

prison  
entrepreneurship  
program

Business Plan Competition  
January 23-24, 2020

Tony  
Tony's Trucking

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

# *Tony's Trucking*

*“If you see a car abandoned or your truck is totaled, call Tony's Towing Services, we will be mobile”*

Business Plan  
January 2020

*Tony*  
Owner & Founder

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**EXECUTIVE SUMMARY**

<b>Opportunity</b>	<b>Purpose</b>	<b>Solution</b>																																				
Banks are in need of vehicles being a repo and the city needing a vehicle pick up.	We have a motto that says if you can see an abandoned car or your truck is totaled, call Tony's Towing Services, we will be mobile.	24/7 on call service picking up vehicles in a timely and orderly fashion with integrity and accountability																																				
<b>Customers</b>	<b>Differentiators</b>	<b>Extras</b>																																				
Banks and other financing companies as well as the city.	I will have a video recording of each vehicle being towed. People will have evidence that their property is being properly taken care of.	We will have GPS on every vehicle.																																				
<b>Marketing</b>	<b>Start-up Costs</b>	<b>Financials &amp; Extras</b>																																				
We will send letters and brochures to corporate organizations and hospitals in my targeted area.	<table border="0"> <tr> <td>Sales:</td> <td>\$ 108,200</td> <td>100%</td> </tr> <tr> <td>COGS</td> <td><u>4,200</u></td> <td><u>4%</u></td> </tr> <tr> <td>Gross profit</td> <td>103,900</td> <td>96%</td> </tr> <tr> <td>Overhead</td> <td><u>23,500</u></td> <td><u>22%</u></td> </tr> <tr> <td>Pretax income</td> <td>80,400</td> <td>74%</td> </tr> <tr> <td>Tax expense</td> <td>20,100</td> <td>19%</td> </tr> <tr> <td>Owner withdrawals</td> <td><u>17,000</u></td> <td><u>16%</u></td> </tr> <tr> <td>Net income</td> <td>\$ 43,300</td> <td>40%</td> </tr> </table>	Sales:	\$ 108,200	100%	COGS	<u>4,200</u>	<u>4%</u>	Gross profit	103,900	96%	Overhead	<u>23,500</u>	<u>22%</u>	Pretax income	80,400	74%	Tax expense	20,100	19%	Owner withdrawals	<u>17,000</u>	<u>16%</u>	Net income	\$ 43,300	40%	<table border="0"> <tr> <td>Owner investment - cash</td> <td>\$ 10,820</td> </tr> <tr> <td>Owner investment - equipment</td> <td>-</td> </tr> <tr> <td>Vehicle and/or equipment loan</td> <td>-</td> </tr> <tr> <td>Start up financing</td> <td>-</td> </tr> <tr> <td><b>Total start up costs:</b></td> <td><b><u>\$ 10,820</u></b></td> </tr> <tr> <td><b>Plan Purpose:</b></td> <td>Start-Up</td> </tr> </table>	Owner investment - cash	\$ 10,820	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	-	<b>Total start up costs:</b>	<b><u>\$ 10,820</u></b>	<b>Plan Purpose:</b>	Start-Up
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**Trust will need to be earned and gained accordingly moving forward. I want to own my own business so that I can be my own boss. I would like to own my own business 2-3 years after my release. I will be able to be trusted with investment capital when I have earned the right to be.**

## **PERSONAL FIT**

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I was born on July 27<sup>th</sup>, 1989 in Hays, Kansas. I only have one sibling, an older sister, she is one year and three months my senior. My mother is 20 years older than me and my father is 21 years older than I am. I know my father well but he was hardly around when I was growing up. Usually it was just my sister, my mother and me. We were pretty close and did a lot of family stuff together although we did not always get alone time. I was terrible in school, I was always getting into trouble. My sister and I were the complete opposite. She would be good at school but give my mom problems at home. I ended up graduating and getting my High School Diploma. I left home when I was 17.

I have been being bad since I was in elementary, fighting with other students and cussing out teachers. I would do anything that I could to get kicked out of school and I would find different ways to get suspended. I started smoking marijuana when I was 9 years old. I would always see people in my neighborhood doing drugs and selling drugs. I wanted to be one of the worst kids in my neighborhood, so I did a lot of dumb stuff growing up. I have several DUI charges, several P.O.C.s, several firearm charges, injury to a child and an assault. I was incarcerated for 5 years. After that I was in county jail several times, for a few months at a time. I was arrested in 2016 for my current charge. I was sentenced to 5 years in TDCJ. I have been incarcerated for 3 years and have two more to go.

My perception has changed and along with that my behavior and attitude. The material I choose to read for example is now positive. I read nothing but self-help books and books about business. Now instead of fighting with people that have different opinions than mine I have conversations with them. I believe we can accomplish much more if we understand each other and have proper communication. The main commitment I have made with myself is to only by physical when absolutely necessary in self-defense. I have learned that 9 times out of 10 differences can be solved verbally. Bad decisions got me where I am today and it all started with drinking. Drinking led me to doing drugs, drugs led me to bad people, which led me to making terrible choices. I have decided to change because I now realize that it is not about me. It is about my children who need a father and my mother who needs her son. The best thing I can do for them is become the best me that I can be. I have made the choice to change because I was sick and tired of being sick and tired.

The only thing that I fear is fear itself. I used to believe at one point in time I was happy going 100 miles per hour in the wrong direction. Trust will need to be earned and gained accordingly moving forward. I want to own my own business so that I can be my own boss. I would like to own my own business 2-3 years after my release. I will be able to be trusted with investment capital when I have earned the right to be. When my actions have proven my change. I will be released in Dallas in the month of July, 2021.

## **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?
  - 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 hire others if demand requires.
- Is there growth potential to expand my business, or is this a dying market?
  - Absolutely.
- How soon can I get my business up and running?
  - 24-36 months 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?
  - I will have to accumulate cash but I will also have to do more research after my release.
- Is this something I would be proud to share with my family and parole officer?
  - Yes.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
  - That will not be a concern.
- Would my business start as a part-time venture or need to be full time?
  - Full-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?
  - Care in handling vehicles, integrity & good bookkeeping.
- Why can I do this better than another business (competitor)?
  - By keeping integrity and accountability.
- How will I deliver this better idea to my customers?
  - By maintaining integrity and accountability in all my affairs.
- 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 need a fixed location.

- Do I offer a guaranty or return policy?
  - Both.

## **CUSTOMERS**

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### **Demographics:**

- Will my service have different appeal to men versus women?
  - I will serve both equally.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
  - 18 years and older.
- 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?
  - It will not be a factor.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
  - I am appealing to any customer in my area that needs their vehicle to be towed.

### **Income:**

- Does my customer need a certain income (rich, middle class, poor)?
  - Does not matter as long as they can afford the service.
- Does my customer need to own specific assets (car, house, boat)?
  - No.

### **Location:**

- Where will I sell to my customers (their home, their workplace, on the street, online, my store, an event like trades day)?
  - At their location.
- Do I go to my customer (home service) or does my customer come to me?
  - I will go to my customer.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
  - Does not matter.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
  - Within a 20 mile radius.
- How easily can I find this customer (one at a time or they will provide referrals)?
  - Both.

**Other:**

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

**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>
Apple Towing	Indirect	Newspaper ads, Radio	\$143.50	Already established	No integrity	Integrity, Accountability & Recording of towing
Delta Towing	Indirect	Newspaper ads, Radio	\$220.00	Already established	No accountability	Integrity, Accountability & Recording of towing
Texas Best Towing	Indirect	Newspaper ads, Radio	\$160.00	Well known	No integrity or accountability	Integrity, Accountability & Recording of towing

## **EXTRAS**

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### **External Extras:**

- Do you have a connection with a supplier in your industry?
  - No.
- Do you have access to a favorable location for your business?
  - No.
- Are you going to be the first company of your type in your chosen area operations?
  - No.

### **Internal Extras:**

- Do you have a new or cutting edge concept?
  - I will be recording all towing that transpire.
- 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.

## **MARKETING**

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### **Message:**

- What are three things your company name (with no other information provided) says about your company?
  - That my name is Tony, I am in the towing industry and I am here to service you.
- What is your tagline?
  - If you see an abandoned car or truck that's totaled, call Tony's Towing Service we will be mobile.
- How does your name and tagline make you different than your competitors?
  - My name is next door neighbor material saying I am here to service you.
- 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?
  - Facebook, Instagram and Twitter.

- How many potential typical customers (not just total people) can you reach each month using the types listed above?
  - 100 people per social media platform.
- Once you've reached your typical customer, how many will actually buy from you?
  - At least 35-40 people.
- For each of the three, what do you think the estimated cost will be?
  - \$5,000 dollars.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
  - One-time expense.
- How will you collect customer reviews?
  - I will have online reviews.

## RESUME

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### **Tony**

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

### **Experience**

#### ***Winery Worker***

*August 2015-June 2016*

Served wine and prepared food.

#### ***Apprentice Electrician***

*June 2014-June 2015*

Installed conduit, ran wire and constructed transformers.

#### ***Sheet Rock Laborer***

*June 2013-May 2014*

Provide a clean working environment for the job site and installed sheet rock in homes.

#### ***In Home Care***

*February 2012-March 2013*

Provided meals for patients, cleaned the home and bathe the patients.

### **Skills**

- **Electrician**
- **Laborer**
- **Care Giver**
- **Cook**
- **Wine Expert**
- **Food prep**
- **Server (customer service)**

### **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.

#### ***West Side High School***

*Class of 2012*

Certificate: H.S. Diploma



Owner's name Tony  
 Company name Tony's Towing Services

**NAICS Business Classification**

Sector (general classification) \_81\_Other\_Services\_except\_Public\_Administration  
 Sub-sector (more specific classification) 811: Repair and Maintenance

**Start-up Costs  
Year 1**

**Assumption 4 - Total Uses**

<b>Non-Depreciable Costs</b>	Paid or contributed in Month 1
marketing, business cards, fliers	150
cell phone purchase	
car/truck down payment, if leased	
permits	
supplies, office & misc.	
First Month Insurance	220
Company Shirts	100
J-Hooks/Chains/Tie Down Equipment	350
<b>Cash needed for start-up expenses</b>	<b>820</b>

<b>Depreciable Costs</b>	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	10,000		10,000
company trailer			
computer, printer, fax			-
			-
			-
building/office deposit		N/A	N/A
beginning cash balance		N/A	N/A
<b>Cash needed for start-up assets</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>

60 assumed life (months)  
167 monthly depreciation

**Total start up cost** **10,820**

**Assumption 5 - Total Sources**

Cash owner will contribute and the value of owner's assets contributed to company	10,820	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>10,820</b>	<b>100%</b>



**Tony dba Tony's Towing Services**  
**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														
Vehicle Recovery	6	-	4,050	4,050	4,725	5,400	6,075	6,750	7,425	8,100	8,775	9,450	10,125	74,925	69%
Vehicle Hold	6	-	1,800	1,800	2,100	2,400	2,700	3,000	3,300	3,600	3,900	4,200	4,500	33,300	31%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Total revenue</b>		-	<b>5,850</b>	<b>5,850</b>	<b>6,825</b>	<b>7,800</b>	<b>8,775</b>	<b>9,750</b>	<b>10,725</b>	<b>11,700</b>	<b>12,675</b>	<b>13,650</b>	<b>14,625</b>	<b>108,225</b>	<b>100%</b>
Cost of Goods Sold	2														
Vehicle Recovery	6	-	231	231	270	308	347	385	424	462	501	539	578	4,274	4%
Vehicle Hold	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Total COGS</b>		-	<b>231</b>	<b>231</b>	<b>270</b>	<b>308</b>	<b>347</b>	<b>385</b>	<b>424</b>	<b>462</b>	<b>501</b>	<b>539</b>	<b>578</b>	<b>4,274</b>	<b>4%</b>
<b>Gross profit</b>		-	<b>5,619</b>	<b>5,619</b>	<b>6,556</b>	<b>7,492</b>	<b>8,429</b>	<b>9,365</b>	<b>10,302</b>	<b>11,238</b>	<b>12,175</b>	<b>13,111</b>	<b>14,048</b>	<b>103,952</b>	<b>96%</b>
Expenses	2														
Auto or truck lease		-	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	14,135	13%
Depreciation	3	-	167	167	167	167	167	167	167	167	167	167	167	1,833	2%
Gasoline & fuels		-	195	235	275	310	350	390	425	465	505	545	580	4,275	4%
Insurance - bonding		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Insurance - vehicle		-	220	220	220	220	220	220	220	220	220	220	220	2,420	2%
Interest - equip & start up	7	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Marketing	150		10		10		10		10		10			200	0%
Office - rent		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Office - insurance		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Office - telephone		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Office - utilities		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Payroll - not owner and not in COGS	8	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Payroll taxes (9%)	6 & 8	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Permits		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Supplies		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Tax service		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Telephone - cellular		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Start-up expenses	670		-	-	-	-	-	-	-	-	-	-	-	670	1%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
<b>Total expenses</b>		<b>820</b>	<b>1,867</b>	<b>1,917</b>	<b>1,947</b>	<b>1,992</b>	<b>2,022</b>	<b>2,072</b>	<b>2,097</b>	<b>2,147</b>	<b>2,177</b>	<b>2,227</b>	<b>2,252</b>	<b>23,533</b>	<b>22%</b>
<b>Taxable profit (loss)</b>	1	<b>(820)</b>	<b>3,752</b>	<b>3,702</b>	<b>4,609</b>	<b>5,500</b>	<b>6,407</b>	<b>7,293</b>	<b>8,205</b>	<b>9,091</b>	<b>9,998</b>	<b>10,884</b>	<b>11,796</b>	<b>80,418</b>	<b>74%</b>
Tax (expense) benefit	1			(1,659)			(4,129)			(6,147)			(8,169)	(20,105)	-19%
Owner's withdrawals	1	-	(100)	(1,000)	(1,500)	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)	(17,000)	-16%
<b>Net profit (loss)</b>		<b>(820)</b>	<b>3,652</b>	<b>1,044</b>	<b>3,109</b>	<b>3,700</b>	<b>478</b>	<b>5,493</b>	<b>6,405</b>	<b>1,144</b>	<b>8,198</b>	<b>9,084</b>	<b>1,826</b>	<b>43,314</b>	<b>40%</b>
Depreciation	3	-	167	167	167	167	167	167	167	167	167	167	167	1,833	
Equipment purchases	3	(10,000)	-	-	-	-	-	-	-	-	-	-	-	(10,000)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	10,820	-	-	-	-	-	-	-	-	-	-	-	10,820	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Net cash flow</b>		<b>-</b>	<b>3,819</b>	<b>1,210</b>	<b>3,276</b>	<b>3,867</b>	<b>645</b>	<b>5,660</b>	<b>6,572</b>	<b>1,311</b>	<b>8,365</b>	<b>9,251</b>	<b>1,993</b>	<b>45,967</b>	
Cash, period start		-	-	3,819	5,029	8,305	12,172	12,816	18,476	25,048	26,358	34,723	43,974	-	
<b>Cash, period end</b>		<b>-</b>	<b>3,819</b>	<b>5,029</b>	<b>8,305</b>	<b>12,172</b>	<b>12,816</b>	<b>18,476</b>	<b>25,048</b>	<b>26,358</b>	<b>34,723</b>	<b>43,974</b>	<b>45,967</b>	<b>45,967</b>	