%
Marketing	2,000	-												2,000	0%
Office - rent	-	-													- 0%
Office - insurance	-	-													- 0%
Office - telephone	-	-													- 0%
Office - utilities	-	-													- 0%
Payroll - not owner and not in COGS	8	-	300	300	300	600	600	900	900	900	900	900	900	7,500	1%
Payroll taxes (9%)	6 & 8	-	27	27	27	54	54	81	81	81	81	81	81	675	0%
Permits	-	-													- 0%
Supplies	500	-												500	0%
Tax service	-	-													- 0%
Telephone - cellular	120	-	50	50	50	50	50	50	50	50	50	50	50	670	0%
Start-up expenses	-	-													- 0%
	-	-													- 0%
	-	-													- 0%
	-	-													- 0%
	-	-													- 0%
	-	-													- 0%
	-	-													- 0%
	-	-													- 0%
Total expenses		2,620	760	760	794	1,119	1,118	1,444	1,442	1,441	1,440	1,438	1,437	15,815	2%
Taxable profit (loss)	1	(2,620)	6,240	12,040	16,306	17,931	28,032	27,706	27,708	32,009	32,010	32,012	32,013	261,385	32%
Tax (expense) benefit	1			(3,915)			(15,567)			(21,856)			(24,009)	(65,346)	-8%
Owner's withdrawals	1	-	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(55,000)	-7%
Net profit (loss)		(2,620)	1,240	3,125	11,306	12,931	7,465	22,706	22,708	5,153	27,010	27,012	3,004	141,039	17%
Depreciation	3	-	133	133	133	133	133	133	133	133	133	133	133	1,467	
Equipment purchases	3	(9,000)	-	-	-	-	-	-	-	-	-	-	-	(9,000)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	5,000	-	-	(193)	(194)	(195)	(197)	(198)	(199)	(201)	(202)	(203)	3,218	
Owner contribution	3	21,800	-	-	-	-	-	-	-	-	-	-	-	21,800	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		15,180	1,373	3,258	11,247	12,870	7,403	22,643	22,643	5,087	26,943	26,943	2,934	158,523	
Cash, period start		-	15,180	16,553	19,811	31,058	43,928	51,331	73,973	96,616	101,703	128,646	155,589	-	
Cash, period end		15,180	16,553	19,811	31,058	43,928	51,331	73,973	96,616	101,703	128,646	155,589	158,523	158,523	