

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Marquez
Priceless

Prison Entrepreneurship Program
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Priceless

“You can’t put a price on danger prevention”

Business Plan
January 2020

Marquez
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>Kids are being lost in unfamiliar surroundings.</p>	<p>Here at Priceless Jewelry we focus on the many different ways for a parent to know the whereabouts of their child and the high risk areas they may visit. We then make it a fashion statement and turn it into customizable and stylish jewelry.</p>	<p>I have a way of being able to know where your children are at all times.</p>																																				
Customers	Differentiators	Extras																																				
<p>My customers will be parents with children in elementary schools and families that travel to heavily crowded areas.</p>	<p>I have a stylish customizable, and easy way to know where your kids are that they would be willing to wear and not be embarrassed by it.</p>	<p>We are committed to build a relationship with our customers, so that we can find a product for them and their children that they like.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>My target area of marketing will be churches that have youth groups and elementary schools through their PTA board, and travel agencies for the families that do heavy traveling.</p>	<table border="0"> <tr> <td>Sales:</td> <td>\$ 58,600</td> <td>100%</td> </tr> <tr> <td>COGS</td> <td>8,100</td> <td>14%</td> </tr> <tr> <td>Gross profit</td> <td>50,400</td> <td>86%</td> </tr> <tr> <td>Overhead</td> <td>18,100</td> <td>31%</td> </tr> <tr> <td>Pretax income</td> <td>32,300</td> <td>55%</td> </tr> <tr> <td>Tax expense</td> <td>8,000</td> <td>14%</td> </tr> <tr> <td>Owner withdrawals</td> <td>-</td> <td>0%</td> </tr> <tr> <td>Net income</td> <td>\$ 24,200</td> <td>41%</td> </tr> </table>	Sales:	\$ 58,600	100%	COGS	8,100	14%	Gross profit	50,400	86%	Overhead	18,100	31%	Pretax income	32,300	55%	Tax expense	8,000	14%	Owner withdrawals	-	0%	Net income	\$ 24,200	41%	<table border="0"> <tr> <td>Owner investment - cash</td> <td>\$ 1,533</td> </tr> <tr> <td>Owner investment - equipment</td> <td>-</td> </tr> <tr> <td>Vehicle and/or equipment loan</td> <td>500</td> </tr> <tr> <td>Start up financing</td> <td>1,532</td> </tr> <tr> <td>Total start up costs:</td> <td>\$ 3,565</td> </tr> <tr> <td>Plan Purpose:</td> <td>Start-Up</td> </tr> </table>	Owner investment - cash	\$ 1,533	Owner investment - equipment	-	Vehicle and/or equipment loan	500	Start up financing	1,532	Total start up costs:	\$ 3,565	Plan Purpose:	Start-Up
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Personal Fit																																						

As the founder of my business I will be looking forward to showing my customers the hard work and dedication I will be putting into my products to show them I care about their needs and to better understand what they are asking. With this being a new venture for me I will be putting forth extra effort to become the dependable leader that my company needs. I know that children are the future of our community and us as a whole should do everything in our power to help prevent anything from happening to them.

PERSONAL FIT

I was born on October 31, 1994 at Parkland hospital in Dallas, Texas. I am the oldest of four children who do not share the same father as me. My parents had me at the age of sixteen years old and were never married. I did not meet my father until I was ten years old and I did not really see him that much growing up. I went to McKinney High School where I graduated. I was a smart student who made good grades. I just had a bad attitude when it came to authority. So I skipped school a lot to not deal with it. I left home at the age of sixteen because my stepfather and I would always get into arguments and we would end up physically fighting. So one day I just decided to leave for good. I did not get my first job until I was nineteen years old. I started doing illegal stuff at the age of twelve. That is when I started smoking marijuana and stealing from people. I started stealing as a way to get in with other friends but it quickly became a way to get easy cash without working hard for it. I started smoking marijuana as a way to escape my feelings of anger, but I started selling it and always have it on me and that quickly brought in quick money. I just felt alone and thought I could do what I wanted to do. I have been locked up every year since I was eighteen years old. I have yet to stay out of jail for longer than a whole year.

The thing that changed most about me would have to be my maturity. I am able to accept my responsibilities and my actions instead of being quick to blame other people. One commitment I have made is to stop doing bad things. I have brought God into my life and with him I strive to be a better person every day. I am done being around the same people that do not want better for themselves. I changed because I was tired of being seen as the bad guy to my family and I was tired of dragging myself through the mud of hard times just because I wanted to be the rebel. Spending most of my adult life in jail and missing my family triggered me to change for the better. The best quality I have is that I am a people person. People say I am very easy to talk to and that I have an outgoing personality. I have been told that I am easy to trust because people can tell that I genuinely care by the way I interact with them, and the conversations we have makes me even more trust worthy. I think that would make me a very successful business man and entrepreneur. I have always wanted to be an entrepreneur for the simple fact that I would be working for myself. I believe that with me being open and honest as it shows in my character I would attract business possibilities to help me flourish. I believe that I should wait at least a year before starting my own business so that I can gain extra education in business so that I could be an asset to the business world. With what I have gone through and the fact that I do not want to go back down that route. I have been putting in the work to show myself and the world that I will do anything and everything not to go back to my old ways. I feel that I could be trusted with any capital investment.

OPPORTUNITY

- 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?
 - No.
- Is there growth potential to expand my business, or is this a dying market?
 - Yes, there is potential to grow.
- How soon can I get my business up and running?
 - I believe I can get my business up and running in 24 months upon my release.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
 - The startup cost will be a bit much.
- 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?
 - No.
- Would my business start as a part-time venture or need to be full time?
 - Full-time.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Child location is necessary to know of child's whereabouts.
- What are the benefits (not features) that I am providing?
 - Stylish jewelry that has a function of location awareness.
- Why can I do this better than another business (competitor)?
 - I make monitoring discreet while being affordable.
- How will I deliver this better idea to my customers?
 - I will relay the statistics of child abduction and the risks of them being in a unfamiliar area.
- 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 be traveling in my area to different schools as well as online sites.
- 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?
 - Customers will not put a price on the way to keep their children safe.
- 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?
 - Fixed location and online sales.

- Do I offer a guaranty or return policy?
 - I put my customers need first, if they are not happy they can return my product if needed.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - Children, but most of all their parents.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - Children ages 4- 14 years of age & their parents.
- Does my customer need to be married, single or does it matter?
 - Does not matter.
- Do language or ethnicity differences improve or limit my ability to sell to my ideal customer?
 - My product is not affected by language barriers.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
 - My product will appeal to customers that have small children.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - Middle class and up.
- Does my customer need to own specific assets (car, house, boat)?
 - The asset my customers need to own is cell phones.

Location:

- Where will I sell to my customers (their home, their workplace, on the street, online, my store, an event like trades day)?
 - Schools, online, my store.
- Do I go to my customer (home service) or does my customer come to me?
 - I can deliver to their home or they can come to me.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - Suburbs or any urban area.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - My customers will live in neighborhoods and or gated communities.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - My customers will come from referrals through their child's school.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - Target customers can be reached individually as well as in a group.
- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - If they have more than one child they will most likely buy from me again or if they simply want a different style.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
Jiobit	Direct	App Store, Online	Varies	When Fully Charge It Lasts For 1	Easy To Lose	Wearable
XPlore2	Direct	Online	Varies	.SOS Button, Stores Phone Numbers	Accidental SOS Button Activation Possible	Similar Use
Verizon Gizmo Watch	Direct	Verizon Store	Varies	Get Alerts, Two Way Calling	Only For Existing Verizon Customers	Flexible Use
Amber Alert GPS	Direct	App Store Online	Varies	SOS Button, Lets You Listen To Wearers Surrounding	Noticeable	Wearable, Easy To Hide

EXTRAS

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?
 - I am not the only company with this idea. I do not know if I will be the only company in my area.

Internal Extras:

- Do you have a new or cutting edge concept?
 - My idea is not new but it is a cutting edge concept.
- 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?
 - I am a people person and also charming in a professional manner. My love for interaction will help me build relationships with my potential customers.

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - My company name states that my customers cannot put a price on the protective measures of their children.
- What is your tagline?
 - You cannot put a price on danger prevention.
- How does your name and tagline make you different than your competitors?
 - It speaks for itself.
- 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, prices differ based on material type and format.

Media:

- What are three types of media you will use to reach your customers?
 - Newspaper, flyers and word of mouth.
- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - I seek to reach a minimum of 100 customers my first month.
- Once you've reached your typical customer, how many will actually buy from you?
 - At least 75% of them.
- For each of the three, what do you think the estimated cost will be?
 - Word of mouth (free), Newspaper (\$100), Business Cards (\$20).
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - Recurring monthly charge.
- How will you collect customer reviews?
 - Online reviews and suggestion box.

RESUME

Marquez

1100 Hwy 1807

Venus, TX 76084

Cell 999-999-999, myaccount@gmail.com

Experience

Fork Lift Driver

2014-2016

Load and unload trucks at warehouse

Night Stocker

2016-2017

Stock inventory at stores

Sales Associate

2017-2018

Sale merchandise to customers

Cook

2018

Cook for 1100 inmates

Skills

- **Fork Lift Operator**
- **OSHA Certified**
- **Cook**
- **Crane and hoist operator**
- **ENC machine operator**
- **Leader**

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.

McKinney High School

2009-2013

Diploma

Owner's name	Marquez
Company name	Priceless
NAICS Business Classification	
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	35
cell phone purchase	60
car/truck down payment, if leased	
permits	200
supplies, office & misc.	100

Cash needed for start-up expenses 395

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	500	500	1,000
	2,000		2,000
	170		170
			-
building/office deposit		N/A	N/A
beginning cash balance		N/A	N/A
Cash needed for start-up assets	<u>2,670</u>	<u>500</u>	<u>3,170</u>

60 assumed life (months)
53 monthly depreciation

Total start up cost 3,565

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	1,533	43%
Vehicle loan and other equipment debt (see note 7 for financing)	500	14%
Startup financing, if applicable (for example Kiva loan)	1,532	43%
Outside equity investment, if applicable		0%
Total start up cost, total sources	<u><u>3,565</u></u>	100%

Marquez dba Priceless
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														
Bracelets	6	-	1,800	1,800	2,400	2,400	2,700	2,700	3,000	3,000	3,300	3,600	3,900	30,600	52%
Necklaces	6	-	1,100	1,100	1,100	2,200	2,750	2,750	2,750	3,300	3,300	3,850	3,850	28,050	48%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	2,900	2,900	3,500	4,600	5,450	5,450	5,750	6,300	6,600	7,450	7,750	58,650	100%
Cost of Goods Sold	2														
Bracelets	6	-	270	270	360	360	405	405	450	450	495	540	585	4,590	8%
Necklaces	6	-	140	140	140	280	350	350	350	420	420	490	490	3,570	6%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	410	410	500	640	755	755	800	870	915	1,030	1,075	8,160	14%
Gross profit		-	2,490	2,490	3,000	3,960	4,695	4,695	4,950	5,430	5,685	6,420	6,675	50,490	86%
Expenses	2														
Auto or truck lease	-														0%
Depreciation	3	-	70	70	70	70	86	86	86	86	86	86	86	881	2%
Gasoline & fuels	-														0%
Insurance - bonding	-	-	200	200	200	200	200	200	200	200	200	200	200	2,200	4%
Insurance - vehicle	-														0%
Interest - equip & start up	7	-	3	3	13	12	11	10	9	7	6	5	4	84	0%
Marketing	35	-	35											70	0%
Office - rent	-	-	400	400	400	400	400	400	400	400	400	400	400	4,400	8%
Office - insurance	-	-	100	100	100	100	100	100	100	100	100	100	100	1,100	2%
Office - telephone	-														0%
Office - utilities	-	-	100	100	100	100	100	100	100	100	100	100	100	1,100	2%
Payroll - not owner and not in COGS	8	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Payroll taxes (9%)	6 & 8	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Permits	200	-												200	0%
Supplies	100	-	100		100		100		100		100		100	700	1%
Tax service	-														0%
Telephone - cellular	60	-	60	60	60	60	60	60	60	60	60	60	60	720	1%
Start-up expenses		-													0%
Misc. Supplies		-			2,000				2,000				2,000	6,000	10%
GPS Chips		-					340			340				680	1%
		-													0%
		-													0%
		-													0%
		-													0%
		-													0%
		-													0%
		-													0%
Total expenses		395	1,068	933	3,043	941	1,397	956	3,055	1,294	1,053	951	3,050	18,135	31%
Taxable profit (loss)	1	(395)	1,422	1,557	(43)	3,019	3,298	3,739	1,895	4,136	4,632	5,469	3,625	32,355	55%
Tax (expense) benefit	1			(646)			(1,569)			(2,443)			(3,431)	(8,089)	-14%
Owner's withdrawals	1	-													0%
Net profit (loss)		(395)	1,422	911	(43)	3,019	1,729	3,739	1,895	1,694	4,632	5,469	193	24,266	41%
Depreciation	3	-	70	70	70	70	86	86	86	86	86	86	86	881	
Equipment purchases	3	(3,170)	(1,000)	-	-	-	(1,000)	-	-	-	-	-	-	(5,170)	
Principle, equipment loan	7	500	(40)	(40)	(41)	(41)	(41)	(42)	(42)	(42)	(42)	(43)	(43)	43	
Repay debt financing	7	1,532	-	-	(123)	(124)	(125)	(126)	(126)	(127)	(128)	(129)	(130)	395	
Owner contribution	3	1,533	-	-	-	-	-	-	-	-	-	-	-	1,533	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		-	452	940	(137)	2,923	650	3,658	1,813	1,611	4,548	5,383	107	21,948	
Cash, period start		-	-	452	1,392	1,255	4,178	4,828	8,486	10,300	11,910	16,458	21,842	-	
Cash, period end		-	452	1,392	1,255	4,178	4,828	8,486	10,300	11,910	16,458	21,842	21,948	21,948	