

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Duane
Finish Line Trucking

Prison Entrepreneurship Program
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(832) 767-0928
www.pep.org

Finish Line Trucking

“When you need to be on time on the final mile call Finish Line every time”

Business Plan
January 2020

Duane
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>Houston Texas has a serious need for delivery drivers at the moment.</p>	<p>We bring the comfort of timeliness and safety. Our goal is to make every customer our number one priority. We strive to bring you the best service possible.</p>	<p>We provide a delivery service not only to the city of Houston but surrounding areas as well.</p>																																				
Customers	Differentiators	Extras																																				
<p>Our customers will be high powered companies that need their products delivered on a daily basis.</p>	<p>We will be able to track trucks on our app instead of just giving an estimated time.</p>	<p>I know an executive that works for Amazon and will most likely be our first customer.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>We will use fliers and websites but our excellent track record will attract customers.</p>	<table border="0"> <tr> <td>Sales:</td> <td>\$ 228,000</td> <td>100%</td> </tr> <tr> <td>COGS</td> <td>101,800</td> <td>45%</td> </tr> <tr> <td>Gross profit</td> <td>126,100</td> <td>55%</td> </tr> <tr> <td>Overhead</td> <td>17,500</td> <td>8%</td> </tr> <tr> <td>Pretax income</td> <td>108,500</td> <td>48%</td> </tr> <tr> <td>Tax expense</td> <td>27,100</td> <td>12%</td> </tr> <tr> <td>Owner withdrawals</td> <td>41,800</td> <td>18%</td> </tr> <tr> <td>Net income</td> <td>\$ 39,600</td> <td>17%</td> </tr> </table>	Sales:	\$ 228,000	100%	COGS	101,800	45%	Gross profit	126,100	55%	Overhead	17,500	8%	Pretax income	108,500	48%	Tax expense	27,100	12%	Owner withdrawals	41,800	18%	Net income	\$ 39,600	17%	<table border="0"> <tr> <td>Owner investment - cash</td> <td>\$ 8,000</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>Total start up costs:</td> <td>\$ 8,000</td> </tr> <tr> <td>Plan Purpose:</td> <td>Start-Up</td> </tr> </table>	Owner investment - cash	\$ 8,000	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	-	Total start up costs:	\$ 8,000	Plan Purpose:	Start-Up
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Personal Fit																																						

As founder of finish line tracking I am striving to be the best of the best. I will push myself to help my company flourish. We will strive to meet the needs of all customers. Being on or ahead of time is of our main goal. We are dedicated to excellence and service.

PERSONAL FIT

My name is Duane. I was born on October 1, 1994 in Houston, Texas. I have four kids, three boys and a girl. My parents divorced when I was about four years old. Even though they separated my mom and dad gave me and my sister the best life and all of the love we could have asked for. In school I excelled at an early age. At the age of four I started first grade and graduated high school at the age of 16. After getting my first job at the age of 16 after I graduated I moved out with my girlfriend and got our first apartment.

Around the time I moved out my girlfriend got pregnant and we started to stress over the lack of money. Being the man of the house I felt it was my obligation to make ends meet. This was the time I started to find myself in situations that were illegal. I started to steal and do things that was not of my character. I never thought about the people I would do things to, only my family. I started to smoke a lot of marijuana. I found myself in and out of county jail for marijuana, nothing but slaps on the wrist. One day I am going to the mall to pick up some clothes for my birthday and I let my friend ride. He was a petty thief and he saw a scooter he wanted to steal so he told me he was going to steal it. I told him hurry up. He got caught down the road in my car. I understood I was just as guilty because I could have told him not to do it. That is why I am here today. I have been incarcerated for 14 months. This is my first prison term and the longest time I have been gone from home.

Even though I am incarcerated, I still look at the glass half full. I have learned so many good things since I have come to prison. I have learned patience since I have been incarcerated. I have also learned 10 driving values (fresh start outlook, love, excellence, execution, etc.) that have been instilled in me through PEP. Upon my release I plan on moving away from my current neighborhood. I also plan on changing the people I hang around with. Also I am committed to work hard for my money instead of trying to make easy money. I have changed for the better because I want my family to be proud of me. I have three little boys that I have to be a great example too.

I should be trusted to be an entrepreneur because I have the drive. When I was out there selling drugs I did not understand the qualities I was using were the same qualities that can be used to run a business, I was a great salesman. I knew how to make a person feel good about buying something from me. I understood profit margins and savings. I want to own my own business to help people who cannot get a job be employed. Also I want to leave a legacy for my kids. Three months after my release I plan on starting my business. The question asked is why I can be trusted with capital. Well honestly anytime you give your money to anyone especially a felon there is risk. In my pod I have a track record of giving rather than receiving. So if I do not need something I will not even take it, and I really do not like to owe anyone so I would pay it back as soon as possible.

OPPORTUNITY

- Can I solve the problem given my skills and personality?
 - I can solve the problem using my driving expertise and my social skills.

- Is the customer looking for a more holistic solution than his or her immediate complaint?
 - My company's main focus is time we will also strive to make sure every package gets there in one piece.
- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
 - I will be the example of my company so I will be hands on but as times goes on and business grows. I will hire others on. To drive for me.
- Is there growth potential to expand my business, or is this a dying market?
 - This is actually an expanding market and there is major growth for my business.
- How soon can I get my business up and running?
 - Within 6 months my business can be on and running.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
 - This will not take too much money to start but it is dependent on my hustle.
- Is this something I would be proud to share with my family and parole officer?
 - Yes my family would be so proud and my parole officer would have a model parolee to set the example of success.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
 - Yes I believe it is.
- Would my business start as a part-time venture or need to be full time?
 - It will be a full time venture and would require my full attention.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Yes we are getting the package to you and on time.
- What are the benefits (not features) that I am providing?
 - Coverage of packages. Timely service.
- Why can I do this better than another business (competitor)?
 - Because when you are starting out that's when you have a passion for what you do. Big companies lose that passion.
- How will I deliver this better idea to my customers?
 - By implementing the truck tracker through our company app.
- 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?
 - Definitely the passion is the drive.
- Is the price of my solution equal to or less than the customer's pain?
 - This will not even be mentioned to the customer making him pain free.
- Is the approximate cost of my solution lower than the price?

- Time is really the main cost because it is important that you use it wisely.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - We don't require a fixed setting.
- Do I offer a guaranty or return policy?
 - Yes if our shipping is an hour later than projected time we will pay shipping & handling for you.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - All customers are treated equally.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - Our ideal customer age will range from 18-65 years of age.
- 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?
 - No we accommodate all people and race.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
 - This will appeal to online shoppers.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - My customers will be in the middle and rich class.
- Does my customer need to own specific assets (car, house, boat)?
 - My customers will need to have a home or apartment.

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 in Houston, TX.
- Do I go to my customer (home service) or does my customer come to me?
 - I will travel to my customer.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - Anywhere within a 50 mile radius of Houston.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - Depends on the route as long as they are in the circumference.
- How easily can I find this customer (one at a time or they will provide referrals)?

- My customers will come with referrals.

Other:

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

If Doing Business to Business Operations (Optional):

- Am I selling to a wholesaler, retailer or does it matter?
 - N/A.
- What industry is my customer in?
 - Trucking industry.
- What size customer do I want to serve (large/small, single/multiple locations)?
 - I want large size customers.
- Will my customer require special insurance (construction bonding, liability insurance)?
 - No.
- Does my customer require 24/7 service?
 - Yes.
- Do I have the capacity to meet the customer's demands?
 - Yes with a timely service.
- Will the size of a customer allow me to develop other clients or will I be hostage to one company?
 - Yes.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
FedEx	direct	TV websites newspaper	unknown	24/7 well-known	Big company that hiring consumers	Timely
UPS	direct	TV newspaper websites	unknown	24/7 well known	Not on time	Timely
USPS	indirect	TV newspaper websites	unknown	24/7 well known	High Rates	Timely

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?
 - I want to be in a southern area of Houston, Texas in the warehouse district.
- Are you going to be the first company of your type in your chosen area operations?
 - Probably not.

Internal Extras:

- Do you have a new or cutting edge concept?
 - Trucking trucker on app.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
 - Yes 24/7.
- Are you an especially charming or personable person?
 - Yes I believe I can sell water to a fish. I am a natural salesman.

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - We are timely, we finish tasks, and we win.
- What is your tagline?
 - We strive to get every package to the finish line on time every time.
- How does your name and tagline make you different than your competitors?
 - Because we stress tardiness.
- Can your message be effectively conveyed through multiple types of media?
 - Yes.
- Is your message effective across different demographics?
 - Yes everyone relate to not wasting time.
- Is your pricing consistent with the market for similar offerings?
 - Yes but we will make or beat every price.
- Is your pricing consistent with the degree of personalization?
 - Yes.

Media:

- What are three types of media you will use to reach your customers?
 - Website Newspaper social media.

- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - Up to millions.
- Once you've reached your typical customer, how many will actually buy from you?
 - Hopefully I can get at least 10 big companies to be repeat customers.
- For each of the three, what do you think the estimated cost will be?
 - Website 100 a month newspaper 20 a month social media 100 a month.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - Recurring.
- How will you collect customer reviews?
 - On line reviews.

RESUME

Duane

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

Experience

Server 2015-2016
Serve and greet customers as they came into the restaurant.

Cement Layer 2016-2017
Properly mix and create slabs of cement.

Assistant Site Coordinator 2013-2015
Assisting site coordinator to make sure site is safe for after school children.

Skills

- **Proficient in Excel**
- **Mathematical Skills**
- **Dedication**
- **First Aid Certified**
- **TABC Certified**

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.

Lamar High School 2007-2011
High School Diploma

Owner's name	Duane
Company name	Finish Line Trucking
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			
cell phone purchase	500		
car/truck down payment, if leased			
permits			
supplies, office & misc.			
Misc.	100		
Gas	100		
Cash needed for start-up expenses	<u>700</u>		
Depreciable Costs			
	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	7,000		7,000
company trailer			
computer, printer, fax	300		300
			-
			-
			-
building/office deposit		N/A	N/A
beginning cash balance		N/A	N/A
Cash needed for start-up assets	<u>7,300</u>	<u>-</u>	<u>7,300</u>
			<u>60</u> assumed life (months)
			<u>122</u> monthly depreciation
Total start up cost	<u>8,000</u>		

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	8,000	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>8,000</u>	100%

Duane dba Finish Line Trucking
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														
Mileage	6	-	11,250	15,000	16,875	18,000	19,875	21,000	22,500	24,000	26,250	26,250	27,000	228,000	100%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	11,250	15,000	16,875	18,000	19,875	21,000	22,500	24,000	26,250	26,250	27,000	228,000	100%
Cost of Goods Sold	2														
Mileage	6	-	5,025	6,700	7,538	8,040	8,878	9,380	10,050	10,720	11,725	11,725	12,060	101,840	45%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	5,025	6,700	7,538	8,040	8,878	9,380	10,050	10,720	11,725	11,725	12,060	101,840	45%
Gross profit		-	6,225	8,300	9,338	9,960	10,998	11,620	12,450	13,280	14,525	14,525	14,940	126,160	55%
Expenses	2														
Auto or truck lease	-														0%
Depreciation	3	-	122	122	122	122	122	122	122	122	122	122	122	1,338	1%
Gasoline & fuels	-		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,000	5%
Insurance - bonding	-														0%
Insurance - vehicle	-		250	250	250	250	250	250	250	250	250	250	250	2,750	1%
Interest - equip & start up	7	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Marketing	-		200		200		200		200		200		200	1,200	1%
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	500		55	55	55	55	55	55	55	55	55	55	55	1,105	0%
Start-up expenses	200		-	-	-	-	-	-	-	-	-	-	-	200	0%
															0%
															0%
															0%
															0%
															0%
															0%
Total expenses		700	1,627	1,427	1,627	1,427	1,627	1,427	1,627	1,427	1,627	1,427	1,627	17,593	8%
Taxable profit (loss)	1	(700)	4,598	6,873	7,711	8,533	9,371	10,193	10,823	11,853	12,898	13,098	13,313	108,567	48%
Tax (expense) benefit	1			(2,693)			(6,404)			(8,218)			(9,827)	(27,142)	-12%
Owner's withdrawals	1		(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	(41,800)	-18%
Net profit (loss)		(700)	798	380	3,911	4,733	(833)	6,393	7,023	(164)	9,098	9,298	(314)	39,625	17%
Depreciation	3	-	122	122	122	122	122	122	122	122	122	122	122	1,338	
Equipment purchases	3	(7,300)	-	-	-	-	-	-	-	-	-	-	-	(7,300)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	8,000	-	-	-	-	-	-	-	-	-	-	-	8,000	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		-	920	502	4,033	4,855	(711)	6,515	7,145	(42)	9,220	9,420	(192)	41,663	
Cash, period start		-	-	920	1,422	5,455	10,310	9,598	16,113	23,258	23,216	32,436	41,856	-	
Cash, period end		-	920	1,422	5,455	10,310	9,598	16,113	23,258	23,216	32,436	41,856	41,663	41,663	