

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Eddy
E. Lopez Construction

Prison Entrepreneurship Program
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E. Lopez Construction

“We make it look easy.”

Business Plan
January 2020

Eddy
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>Rapid growth in the city of San Antonio, TX.</p>	<p>It all starts with a solid foundation. With our knowledge and experience we ensure superior quality of service through hard work and determination</p>	<p>I do concrete work which is a high demand right now in San Antonio, TX.</p>																																				
Customers	Differentiators	Extras																																				
<p>Residential preferably new construction but will work on existing construction.</p>	<p>I will be present at every pour to ensure you quality control.</p>	<p>I will also provide lot clearing and haul offs.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>Business cards/ social media/ and word of mouth</p>	<table border="0"> <tr> <td>Sales:</td> <td style="text-align: right;">\$ 300,300</td> <td style="text-align: right;">100%</td> </tr> <tr> <td>COGS</td> <td style="text-align: right;"><u>219,300</u></td> <td style="text-align: right;"><u>73%</u></td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;">80,900</td> <td style="text-align: right;">27%</td> </tr> <tr> <td>Overhead</td> <td style="text-align: right;"><u>18,000</u></td> <td style="text-align: right;"><u>6%</u></td> </tr> <tr> <td>Pretax income</td> <td style="text-align: right;">62,800</td> <td style="text-align: right;">21%</td> </tr> <tr> <td>Tax expense</td> <td style="text-align: right;">15,700</td> <td style="text-align: right;">5%</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>\$ 47,100</u></td> <td style="text-align: right;"><u>16%</u></td> </tr> </table>	Sales:	\$ 300,300	100%	COGS	<u>219,300</u>	<u>73%</u>	Gross profit	80,900	27%	Overhead	<u>18,000</u>	<u>6%</u>	Pretax income	62,800	21%	Tax expense	15,700	5%	Owner withdrawals	-	0%	Net income	<u>\$ 47,100</u>	<u>16%</u>	<table border="0"> <tr> <td>Owner investment - cash</td> <td style="text-align: right;">\$ 24,250</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>Total start up costs:</td> <td style="text-align: right;"><u><u>\$ 24,250</u></u></td> </tr> <tr> <td>Plan Purpose:</td> <td style="text-align: right;">Start-Up</td> </tr> </table>	Owner investment - cash	\$ 24,250	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	-	Total start up costs:	<u><u>\$ 24,250</u></u>	Plan Purpose:	Start-Up
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With my 40 years' experience and a full support of my father who has an established trucking company in the San Antonio area. We will work together to expand concrete jobs, lot clearing and any construction jobs that fall in this category.

PERSONAL FIT

My name is Eddy Javier Jr. I was born in Laredo, Texas on September 10, 1985. I am the middle child of three. I have two sisters so growing up I could not relate to them. I am very blessed to have both of my parents alive and this October they will be celebrating 39 years of marriage. I had a good childhood, I did fairly well in school. I always respected my teachers, and minded my manners. I was able to graduate from high school in San Antonio, Texas. I left home at the age of 18 years old to my own apartment with the mother of my children. One year later we welcomed our first born son Aaron Miles Lopez, on June 4, 2005.

I had a little painting crew painting interior and exterior homes. It went well for about two years, then money started to get tight. I gave up painting and went to work for an underground utility company. After working for them as a laborer for one year the foreman gave me a chance to learn how to operate a skid steer. That is when I started acting up.

I was a late bloomer when it came to getting into trouble. I started drinking beer at the age of 21. That is when I got my first DWI, my second DWI happened at the age of 23 and my third at the age of 32. The three times I have been in trouble with the law is for DWI. I did not drink to escape life's problems or because of stress. I drank because I enjoyed it. I started because I felt I was entitled to work hard and drink harder. I received a four year sentence for my 3rd DWI. I currently have two years completed on it. I always worked and paid my bills, I have support of my wife and my parents.

I now see that I was putting many people in danger while on the road. What changed, you may be asking is that for years I had been running from the calling of GOD. So when I was alone one time in my cell, I gave my life to God. I see throughout my life the hand of God protecting me and saving me again, and again. For these two years I have been really serious about my walk with God, and what is best for my family is on board as well. So my change comes from above. I see the happiness in my wife and in my children when they see me and see the change for themselves. They can hear it in the way that I speak, I talk to them with more respect, I hear them out, and I care for their needs and not only my own. I gave my life and turned over my will to God and with God "no" one plays. I am a good hearted soul. I never really did evil to anyone other than myself. I have always been a go getter, a leader, a good manager. My dad is an owner of a successful trucking company. I was taught good work ethics, discipline, respect and how to save and spend money wisely. For years my dad had been trying to talk me into going into business with him to expand to concrete foundation, sidewalk and river ways. Due to my selfishness I would turn down that great opportunity. I have my Dads and Moms trust to help them to expand the company. Upon my release I will go back to work for my previous employer for the first year. While working for Scott I will be doing everything I can to get jobs, certified, insurances, and memberships. I will contact past relationships that I have had the pleasure to work with for a good lead. I plan to be getting jobs within the first year of release. Why can I be trusted with investment capital? Simple numbers do not lie, everything I mentioned can be verified. God will open the door of opportunity for me.

In conclusion, I am trusting in God, with God's help and strength I will succeed. My concrete company is based on the ONE true foundation JESUS CHRIST. God will

provide, God will direct my ways to prosper, not only for myself but for the church and my community.

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?
 - I will hire other people although I will install metrics to make sure quality stays at a high level.
- 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?
 - Within 18-24 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?
 - It is more a question of hustle at this point in time.
- 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?
 - I believe it is.
- Would my business start as a part-time venture or need to be full time?
 - We will start as a part-time venture until demand increases.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Yes.
- What are the benefits (not features) that I am providing?
 - Due to my experience I will be able to ensure that my customers get a quality product.
- Why can I do this better than another business (competitor)?
 - It is a passion of mine and I do not take short cuts plus I am very knowledgeable of this industry.
- How will I deliver this better idea to my customers?
 - I will rely heavily on my existing industry contacts.

- 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 required to extensively travel due to the geographic spread of my customers.
- Is my solution consistent with my passion for selling?
 - No.
- 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 for a yard or storage place.
- Do I offer a guaranty or return policy?
 - Yes on both accounts.

CUSTOMERS

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)?
 - I will target customers with the age of 25-65 years of age.
- Does my customer need to be married, single or does it matter?
 - No it does not matter.
- Do language or ethnicity differences improve or limit my ability to sell to my ideal customer?
 - The type of service I provide will not be affected.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
 - This type of service will appeal to the outdoors person.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - I will target the middle to rich class of customers.
- Does my customer need to own specific assets (car, house, boat)?
 - Assets will not matter.

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 to my customers at their homes, places of business, churches, online and word of mouth.

- Do I go to my customer (home service) or does my customer come to me?
 - I will always be going to my customer.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - It does not matter we will be open to all potential customers.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - My target customers will be spread out all over the city and surrounding counties.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - They will come one at a time and by referrals.

Other:

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

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
EZ Bel	Direct	Word of mouth	Varies	Established Company	They have a long list on their backlog	Flexible Schedule
Urban Concrete	Direct	TV, Newspaper, Radio & Billboards	Varies	Makes His Own Concrete	Too big of a company	Personal, Customer Service
Everyday Construction	Indirect	Word of mouth	Varies	Well Known	They do a lot more than just concrete	I offer a more one on one experience

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - I am Hispanic, I build/construct things and that I am knowledgeable in a variety of areas in the construction industry.
- What is your tagline?
 - A better, cleaner future, start a cleaner today.
- How does your name and tagline make you different than your competitors?
 - It does not.
- Can your message be effectively conveyed through multiple types of media?
 - Yes, it can be conveyed through different types of media.
- Is your message effective across different demographics?
 - Yes it is.
- Is your pricing consistent with the market for similar offerings?
 - Yes, it will be consistent with the market or better.
- 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, newspaper ads, yelp.com and word of mouth.
- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - Using the types talked about above possibly 2 to 3 customers.
- Once you've reached your typical customer, how many will actually buy from you?
 - I do not know hopefully all of them.
- For each of the three, what do you think the estimated cost will be?
 - Business cards (\$150 for 5000, Newspaper ads (\$25) and yelp/word of mouth (priceless).
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - Cards (yearly), Newspaper ads (monthly).
- How will you collect customer reviews?
 - Ask them to fill out a questionnaire.

RESUME

Eddy

1100 Hwy 1807

Venus, TX 76084

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

Experience

Supervisor

June 2014-October 2017

Presided over crew projects and ordered material.

Motor Man

March 2012-February 2014

Fixed equipment on land rig and checked/ordered inventory.

Laborer

July 2011-January 2012

Helped the tunnel crew, pipe layer and manhole crew.

Owner/Operator of Painting Company

2009-2011

Bid on projects and painting residential homes (exterior/interior).

Skills

- **Equipment Operator**
- **Concrete Finisher**
- **Painter**
- **Mechanic**
- **Leadership skills**
- **Mechanic**
- **Work well under pressure**
- **Microsoft and Excel**

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.

Harlendale High School

2000-2004

Certificate: H.S. Diploma

TCCA

2016

Certificate: 30hr OSHA

Owner's name	Eddy Jr.
Company name	E. Lopez Construction
NAICS Business Classification	
Sector (general classification)	23 Construction
Sub-sector (more specific classification)	238: Specialty Trade Contractors

**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	100
car/truck down payment, if leased	
permits	
supplies, office & misc.	1,000
	1,000
Cash needed for start-up expenses	2,250

Depreciable Costs	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	3,500		
computer, printer, fax	1,000		1,000
			-
			-
			-
building/office deposit	500	N/A	N/A
beginning cash balance	7,000	N/A	N/A
Cash needed for start-up assets	22,000	-	11,000

60 assumed life (months)
183 monthly depreciation

Total start up cost 24,250

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	24,250	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%
Total start up cost, total sources	<u><u>24,250</u></u>	100%

Eddy Jr. dba E. Lopez Construction
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														
Slab Foundation	6	-	27,600	13,800	27,600	41,400	41,400	55,200	27,600	13,800	-	-	-	248,400	83%
Driveways & Sidewalks	6	-	6,110	6,110	3,055	6,110	3,055	6,110	9,165	3,055	3,055	3,055	3,055	51,935	17%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	33,710	19,910	30,655	47,510	44,455	61,310	36,765	16,855	3,055	3,055	3,055	300,335	100%
Cost of Goods Sold	2														
Slab Foundation	6	-	20,840	10,420	20,840	31,260	31,260	41,680	20,840	10,420	-	-	-	187,560	62%
Driveways & Sidewalks	6	-	3,740	3,740	1,870	3,740	1,870	3,740	5,610	1,870	1,870	1,870	1,870	31,790	11%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	24,580	14,160	22,710	35,000	33,130	45,420	26,450	12,290	1,870	1,870	1,870	219,350	73%
Gross profit		-	9,130	5,750	7,945	12,510	11,325	15,890	10,315	4,565	1,185	1,185	1,185	80,985	27%
Expenses	2														
Auto or truck lease	-													-	0%
Depreciation	3	-	183	183	183	183	183	183	183	183	183	183	183	2,017	1%
Gasoline & fuels	-		160	160	160	160	160	200	200	160	160	160	160	1,840	1%
Insurance - bonding	-		500	500	500	500	500	500	500	500	500	500	500	5,500	2%
Insurance - vehicle	-		70	70	70	70	70	70	70	70	70	70	70	770	0%
Interest - equip & start up	7	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Marketing	150													150	0%
Office - rent	-													-	0%
Office - insurance	-													-	0%
Office - telephone	-		60	60	60	60	60	60	60	60	60	60	60	660	0%
Office - utilities	-		150	150	150	150	150	150	150	150	150	150	150	1,650	1%
Payroll - not owner and not in COGS	8	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Payroll taxes (9%)	6 & 8	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Permits	-													-	0%
Supplies	1,000													1,000	0%
Tax service	-													-	0%
Telephone - cellular	100		150	150	150	150	150	150	150	150	150	150	150	1,750	1%
Start-up expenses	1,000		-	-	-	-	-	-	-	-	-	-	-	1,000	0%
Property Taxes	-		100	100	100	100	100	100	100	100	100	100	100	1,100	0%
	-													-	0%
	-													-	0%
	-													-	0%
	-													-	0%
	-													-	0%
	-													-	0%
Total expenses		2,250	1,373	1,373	1,373	1,373	1,373	1,413	1,413	1,373	1,373	1,373	1,373	17,437	6%
Taxable profit (loss)	1	(2,250)	7,757	4,377	6,572	11,137	9,952	14,477	8,902	3,192	(188)	(188)	(188)	63,548	21%
Tax (expense) benefit	1			(2,471)			(6,915)			(6,643)			141	(15,887)	-5%
Owner's withdrawals	1	-												-	0%
Net profit (loss)		(2,250)	7,757	1,906	6,572	11,137	3,037	14,477	8,902	(3,451)	(188)	(188)	(47)	47,661	16%
Depreciation	3	-	183	183	183	183	183	183	183	183	183	183	183	2,017	
Equipment purchases	3	(15,000)	-	-	-	-	-	-	-	-	-	-	-	(15,000)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	24,250	-	-	-	-	-	-	-	-	-	-	-	24,250	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		7,000	7,940	2,089	6,755	11,320	3,220	14,660	9,085	(3,268)	(5)	(5)	136	58,928	
Cash, period start		-	7,000	14,940	17,029	23,784	35,104	38,324	52,984	62,069	58,802	58,797	58,792	-	
Cash, period end		7,000	14,940	17,029	23,784	35,104	38,324	52,984	62,069	58,802	58,797	58,792	58,928	58,928	