

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Wallace
Nola Express

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

Nola Express

*“Don’t forget to buy your ticket to get on board Nola Express!! Who
Who!!”*

Business Plan
January 2020

Wallace
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>No known trucking business like mine in the Dallas/Ft. Worth area and the lack of drivers in the industry I am pursuing.</p>	<p>We are committed to our customers and employees and treat them all as family.</p>	<p>Using vehicles that are cheaper to operate but are also easier to drive and can get to certain locations 18-wheelers cannot get to.</p>																																				
Customers	Differentiators	Extras																																				
<p>Companies within 150-200 mile radius of Dallas/Ft. Worth with a huge potential for growth.</p>	<p>I have no competitors doing what I am doing in the DFW area.</p>	<p>Have numerous contacts in the industry with my last name as a brand also in the industry.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>Will be on social media and mostly word of mouth. I will also be using business cards, hats and shirts with business name and logo on them.</p>	<table border="0"> <tr> <td>Sales:</td> <td>\$ 1,050,000</td> <td>100%</td> </tr> <tr> <td>COGS</td> <td>189,000</td> <td>18%</td> </tr> <tr> <td>Gross profit</td> <td>861,000</td> <td>82%</td> </tr> <tr> <td>Overhead</td> <td>156,300</td> <td>15%</td> </tr> <tr> <td>Pretax income</td> <td>704,600</td> <td>67%</td> </tr> <tr> <td>Tax expense</td> <td>176,100</td> <td>17%</td> </tr> <tr> <td>Owner withdrawals</td> <td>-</td> <td>0%</td> </tr> <tr> <td>Net income</td> <td>\$ 528,500</td> <td>50%</td> </tr> </table>	Sales:	\$ 1,050,000	100%	COGS	189,000	18%	Gross profit	861,000	82%	Overhead	156,300	15%	Pretax income	704,600	67%	Tax expense	176,100	17%	Owner withdrawals	-	0%	Net income	\$ 528,500	50%	<table border="0"> <tr> <td>Owner investment - cash</td> <td>\$ -</td> </tr> <tr> <td>Owner investment - equipment</td> <td>24,170</td> </tr> <tr> <td>Vehicle and/or equipment loan</td> <td>50,000</td> </tr> <tr> <td>Start up financing</td> <td>-</td> </tr> <tr> <td>Total start up costs:</td> <td>\$ 74,170</td> </tr> <tr> <td>Plan Purpose:</td> <td>Start-Up</td> </tr> </table>	Owner investment - cash	\$ -	Owner investment - equipment	24,170	Vehicle and/or equipment loan	50,000	Start up financing	-	Total start up costs:	\$ 74,170	Plan Purpose:	Start-Up
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Personal Fit																																						

As owner and founder of NOLA Express, we have strong values that we stand on. Safety, ethics, honesty and respect to each other with a focus on customer commitment. With 20 plus years of experience in the trucking industry we at NOLA Express plan to be on giant family that cares about each other.

PERSONAL FIT

My name is Wallace Charles, I am 35 years old and I was born on October 21, 1983 in New Orleans, Louisiana. I had a nice and somewhat sheltered upbringing, meaning I was pretty much spoiled. I never went without as a child and neither did my little sister Kim (who is now 26). My mother and father separated when I was a kid a few times and are now divorced since I been in prison. I graduated from high school and did a few semesters in college for culinary arts but I quit because I did not want to do the book work; was not much of a book reader then. My first job was at a restaurant called Salvos Seafood in Belle Chase, Louisiana at the age of 15 where I learned the value of a dollar. Since then, I wanted to own my own business.

Growing up, I was never a bad kid. I have made stupid decisions but they were not the ones that got me in trouble. I started smoking marijuana at an early age. It is something I enjoyed and something I will do for the rest of my life because to me, it is safer than any other product I know. What came along with that was two arrests but no real jail time. I had probation on both and finished them both, free and clean. I am here now for burglary of a habitation and aggravated kidnapping and I have been in prison since March 13, 2009 (10 ½ years). Not a very fun time to say the least.

One example of how I changed in that I am very patient now and I strive to better myself through education and just listening to people. The main reason I have changed is because I had to learn that doing what I was doing led to a dead end. Whether it was death, drug addiction, etc... I started this process before my incarceration. Sometimes you have to say enough is enough and grow up.

Ever since my first job at 15, I dreamed of owning my own business because I can run the company how I see fit. Plus, once I have a foot hold, I can start my other dream which is a nonprofit to help people any way I can. Whether it is drugs, alcohol, PTSD, etc... as long as they are willing to change, I want to help them. I have been doing it by stopping to help someone change their tire or just someone stopped on the side of the road. Anyway I can help works for me. Another reason is because I am tired of disappointing myself.

As far as I know, I will be in Corpus Christi, Texas with my mother but it can change in the near future. It could be Dallas or back in Louisiana. I will be released to my mother, Kim, in the month of March, 2022.

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?
 - Yes, because I'm utilizing smaller trucks (F-250s/F-350s) instead of using 18-wheelers.

- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
 - Hire others to help.
- Is there growth potential to expand my business, or is this a dying market?
 - Very big growth potential.
- How soon can I get my business up and running?
 - As soon as I'm released from prison, renew my driver's license, purchase a truck with a gooseneck trailer, secure proper insurance coverage and required business permit to conduct business as NOLA Express.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
 - Always need cash to start a business.
- Is this something I would be proud to share with my family and parole officer?
 - Yes, family will be helping me.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
 - I believe so.
- 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?
 - Yes, because they need new material on a daily basis.
- What are the benefits (not features) that I am providing?
 - Reliable, speedy service.
- Why can I do this better than another business (competitor)?
 - My passion & past experience (20 plus years).
- How will I deliver this better idea to my customers?
 - Daily benefit, better communication.
- 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?
 - Less.
- Is the approximate cost of my solution lower than the price?
 - Lower.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - Mobile.
- Do I offer a guaranty or return policy?
 - No, no need for one.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - No.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - Old enough to do business using totes.
- 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?
 - It can although I do not foresee a problem.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
 - Large companies (manufactures).

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - No.
- 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)?
 - Their workplace.
- Do I go to my customer (home service) or does my customer come to me?
 - Go to my customer.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - N/A.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - At first, the Dallas/Fort Worth area and the area within 150- 200 radius, eventually, nationwide.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - Pretty easily.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - Due to contacts that I already have I will be able to reach customers in a group.

- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - Very, very likely.

If Doing Business to Business Operations (Optional):

- Am I selling to a wholesaler, retailer or does it matter?
 - Retailer.
- What industry is my customer in?
 - Both manufactures and re-manufactures.
- What size customer do I want to serve (large/small, single/multiple locations)?
 - Large companies, manufacturers.
- Will my customer require special insurance (construction bonding, liability insurance)?
 - No.
- Does my customer require 24/7 service?
 - No.
- 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?
 - Allow me to develop other clientele.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
Lone Star Logistics	Direct	Business Cards & Word of Mouth	Varies	Well Known	Only Focus On the Oil Field	Offers Specialized Service, Only Local Company Offering This Service

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?
 - No favorable location needed.
- Are you going to be the first company of your type in your chosen area operations?
 - Yes.

Internal Extras:

- Do you have a new or cutting edge concept?
 - Yes.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
 - Yes, if you need a pickup truck I will be there.
- Are you an especially charming or personable person?
 - Yes.

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - New Orleans, native, fast delivery.
- What is your tagline?
 - Our promise to you is friendly, reliable service that focuses on our customers.
- How does your name and tagline make you different than your competitors?
 - Yes.
- 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?
 - I will be priced lower for a competitive advantage.

Media:

- What are three types of media you will use to reach your customers?
 - Business card, social media, and word of mouth.

- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - 100 customers.
- Once you've reached your typical customer, how many will actually buy from you?
 - To reach at least 30 customers.
- For each of the three, what do you think the estimated cost will be?
 - For all three it will range from \$75- \$150.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - These charges will occur every 2 months.
- How will you collect customer reviews?
 - On social media, and word of mouth.

RESUME

Wallace

1100 Hwy 1807

Venus, TX 76084

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

Experience

2nd Shift Cook

2015-2019

Cooking dinner for 2800 inmates

Mechanic hand

2004-2008

Worked on P-pumps, unloaded 18 wheelers with forklift and inspected 18 wheeler trailers

Manager of Restaurant

2001-2003

Supervised employees and counted money at the end of the night

Skills

- **Cook**
- **Computer Specialist**
- **Forklift Operator**
- **Welding**
- **Restaurant manager**
- **Menu maker**

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.

Ross S Sterling High School

2000-2001

Diploma

Owner's name Wallace
 Company name NOLA Express

NAICS Business Classification

Sector (general classification) _48_49_Transportation_and_Warehousing
 Sub-sector (more specific classification) 484: Truck Transportation

**Start-up Costs
 Year 1**

Assumption 4 - Total Uses

Non-Depreciable Costs	Paid or contributed in Month 1
marketing, business cards, fliers	70
cell phone purchase	500
car/truck down payment, if leased	
permits	500
supplies, office & misc.	100
Cash needed for start-up expenses	1,170

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van		50,000	50,000
company trailer	12,000		
computer, printer, fax	1,000		1,000
			-
			-
			-
building/office deposit		N/A	N/A
beginning cash balance	10,000	N/A	N/A
Cash needed for start-up assets	23,000	50,000	51,000

60 assumed life (months)
 850 monthly depreciation

Total start up cost 74,170

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company		0%
Vehicle loan and other equipment debt (see note 7 for financing)	50,000	67%
Startup financing, if applicable (for example Kiva loan)		0%
Outside equity investment, if applicable	24,170	33%
Total start up cost, total sources	74,170	100%

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EOU, Financing, and Payroll Assumptions
Year 1

Assumption 6 - Revenue Model (Economics of One Unit)

	Product 1		Product 2		Product 3	
Product name	IBCS					
Product description	Metal cage with special plastic bottle inside the cage.					
Price per unit	35.00	100%		0%		0%
Cost of <u>one</u> unit	hours	rate	hours	rate	hours	rate
Non-owner payroll exp.		-		-		-
Non-owner payroll tax	9.0%	-		-		-
cost 1 description	Fuel	3.47				
cost 2 description	Time	2.83				
cost 3 description						
cost 4 description						
Total variable costs		6.30		-		-
Gross profit per unit - what you see on income statement		28.70		-		-

	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	Total Year
IBCS sold		600	600	600	600	1,200	1,200	1,800	1,800	1,800	1,800	18,000	30,000
total revenue		\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 42,000	\$ 42,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 630,000	\$ 1,050,000
total cost of sales		\$ 3,780	\$ 3,780	\$ 3,780	\$ 3,780	\$ 7,560	\$ 7,560	\$ 11,340	\$ 11,340	\$ 11,340	\$ 11,340	\$ 113,400	\$ 189,000
total income statement gross profit (excludes owner labor)		\$ 17,220	\$ 17,220	\$ 17,220	\$ 17,220	\$ 34,440	\$ 34,440	\$ 51,660	\$ 51,660	\$ 51,660	\$ 51,660	\$ 516,600	\$ 861,000

Assumption 7 - Financing

		Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
Equipment financing, see Start-up Costs sheet													
Amount borrowed	\$ 50,000	principal, beginning	50,000	49,320	48,634	47,945	47,251	46,552	45,848	45,140	44,427	43,710	42,987
Interest rate (example 8%)	8.0%	interest expense	333	329	324	320	315	310	306	301	296	291	287
Loan term (# of months)	60	principal payment	(680)	(685)	(690)	(694)	(699)	(703)	(708)	(713)	(718)	(722)	(727)
Monthly payment	1,014	principal, ending	49,320	48,634	47,945	47,251	46,552	45,848	45,140	44,427	43,710	42,987	42,260
Start-up financing, see Start-up Costs sheet													
Amount borrowed	\$ -	principal, beginning	-	-	-	-	-	-	-	-	-	-	-
Interest rate (example 8%)		interest expense	-	-	-	-	-	-	-	-	-	-	-
Payback period (# of months)		principal payment	-	-	-	-	-	-	-	-	-	-	-
Grace period (months pay delay)		principal, ending	-	-	-	-	-	-	-	-	-	-	-
Monthly payment	\$ -												

Assumption 8 - Payroll, nondirect

	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
# of employees					1	1	2	2	2	2	2	
avg hours each employee(s) worked per month, not in EOU above					160	160	160	160	160	160	160	
average per hour wage					20.00	20.00	21.25	21.25	22.50	22.50	22.50	
salary expense, excluding payroll taxes					-	3,200	3,200	6,800	6,800	7,200	7,200	41,600

Assumption 9 - Equipment Purchases, after start-up

Description	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
Trucks					50,000		50,000					
Trailers					12,000		12,000					
Straps					300.00	300.00	300.00					

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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															
IBCS	6	-	21,000	21,000	21,000	21,000	42,000	42,000	63,000	63,000	63,000	63,000	630,000	1,050,000	100%	
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	
Total revenue		-	21,000	21,000	21,000	21,000	42,000	42,000	63,000	63,000	63,000	63,000	630,000	1,050,000	100%	
Cost of Goods Sold	2															
IBCS	6	-	3,780	3,780	3,780	3,780	7,560	7,560	11,340	11,340	11,340	11,340	113,400	189,000	18%	
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	
Total COGS		-	3,780	3,780	3,780	3,780	7,560	7,560	11,340	11,340	11,340	11,340	113,400	189,000	18%	
Gross profit		-	17,220	17,220	17,220	17,220	34,440	34,440	51,660	51,660	51,660	51,660	516,600	861,000	82%	
Expenses	2															
Auto or truck lease	-														-	0%
Depreciation	3	-	850	850	850	850	1,888	1,893	2,932	2,932	2,932	2,932	2,932	21,840	2%	
Gasoline & fuels	-		2,080	20,801	2,080	2,080	4,160	4,160	6,240	6,240	6,240	6,240	6,240	66,561	6%	
Insurance - bonding	-														-	0%
Insurance - vehicle	-		200	200	200	200	400	400	600	600	600	600	600	4,600	0%	
Interest - equip & start up	7	-	333	329	324	320	315	310	306	301	296	291	287	3,412	0%	
Marketing	70		70				60		60					260	0%	
Office - rent	-														-	0%
Office - insurance	-														-	0%
Office - telephone	-														-	0%
Office - utilities	-														-	0%
Payroll - not owner and not in COGS	8	-	-	-	-	-	3,200	3,200	6,800	6,800	7,200	7,200	7,200	41,600	4%	
Payroll taxes (9%)	6 & 8	-	-	-	-	-	288	288	612	612	648	648	648	3,744	0%	
Permits	500						720		1,440					2,660	0%	
Supplies	100			100		100		100		100		100		600	0%	
Tax service	-														-	0%
Telephone - cellular	500		100	100	100	100	200	200	300	300				1,900	0%	
Start-up expenses															-	0%
Straps			300				300		300					900	0%	
Maintenance			750	750	750	750	750	750	750	750	750	750	750	8,250	1%	
															-	0%
															-	0%
															-	0%
															-	0%
Total expenses		1,170	4,683	23,130	4,304	4,400	12,281	11,302	20,339	18,635	18,666	18,761	18,656	156,327	15%	
Taxable profit (loss)	1	(1,170)	12,537	(5,910)	12,916	12,820	22,159	23,138	31,321	33,025	32,994	32,899	497,944	704,673	67%	
Tax (expense) benefit	1			(1,364)			(11,974)			(21,871)			(140,959)	(176,168)	-17%	
Owner's withdrawals	1														-	0%
Net profit (loss)		(1,170)	12,537	(7,274)	12,916	12,820	10,185	23,138	31,321	11,154	32,994	32,899	356,985	528,505	50%	
Depreciation	3	-	850	850	850	850	1,888	1,893	2,932	2,932	2,932	2,932	2,932	21,840		
Equipment purchases	3	(63,000)	-	-	-	-	(62,300)	(300)	(62,300)	-	-	-	-	(187,900)		
Principle, equipment loan	7	50,000	(680)	(685)	(690)	(694)	(699)	(703)	(708)	(713)	(718)	(722)	(727)	42,260		
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-		
Owner contribution	3	-	-	-	-	-	-	-	-	-	-	-	-	-		
Equity investor	3	24,170	-	-	-	-	-	-	-	-	-	-	-	24,170		
Net cash flow		10,000	12,706	(7,109)	13,076	12,976	(50,926)	24,028	(28,756)	13,373	35,208	35,108	359,189	428,875		
Cash, period start		-	10,000	22,706	15,597	28,673	41,650	(9,276)	14,752	(14,004)	(631)	34,578	69,686	-		
Cash, period end		10,000	22,706	15,597	28,673	41,650	(9,276)	14,752	(14,004)	(631)	34,578	69,686	428,875	428,875		