

prison  
entrepreneurship  
program

Business Plan Competition  
January 23-24, 2020

Brent  
In-Side Track Radio

Prison Entrepreneurship Program  
P.O. Box 926274  
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(832) 767-0928  
[www.pep.org](http://www.pep.org)

# *In-Side Track Radio*

*“A voice of hope and freedom that transcends the four walls”*

Business Plan  
January 2020

*Brent*  
Owner & Founder

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**EXECUTIVE SUMMARY**

<b>Opportunity</b>	<b>Purpose</b>	<b>Solution</b>																																				
<p>There is no one who can give advertisers an outlet to reach Texas inmates with updated information.</p>	<p>On In-Side Track Radio, our goal is to provide a much needed service to men and women inside Texas prisons.</p>	<p>A radio station that forgets inmates in Texas prisons with content on ads that will appeal to them.</p>																																				
<b>Customers</b>	<b>Differentiators</b>	<b>Extras</b>																																				
<p>Advertisers who market to the men and women in TDCJ. Listeners who have radios in TDCJ.</p>	<p>No one is trying to reach men and women inside prisons because who they are.</p>	<p>Anyone with a radio in the area can hear us and be involved.</p>																																				
<b>Marketing</b>	<b>Financials &amp; Extras</b>	<b>Start-up Costs</b>																																				
<p>We will use on-line and mainly through word of mouth.</p>	<table border="0"> <tr> <td>Sales:</td> <td style="text-align: right;">\$1,415,000</td> <td style="text-align: right;">100%</td> </tr> <tr> <td>COGS</td> <td style="text-align: right;">-</td> <td style="text-align: right;">0%</td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;"><u>1,415,000</u></td> <td style="text-align: right;"><u>100%</u></td> </tr> <tr> <td>Overhead</td> <td style="text-align: right;"><u>219,400</u></td> <td style="text-align: right;"><u>16%</u></td> </tr> <tr> <td>Pretax income</td> <td style="text-align: right;">1,195,500</td> <td style="text-align: right;">84%</td> </tr> <tr> <td>Tax expense</td> <td style="text-align: right;">298,800</td> <td style="text-align: right;">21%</td> </tr> <tr> <td>Owner withdrawals</td> <td style="text-align: right;">-</td> <td style="text-align: right;">0%</td> </tr> <tr> <td>Net income</td> <td style="text-align: right;"><u>\$ 896,600</u></td> <td style="text-align: right;"><u>63%</u></td> </tr> </table>	Sales:	\$1,415,000	100%	COGS	-	0%	Gross profit	<u>1,415,000</u>	<u>100%</u>	Overhead	<u>219,400</u>	<u>16%</u>	Pretax income	1,195,500	84%	Tax expense	298,800	21%	Owner withdrawals	-	0%	Net income	<u>\$ 896,600</u>	<u>63%</u>	<table border="0"> <tr> <td>Owner investment - cash</td> <td style="text-align: right;">\$ 22,500</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;">-</td> </tr> <tr> <td><b>Total start up costs:</b></td> <td style="text-align: right;"><u><u>\$ 22,500</u></u></td> </tr> <tr> <td><b>Plan Purpose:</b></td> <td style="text-align: right;">Start-Up</td> </tr> </table>	Owner investment - cash	\$ 22,500	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	-	<b>Total start up costs:</b>	<u><u>\$ 22,500</u></u>	<b>Plan Purpose:</b>	Start-Up
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<b>Personal Fit</b>																																						

At In-side Track Radio our goal is simple hope and freedom. We will provide updated information and entertainment to our listeners with an uplifting and positive message.

## **PERSONAL FIT**

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My name is Brent. I was born January 24<sup>th</sup>, 1982 in Denison, Texas. It is not the smallest town out there, but it is definitely not the biggest either. It was home and it always will be. My parents got divorced when I was about seven and my mother remarried when I was eight. I was about 14 when my mom and stepdad relocated us to Wichita Falls, Texas. I was not happy about that move. I got my car when I was 17; I then spent as much time as possible going to my home town. School was a mixed bag for me, there were parts I enjoyed, but unfortunately more that I did not like. I wish I had enjoyed it. I started working at a young age and that kind of took my focus away from school. I got my GED later on and I wish now I had done it differently.

I was not ever in trouble much. I was arrested in my 20's for some unpaid traffic tickets. When I was 30 I was charged in an abuse case. I ended up at trial for it where I received a 10 year sentence. I was very angry about that and for the first few years of my sentence I acted out and started to act like a criminal. Sadly one does not truly realize they are acting in such a way until it has gotten to a pretty bad point. Thankfully I did before I did something stupid and got myself into even more trouble. I was lucky, others are not so lucky when in places like this.

The way I have changed most is that I now read and I enjoy it. That has helped me to study subjects I have always struggled with. To learn more and understand more. I have learned just how much I can do if I put my mind to something. I have always worked hard at whatever job I have had and I have put the same amount of energy into changing my life for the better. PEP has been a very big help in pointing me in a good direction. A direction that will take me back home.

This is my first and last time in prison or in trouble. The bright side of this has been the fact that it did show me that there were other aspects of my life that I needed to address and work on. Now that I know I can start to correct my ways and be a person I and others can be proud of. I have friends and family who I want to prove my change to, but I want to believe in that change myself. It all comes down to me. Once I am the person I am proud of, then others will see that as well. My image will be one that investors can trust and one that customers will want to go to.

My scheduled release date is April 16<sup>th</sup>, 2022 and I will be going back to Denison when I get out. I have a parole date in May of 2020, hopefully I will get it. If not I will have the opportunity to give back to PEP on the inside.

## **OPPORTUNITY**

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- Can I solve the problem given my skills and personality?
  - Yes I have been in sales for over 10 years.
- Is the customer looking for a more holistic solution than his or her immediate complaint?

- Yes.
- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
  - I will be the principal and be looking to hire people with great working skills.
- Is there growth potential to expand my business, or is this a dying market?
  - There is a great potential to expand my business.
- How soon can I get my business up and running?
  - I look to be up and running 2 years after being released.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
  - This will be a low startup cost venture.
- Is this something I would be proud to share with my family and parole officer?
  - Yes I will be glad to share with family.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
  - Yes I believe so.
- Would my business start as a part-time venture or need to be full time?
  - I will start off as part time then look to be a full time venture in the future.

## SOLUTION

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- Is what I am offering filling the customer's real need?
  - Yes.
- What are the benefits (not features) that I am providing?
  - Real time and up to date.
- Why can I do this better than another business (competitor)?
  - No one doing this business.
- How will I deliver this better idea to my customers?
  - I will need to make initial contact myself no outlet.
- 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 I feel good about what I offer.
- Is the price of my solution equal to or less than the customer's pain?
  - I will be equal.
- 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 be both a fixed location and a mobile service.
- Do I offer a guaranty or return policy?
  - I do offer a guarantee.

## CUSTOMERS

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### **Demographics:**

- Will my service have different appeal to men versus women?
  - Will focus on men.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
  - My customer age will be 18yrs and older.
- Does my customer need to be married, single or does it matter?
  - Does not apply.
- Do language or ethnicity differences improve or limit my ability to sell to my ideal customer?
  - Has no effect on business.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
  - Anyone inside Texas prison with a radio.

### **Income:**

- Does my customer need a certain income (rich, middle class, poor)?
  - Does not apply.
- Does my customer need to own specific assets (car, house, boat)?
  - Does not apply.

### **Location:**

- Where will I sell to my customers (their home, their workplace, on the street, online, my store, an event like trades day)?
  - My service will be word of mouth.
- Do I go to my customer (home service) or does my customer come to me?
  - They must tune their radios in on my station.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
  - Does not apply.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
  - All over Texas in state prisons.
  
- How easily can I find this customer (one at a time or they will provide referrals)?
  - I can find easily in the state prisons.

### **Other:**

- Can I reach these individuals as a group or do I need to find and sell to them individually?
  - I will reach them as a group.

- Once I sell to a customer, what is the likelihood that they will buy from me again?
  - They will have to tune in.

### ***If Doing Business to Business Operations (Optional):***

- Am I selling to a wholesaler, retailer or does it matter?
  - It will be a mix of both.
- What industry is my customer in?
  - Sales and service.
- What size customer do I want to serve (large/small, single/multiple locations)?
  - It will be a large customer base.
- Will my customer require special insurance (construction bonding, liability insurance)?
  - Unknown.
- Does my customer require 24/7 service?
  - Yes.
- Do I have the capacity to meet the customer's demands?
  - Yes.
- Will the size of a customer allow me to develop other clients or will I be hostage to one company?
  - Absolutely.

**DIFFERENTIATORS**

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<b>My Competitors</b>	<b>Direct or Indirect</b>	<b>Promotion</b>	<b>Price</b>	<b>Their Advantages</b>	<b>Their Disadvantages</b>	<b>My Differentiators</b>
Prison Legal News Magazine	Indirect	Online ads	\$49.95 per year	Plenty of pages to show case advertise	High cost/monthly issue	Up to date information on demand/no waiting
The Echo	Indirect	None	Free	Every person in prison gets for free	No ads of outside sales.	Up to date information on demand/no waiting
97.1 The Eagle	Direct	Radio/TV/Billboards	N/A	Established market and grouping	No ads marketed to inmates in prison	More types of music and entertainment provided

## EXTRAS

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### External Extras:

- Do you have a connection with a supplier in your industry?
  - Not at the moment.
- 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?
  - Yes I will be the first in industry.

### Internal Extras:

- Do you have a new or cutting edge concept?
  - Yes, because no one has a real live outlet for inmates.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
  - Yes.
- Are you an especially charming or personable person?
  - Yes I am a very effective sales person.

## MARKETING

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### Message:

- What are three things your company name (with no other information provided) says about your company?
  - We have been were our listeners been and we provide the news and entertainment they want.
- What is your tagline?
  - A voice of home and freedom that transcends the four walls.
- How does your name and tagline make you different than your competitors?
  - The message is home and freedom and no one else is voicing this.
- Can your message be effectively conveyed through multiple types of media?
  - Yes.
- Is your message effective across different demographics?
  - Most definitely.
- Is your pricing consistent with the market for similar offerings?
  - Yes.
- Is your pricing consistent with the degree of personalization?
  - Yes.

## **Media:**

- What are three types of media you will use to reach your customers?
  - Business cards, Ads and word of mouth.
  
- How many potential typical customers (not just total people) can you reach each month using the types listed above?
  - As many as possible.
- Once you've reached your typical customer, how many will actually buy from you?
  - Hopefully gain 75%-80%.
- For each of the three, what do you think the estimated cost will be?
  - Business cards (\$50) and Ads (\$100)
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
  - Recurring charge.
- How will you collect customer reviews?
  - Online and mailed in referrals.

## RESUME

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### **Brent**

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

### **Experience**

***Warehouse Manager*** *2008-2012*  
Sales, management warehouse and inventory

***Loss Prevention*** *2008*  
Stop lost products

***Sales Lead*** *2006-2008*  
Sales, inventory and retail

***Sales Manager*** *1999-2006*  
Sales, Inventory and make schedules

### **Skills**

- **Forklift operator**
- **Sales**
- **Security**
- **Management**
- **Retailer**
- **Public speaking**

### **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.

***Windham School District*** *2018*  
GED

Owner's name	Brent
Company name	In-side Track Radio
<b>NAICS Business Classification</b>	
Sector (general classification)	_55_Management_of_Companies_and_Enterprises
Sub-sector (more specific classification)	551: Management of Companies and Enterprises

**Start-up Costs**  
**Year 1**

**Assumption 4 - Total Uses**

Non-Depreciable Costs	Paid or contributed in Month 1		
marketing, business cards, fliers	500		
cell phone purchase	1,000		
car/truck down payment, if leased	8,000		
permits	1,000		
supplies, office & misc.			
<b>Cash needed for start-up expenses</b>	<b>10,500</b>		

  

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van			-
company trailer			
computer, printer, fax	2,000		2,000
Emergency alert system	3,000		3,000
Sound Equipment	7,000		7,000
			-
building/office deposit		N/A	N/A
beginning cash balance		N/A	N/A
<b>Cash needed for start-up assets</b>	<b>12,000</b>	<b>-</b>	<b>12,000</b>
			<u>60</u> assumed life (months)
			<u>200</u> monthly depreciation

  

<b>Total start up cost</b>	<b>22,500</b>		
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**Assumption 5 - Total Sources**

Cash owner will contribute and the value of owner's assets contributed to company	22,500	100%
Vehicle loan and other equipment debt (see note 7 for financing)	-	0%
Startup financing, if applicable (for example Kiva loan)		0%
Outside equity investment, if applicable		0%
<b>Total start up cost, total sources</b>	<b>22,500</b>	<b>100%</b>



**Brent dba In-side Track Radio**  
**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														
30 second spot	6	-	25,000	25,000	30,000	35,000	35,000	35,000	35,000	40,000	40,000	40,000	40,000	380,000	27%
60 second spot	6	-	24,000	24,000	54,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	390,000	28%
60 second spot	6	-	22,500	22,500	30,000	37,500	37,500	37,500	37,500	37,500	307,500	37,500	37,500	645,000	46%
<b>Total revenue</b>		-	71,500	71,500	114,000	108,500	108,500	108,500	108,500	113,500	383,500	113,500	113,500	1,415,000	100%
Cost of Goods Sold	2														
30 second spot	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
60 second spot	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
60 second spot	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Total COGS</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Gross profit</b>		-	71,500	71,500	114,000	108,500	108,500	108,500	108,500	113,500	383,500	113,500	113,500	1,415,000	100%
Expenses	2														
Auto or truck lease		8,000												8,000	1%
Depreciation	3	-	200	200	200	200	200	200	200	200	200	200	200	2,200	0%
Gasoline & fuels		-												-	0%
Insurance - bonding		-												-	0%
Insurance - vehicle		-												-	0%
Interest - equip & start up	7	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Marketing		500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,500	1%
Office - rent		-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	13,200	1%
Office - insurance		-	250	250	250	250	250	250	250	250	250	250	250	2,750	0%
Office - telephone		-	100	100	100	100	100	100	100	100	100	100	100	1,100	0%
Office - utilities		-	800	800	800	800	800	800	800	800	800	800	800	8,800	1%
Payroll - not owner and not in COGS	8	-	10,880	10,880	10,880	13,600	13,600	13,600	13,600	16,320	16,320	16,320	16,320	152,320	11%
Payroll taxes (9%)	6 & 8	-	979	979	979	1,224	1,224	1,224	1,224	1,469	1,469	1,469	1,469	13,709	1%
Permits		1,000	100	100	100	100	100	100	100	100	100	100	100	2,100	0%
Supplies		-	150	150	150	150	150	150	150	150	150	150	150	1,650	0%
Tax service		-												-	0%
Telephone - cellular		1,000	100	100	100	100	100	100	100	100	100	100	100	2,100	0%
Start-up expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-												-	0%
		-												-	0%
		-												-	0%
		-												-	0%
		-												-	0%
		-												-	0%
<b>Total expenses</b>		10,500	15,759	15,759	15,759	18,724	18,724	18,724	18,724	21,689	21,689	21,689	21,689	219,429	16%
Taxable profit (loss)	1	(10,500)	55,741	55,741	98,241	89,776	89,776	89,776	89,776	91,811	361,811	91,811	91,811	1,195,571	84%
Tax (expense) benefit	1			(25,245)			(69,448)			(67,841)			(136,358)	(298,893)	-21%
Owner's withdrawals	1	-												-	0%
<b>Net profit (loss)</b>		(10,500)	55,741	30,495	98,241	89,776	20,328	89,776	89,776	23,970	361,811	91,811	(44,547)	896,678	63%
Depreciation	3	-	200	200	200	200	200	200	200	200	200	200	200	2,200	
Equipment purchases	3	(12,000)	-	-	-	-	-	-	-	-	-	-	-	(12,000)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	22,500	-	-	-	-	-	-	-	-	-	-	-	22,500	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Net cash flow</b>		-	55,941	30,695	98,441	89,976	20,528	89,976	89,976	24,170	362,011	92,011	(44,347)	909,378	
Cash, period start		-	-	55,941	86,636	185,077	275,053	295,581	385,557	475,533	499,703	861,714	953,726	-	
<b>Cash, period end</b>		-	55,941	86,636	185,077	275,053	295,581	385,557	475,533	499,703	861,714	953,726	909,378	909,378	