

prison  
entrepreneurship  
program

Business Plan Competition  
January 23-24, 2020

Alex  
Badfish Boat Rentals & Marina

Prison Entrepreneurship Program  
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# *Badfish Boat Rentals & Marina*

*“If you don’t like the fish, then you can eat the bones”*

Business Plan  
January 2020

*Alex*  
Owner & Founder

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**EXECUTIVE SUMMARY**

<b>Opportunity</b>	<b>Purpose</b>	<b>Solution</b>																																				
<p style="text-align: center;"><b>High Prices On Boats/ NO Vehicle to Tow Boat/ No Lake Access/ No Personal Dock For Boat.</b></p>	<p style="text-align: center;"><b>BadFish is on a mission to deliver top quality entertainment to Lake Travis, through recreational watersports, live music and good eats. We are not just a brand, we are a culture and a lifestyle.</b></p>	<p style="text-align: center;"><b>Offer onetime fee for use of boat/ Marina for boat usage/ On the water location/ Boats already on the lake.</b></p>																																				
<b>Customers</b>	<b>Differentiators</b>	<b>Extras</b>																																				
<p style="text-align: center;"><b>Families on vacation/Out of town boat owners/ Students on spring break.</b></p>	<p style="text-align: center;"><b>Make ready service/ On site marine mechanic/ Surfing lessons/ 25 year experience on the lake.</b></p>	<p style="text-align: center;"><b>Stand up paddle board yoga Lifelong passion Extensive industry</b></p>																																				
<b>Marketing</b>	<b>Financials &amp; Extras</b>	<b>Start-up Costs</b>																																				
<p style="text-align: center;"><b>Radio/ Social Media/ Chamber of Commerce/Signs and word of mouth</b></p>	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Sales:</td> <td style="width: 20%; text-align: right;">\$ 1,870,400</td> <td style="width: 40%; text-align: right;">100%</td> </tr> <tr> <td>COGS</td> <td style="text-align: right;">383,300</td> <td style="text-align: right;">20%</td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;">1,487,100</td> <td style="text-align: right;">80%</td> </tr> <tr> <td>Overhead</td> <td style="text-align: right;">216,900</td> <td style="text-align: right;">12%</td> </tr> <tr> <td>Pretax income</td> <td style="text-align: right;">1,270,100</td> <td style="text-align: right;">68%</td> </tr> <tr> <td>Tax expense</td> <td style="text-align: right;">317,500</td> <td style="text-align: right;">17%</td> </tr> <tr> <td>Owner withdrawals</td> <td style="text-align: right;">36,000</td> <td style="text-align: right;">2%</td> </tr> <tr> <td>Net income</td> <td style="text-align: right;"><u>\$ 916,600</u></td> <td style="text-align: right;"><u>49%</u></td> </tr> </table>	Sales:	\$ 1,870,400	100%	COGS	383,300	20%	Gross profit	1,487,100	80%	Overhead	216,900	12%	Pretax income	1,270,100	68%	Tax expense	317,500	17%	Owner withdrawals	36,000	2%	Net income	<u>\$ 916,600</u>	<u>49%</u>	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Owner investment - cash</td> <td style="width: 30%; text-align: right;">\$ 91,850</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;">105,000</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><b>\$196,850</b></u></td> </tr> <tr> <td><b>Plan Purpose:</b></td> <td style="text-align: right;">Start-Up</td> </tr> </table>	Owner investment - cash	\$ 91,850	Owner investment - equipment	-	Vehicle and/or equipment loan	105,000	Start up financing	-	<b>Total start up costs:</b>	<u><b>\$196,850</b></u>	<b>Plan Purpose:</b>	Start-Up
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**As founder of Badfish I am looking forward to being the industry standard of what good times on the lake look like. I have spent my entire life on the lake and involved in wake surfing since its infancy in the 1990's. At Badfish we will constantly be making waves in lake culture.**

## **PERSONAL FIT**

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I was born May 20, 1989 at the Methodist Women's Hospital in Houston, Texas. My parents were married for 11 years prior to conceiving me. I have a younger brother and no other siblings. My parents raised us to be up-standing young men. We were both involved in baseball and the Boy Scouts. I spent all of the time I could outside; and I had a huge love for being on the lake. My mother worked at a boat dealership when I was a kid and I took to it immediately.

I made great grades in school until I was in middle school; that was the beginning of my end. It was in middle school where I started to experiment with drugs; and that is when I began to slack on my school work. I continued in school, playing sports but still dabbling in drug use. Eventually, I dropped out of school in the 11<sup>th</sup> grade. I started working at the Austin-Bergstrom International Airport.

I continued using drugs and surrounding myself with the wrong crowd. In 2007, I found myself in a situation where I decided to defend a friend of mine who had been assaulted; instead of calling the police. Bad choice. I soon found myself wearing hand cuffs and an orange jumpsuit, with a felony charge to boot. By 2008 I was sentenced to six years of probation. I faired pretty well on probation; I stayed out of trouble but, was far from a model probationer. I had multiple motions to revoke my probation filed and, in 2011, I earned another felony and in 2013, I was sentenced to confinement in TDCJ; to this present day.

Since arriving to TDCJ, I have made a complete turnaround. When I was first settling in the prison system, I was a very rambunctious trouble maker, and it took disciplinary action by TDCJ to open my eyes to how bad my actions were affecting me. I found my faith in 2015, and it was then that I began to pick up the broken pieces and put my life together. I pursed a degree in Business Administration. I have used all my energy towards that endeavor and have maintained a 4.0 GPA through it. I strive towards excellence in all that I do. I, like PEP, seek to work with the best of the best.

Since joining PEP my eyes have been opened to an entire new world of possibilities. I look forward to having a network of people who will hold me to a higher standard and help me achieve my full potential. I have made it a life goal to help keep others from coming to prison by, living as an example of true redemption.

## **OPPORTUNITY**

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- Can I solve the problem given my skills and personality?
  - Yes.
- Is the customer looking for a more holistic solution than his or her immediate complaint?
  - No.
- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
  - I will need to employ 5-8 people and more as the business grows.

- Is there growth potential to expand my business, or is this a dying market?
  - Yes.
- How soon can I get my business up and running?
  - I plan to open my business Memorial Day weekend 2023.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
  - This business will have a high level entry cost, however it has an extremely high rate of return.
- Is this something I would be proud to share with my family and parole officer?
  - This is something I would be proud to show anyone.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
  - I believe it is, yes.
- Would my business start as a part-time venture or need to be full time?
  - Full-time & Part-time.

## **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?
  - Boat rental allows access to multitude of watercraft options over the ownership of one type.
- Why can I do this better than another business (competitor)?
  - Due to my experience I believe I will have a greater advantage than most in this industry.
- How will I deliver this better idea to my customers?
  - Due to experience I will understand the customers' needs better than the competition.
- Is my delivery (retail store, home service, etc.) consistent with how I will produce the service (one-day delivery, hand-made products, etc.)?
  - I will deliver this to my customers by having a solid culture ingrained in my business as well as employers.
- Is my solution consistent with my passion for selling?
  - I will maintain consistently through quality control by having customer reviews.
- Is the price of my solution equal to or less than the customer's pain?
  - The culture and lifestyle are consistent with one desired by both employees and owners.
- 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 need a fixed location.

- Do I offer a guaranty or return policy?
  - Yes I guarantee you will have a blast.

## **CUSTOMERS**

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### **Demographics:**

- Will my service have different appeal to men versus women?
  - Men and women will both have equal interest in my business.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
  - The ideal age of my customer is between 25-65 years old.
- 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?
  - This business will not be affected by language or ethnicity.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
  - My business will appeal to those who lead an active lifestyle.

### **Income:**

- Does my customer need a certain income (rich, middle class, poor)?
  - My customer base will be from middle class to upper echelon.
- Does my customer need to own specific assets (car, house, boat)?
  - The assets of my customer will not affect the rental aspect, but the marina will target boat owners.

### **Location:**

- Where will I sell to my customers (their home, their workplace, on the street, online, my store, an event like trades day)?
  - I will sell my service/product from my location.
- Do I go to my customer (home service) or does my customer come to me?
  - I will predominately sell to my customers from my location but will deliver if need be.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
  - My customers will come from all over, but will need to be around Lake Travis at the time of purchase.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
  - My ideal customer will be either vacationing or living within 35 miles of Lake Travis.
- How easily can I find this customer (one at a time or they will provide referrals)?
  - These customers will come easily by referrals and one at a time.

**Other:**

- Can I reach these individuals as a group or do I need to find and sell to them individually?
  - I can reach these customers by a group or individually.
- Once I sell to a customer, what is the likelihood that they will buy from me again?
  - The likelihood of return customers is excellent.

**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>
Just For Fun	Indirect	Signs/ Webpage	Not Available	Long operational history	Only offer rentals & no marina or surfing	Wake surfing, Centered Business & Marina and Ship Store
Gnarly Gar	Indirect	Signs/ Webpage	Not Available	H.O.A. affiliation restaurant	No rentals/ Old marina design	Rentals, Surf Lessons, Make Ready Service for Diesel Fuel
Lake Way Marina	Indirect	Signs/ Webpage	Not Available	Only marina in the town	No rentals/ Poor slip set up	Rentals & Surf Lessons/ Make Ready Service
Hurst Harbor	Indirect	Signs/ Webpage	Not Available	Only ones with diesel fuel on the lake	No rentals poor location	Rental Attribute Also Offering Diesel Fuel Make Ready Service

## **EXTRAS**

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### **External Extras:**

- Do you have a connection with a supplier in your industry?
  - I will not be using a supplier.
- Do you have access to a favorable location for your business?
  - I will be seeking a location on the fast growing north shore of Lake Travis.
- Are you going to be the first company of your type in your chosen area operations?
  - I will be the first company in my area to combine both a Marina and rental location.

### **Internal Extras:**

- Do you have a new or cutting edge concept?
  - The concept I have is new in the fact that no one is offering the combinations of services that I am.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
  - Due to my love of the lake I will be more readily available to customers.
- Are you an especially charming or personable person?
  - Yes.

## **MARKETING**

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### **Message:**

- What are three things your company name (with no other information provided) says about your company?
  - We are the BadFish. We offer boat rentals and a marina.
- What is your tagline?
  - If you don't like the fish, you can eat the bones.
- How does your name and tagline make you different than your competitors?
  - It is intriguing, it gets people interested and makes them laugh.
- Can your message be effectively conveyed through multiple types of media?
  - Yes.
- Is your message effective across different demographics?
  - Yes.
- 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?
  - I will advertise through TV, radio, social media and chamber of commerce.

- How many potential typical customers (not just total people) can you reach each month using the types listed above?
  - Thousands of people.
- Once you've reached your typical customer, how many will actually buy from you?
  - I will be looking forward to doing business with 20-40 people daily.
- For each of the three, what do you think the estimated cost will be?
  - I am still pricing media at this time.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
  - Cost will vary upon media platform.
- How will you collect customer reviews?
  - I will have online reviews for my customers.

## RESUME

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### **Alex**

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

### **Experience**

***Maintenance in TDCJ*** *2013-2018*  
Managed 2-3 men crews and responsible for operations on facility

***Liquid Thrillz Boat Rentals*** *2012-2013*  
Responsible for upkeep on water craft, scheduled rentals and customer service

***Specialty Electrical Service*** *2006-2013*  
Wire homes and install electrical appliances and fixtures

### **Skills**

- **Electrician**
- **Public Relations**
- **Manager Experience**
- **Surf Instructor**
- **Logistic Scheduling**
- **Problem Solver**

### **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.

***Central Texas College*** *2016-2018*  
Business Administration

***Windham School District*** *2016*  
NCCER plumbing trade

Owner's name	Alex
Company name	Badfish Boat Rentals & Marina
<b>NAICS Business Classification</b>	
Sector (general classification)	_71_Arts_Entertainment_and_Recreation
Sub-sector (more specific classification)	713: Amusement, Gambling, and Recreation Industries

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

**Assumption 4 - Total Uses**

Non-Depreciable Costs	Paid or contributed in Month 1
marketing, business cards, fliers	150
cell phone purchase	500
car/truck down payment, if leased	-
permits	100
supplies, office & misc.	800
Personal Flotation Devices	1,000
Towables	1,000

Cash needed for start-up expenses 3,550

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	-		-
company trailer	800		
computer, printer, fax	500		500
Boats	20,000	70,000	90,000
10 Set of Skis	5,000	15,000	20,000
Celebration Barge	10,000	20,000	30,000
building/office deposit	12,000	N/A	N/A
beginning cash balance	40,000	N/A	N/A
Cash needed for start-up assets	<u>88,300</u>	<u>105,000</u>	<u>140,500</u>

60 assumed life (months)  
2,342 monthly depreciation

**Total start up cost** 196,850

**Assumption 5 - Total Sources**

Cash owner will contribute and the value of owner's assets contributed to company	91,850	47%
Vehicle loan and other equipment debt (see note 7 for financing)	105,000	53%
Startup financing, if applicable (for example Kiva loan)		0%
Outside equity investment, if applicable		0%
<b>Total start up cost, total sources</b>	<u><u>196,850</u></u>	100%



**Alex dba Badfish Boat Rentals & Marina**  
**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														
Wake Boat	6	-	-	23,040	5,760	9,600	28,800	38,400	38,400	38,400	11,520	4,800	-	198,720	11%
Jet Ski Rental	6	-	-	135,000	30,000	120,000	270,000	270,000	270,000	270,000	90,000	30,000	-	1,485,000	79%
Marina Slip	6	-	4,500	6,750	9,000	13,500	18,000	22,500	22,500	22,500	22,500	22,500	22,500	186,750	10%
<b>Total revenue</b>		-	4,500	164,790	44,760	143,100	316,800	330,900	330,900	330,900	124,020	57,300	22,500	1,870,470	100%
Cost of Goods Sold	2														
Wake Boat	6	-	-	2,208	552	920	2,760	3,680	3,680	3,680	1,104	460	-	19,044	1%
Jet Ski Rental	6	-	-	33,120	7,360	29,440	66,240	66,240	66,240	66,240	22,080	7,360	-	364,320	19%
Marina Slip	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Total COGS</b>		-	-	35,328	7,912	30,360	69,000	69,920	69,920	69,920	23,184	7,820	-	383,364	20%
<b>Gross profit</b>		-	4,500	129,462	36,848	112,740	247,800	260,980	260,980	260,980	100,836	49,480	22,500	1,487,106	80%
Expenses	2														
Auto or truck lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Depreciation	3	-	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	25,758	1%
Gasoline & fuels	-	-	500	2,300	500	2,300	3,450	4,600	4,600	4,600	500	500	500	24,350	1%
Insurance - bonding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Insurance - vehicle	-	-	200	200	200	200	200	200	200	200	200	200	200	2,200	0%
Interest - equip & start up	7	-	700	690	681	671	662	652	642	632	622	612	602	7,165	0%
Marketing	150	-	500	500	500	500	500	500	500	500	500	500	500	5,650	0%
Office - rent	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	110,000	6%
Office - insurance	-	-	420	420	420	420	420	420	420	420	420	420	420	4,620	0%
Office - telephone	-	-	50	50	50	50	50	50	50	50	50	50	50	550	0%
Office - utilities	-	-	300	400	300	400	600	600	600	600	600	300	300	5,000	0%
Payroll - not owner and not in COGS	8	-	300	2,400	750	1,800	3,200	4,000	4,000	1,800	300	300	300	19,150	1%
Payroll taxes (9%)	6 & 8	-	27	216	68	162	288	360	360	162	27	27	27	1,724	0%
Permits	100	-	120	120	120	120	120	120	120	120	120	120	120	1,420	0%
Supplies	800	-	500	500	500	500	500	500	500	500	500	500	500	6,300	0%
Tax service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Telephone - cellular	500	-	50	50	50	50	50	50	50	50	50	50	50	1,050	0%
Start-up expenses	2,000	-	-	-	-	-	-	-	-	-	-	-	-	2,000	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Total expenses</b>		3,550	16,009	20,188	16,480	19,515	22,381	24,393	24,384	21,976	16,231	15,921	15,910	216,937	12%
<b>Taxable profit (loss)</b>	1	(3,550)	(11,509)	109,274	20,368	93,225	225,419	236,587	236,596	239,004	84,605	33,559	6,590	1,270,169	68%
Tax (expense) benefit	1			(23,554)			(84,753)			(178,047)			(31,189)	(317,542)	-17%
Owner's withdrawals	1	-	-	-	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(36,000)	-2%
<b>Net profit (loss)</b>		(3,550)	(11,509)	85,720	16,368	89,225	136,666	232,587	232,596	56,958	80,605	29,559	(28,599)	916,627	49%
Depreciation	3	-	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	25,758	
Equipment purchases	3	(153,300)	-	-	-	-	-	-	-	-	-	-	-	(153,300)	
Principle, equipment loan	7	105,000	(1,429)	(1,439)	(1,448)	(1,458)	(1,468)	(1,477)	(1,487)	(1,497)	(1,507)	(1,517)	(1,527)	88,746	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	91,850	-	-	-	-	-	-	-	-	-	-	-	91,850	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Net cash flow</b>		40,000	(10,596)	86,623	17,261	90,109	137,540	233,451	233,451	57,802	81,440	30,384	(27,785)	969,681	
Cash, period start		-	40,000	29,404	116,027	133,289	223,398	360,938	594,389	827,840	885,642	967,082	997,466	-	
<b>Cash, period end</b>		40,000	29,404	116,027	133,289	223,398	360,938	594,389	827,840	885,642	967,082	997,466	969,681	969,681	