

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

David
Glenn Transmission Emporium

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

Glenn Transmission Emporium

“The right part the first time with quality services”

Business Plan
January 2020

David
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>Repair automatic transmission on pre-owned vehicles with honesty and integrity. This industry is known for under hand dealing.</p>	<p>Where customer satisfaction is conveyed with each and every customer right from the start.</p>	<p>Will not comprise my beliefs or morals for money.</p>																																				
Customers	Differentiators	Extras																																				
<p>Pre-owned vehicle owners.</p>	<p>Honest industry contacts.</p>	<p>30 years rebuilding experience.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>Billboard/ flyers / online and radio ads</p>	<table border="0"> <tr> <td>Sales:</td> <td>\$ 765,600</td> <td>100%</td> </tr> <tr> <td>COGS</td> <td><u>52,100</u></td> <td><u>7%</u></td> </tr> <tr> <td>Gross profit</td> <td>713,400</td> <td>93%</td> </tr> <tr> <td>Overhead</td> <td><u>130,000</u></td> <td><u>17%</u></td> </tr> <tr> <td>Pretax income</td> <td>583,300</td> <td>76%</td> </tr> <tr> <td>Tax expense</td> <td>145,800</td> <td>19%</td> </tr> <tr> <td>Owner withdrawals</td> <td><u>66,000</u></td> <td><u>9%</u></td> </tr> <tr> <td>Net income</td> <td><u>\$ 371,500</u></td> <td><u>49%</u></td> </tr> </table>	Sales:	\$ 765,600	100%	COGS	<u>52,100</u>	<u>7%</u>	Gross profit	713,400	93%	Overhead	<u>130,000</u>	<u>17%</u>	Pretax income	583,300	76%	Tax expense	145,800	19%	Owner withdrawals	<u>66,000</u>	<u>9%</u>	Net income	<u>\$ 371,500</u>	<u>49%</u>	<table border="0"> <tr> <td>Owner investment - cash</td> <td>\$ 2,050</td> </tr> <tr> <td>Owner investment - equipment</td> <td>-</td> </tr> <tr> <td>Vehicle and/or equipment loan</td> <td>5,000</td> </tr> <tr> <td>Start up financing</td> <td>-</td> </tr> <tr> <td>Total start up costs:</td> <td><u>\$ 7,050</u></td> </tr> <tr> <td>Plan Purpose:</td> <td>Start-Up</td> </tr> </table>	Owner investment - cash	\$ 2,050	Owner investment - equipment	-	Vehicle and/or equipment loan	5,000	Start up financing	-	Total start up costs:	<u>\$ 7,050</u>	Plan Purpose:	Start-Up
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Personal Fit																																						

As a previous shop owner with over 30 years in this industry dedicated to be honest and have integrity in the repair department.

PERSONAL FIT

I was born on June 24th, 1969, in Grande Prairie, Texas. I was the fourth child of a total of five. I have three older sisters and I am the oldest son with my only brother being the youngest. I never knew my dad growing up but, my mother did the best she could. I admire my mother as the iron that held my up raising together. I was good to average in school, but was able to excel when I tried. I did not complete high school but instead went to the U.S. Navy. I dropped out in the 11th grade to go to basic training in the fall of 1987. I took and passed my GED after graduating basic training in Great Lakes, Illinois. So I started working around age 15 in my uncles mechanic shop in Oklahoma.

My dad that I never met until I was grown, I met over the phone while I was on board U.S.S. Bide CG-34. I had good conversations with him but, I was overseas, before I could get state side he died in a house fire in Dallas, Texas. That had a tough impact on me as a young man, which caused me to start a series of bad decisions. That led to my early release which was stated as an OTH discharge. I got out of the navy and was doing drugs heavy in the early 1990s which ultimately landed me in prison in 1999. I have been in and out of Texas prisons ever since. This is my third sentence and it was at the beginning of this time that I cried out to God in the county jail, that actually has led me to my present place here in PEP. I have done a 10 year sentence, a 6 year sentence, and now I have a 3 year sentence. The family violence charge that I have now, is just a testament on how broken my life was when I actually received it.

I was very much sick and tired of being sick and tired of the addiction cycle. I believe that without the depths of the sorrow that drugs put my life in, I may never had recovered. But for the redemption saving grace of a new life in Jesus Christ. I believe that it all happened for a reason. I was before in times past not able to see beyond the current perception of getting high from day to day. I now do not ever desire to change the way I feel. I enjoy being who I am.

I believe that helping the people around me today is key to my recovery. I have the driving values that I want to live inside my heart and in my life every day. I believe that learning the automatic transmission repair was the best choice I ever made in my addiction, I also do believe it will help me to reiterate my life through the transformation of a recovery of my drug addiction. I believe that because of the high demand for quality transmission mechanics that with integrity in my life I will be able to be highly successful. I believe that as long as I keep God in my life and I avoid the people, places, and the negative lifestyles I can be trusted to start up my business and be prosperous to society as a whole.

I will be released in June, 2020 in the city of Dallas, Texas.

OPPORTUNITY

- Can I solve the problem given my skills and personality?
 - Yes my 30 years of experience allows me to be transparent.

- Is the customer looking for a more holistic solution than his or her immediate complaint?
 - My main focus will show I am honest and transparent.
- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
 - I plan on being the primary principal.
- Is there growth potential to expand my business, or is this a dying market?
 - Yes there is great potential for growth.
- How soon can I get my business up and running?
 - I believe it will be up and running in 2 years after release.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
 - This will be a low startup cost.
- Is this something I would be proud to share with my family and parole officer?
 - I will share with my family.
- 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?
 - This will be a full-time venture.

SOLUTION

- Is what I am offering filling the customer's real need?
 - I myself loving to solve problems enables me to be optimistic.
- What are the benefits (not features) that I am providing?
 - Doing the job right the first time.
- Why can I do this better than another business (competitor)?
 - Due to my deep understanding of the company.
- How will I deliver this better idea to my customers?
 - I will rely on my 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.)?
 - All rebuilds are built at the shop.
- Is my solution consistent with my passion for selling?
 - I have 30 years as ATRA service tech.
- Is the price of my solution equal to or less than the customer's pain?
 - My solution will be equal.
- Is the approximate cost of my solution lower than the price?
 - It will be about the same.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - I will seek to find a fix address.
- Do I offer a guaranty or return policy?
 - I will offer 100% customer satisfaction.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - It will appeal to both genders.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - My ideal customers age is 18 yrs and older.
- 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?
 - 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.)?
 - I'm looking for people with broke vehicles.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - My customer will be all classes.
- Does my customer need to own specific assets (car, house, boat)?
 - My customer will need to own a vehicle.

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 customer from my storefront.
- Do I go to my customer (home service) or does my customer come to me?
 - Customers will come to me.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - Does not apply to my business.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - I will service all over the city of Dallas.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - I will find them by referrals and surveys.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - I will find my customers individually.
- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - I hope to have a 100% repeat customers.

If Doing Business to Business Operations (Optional):

- Am I selling to a wholesaler, retailer or does it matter?
 - Does not apply.
- What industry is my customer in?
 - Automotive repair industry.
- What size customer do I want to serve (large/small, single/multiple locations)?
 - The size of my customers will vary by units sold.
- 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?
 - I will try to reach all my customer needs.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
Aamco Transmission	Direct	Billboard	\$1800	Franchise	Low quality company	Honest work with transparency
TPS transmission parts and supply	Direct	Media/word of mouth	Varies	Well known company	Limited amount of parts	Will take the time to have right parts
OTS	Direct	Media	Varies	Well known company	Inability to meet customer needs	Will deliver the value and precision to shop owners

EXTRAS

External Extras:

- Do you have a connection with a supplier in your industry?
 - I have multiple relationships with suppliers.
- Do you have access to a favorable location for your business?
 - I will be seeking a location in the DFW area.
- Are you going to be the first company of your type in your chosen area operations?
 - I am not the first company type in the area.

Internal Extras:

- Do you have a new or cutting edge concept?
 - No.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
 - I will go the extra mile for customer satisfaction.
- 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?
 - We sell parts for your vehicles.
- What is your tagline?
 - We sell transmission extras.
- How does your name and tagline make you different than your competitors?
 - We are professional ATRA Company.
- Can your message be effectively conveyed through multiple types of media?
 - Yes people want honest work being done.
- 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?
 - Billboards, business cards and word of mouth.

- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - I will be seeking to reach at least 100 new customers a month.
- Once you've reached your typical customer, how many will actually buy from you?
 - I will be looking to do business with 40-50 customers a month.
- For each of the three, what do you think the estimated cost will be?
 - Billboard (\$200), Business Cards (\$25) and word of mouth (priceless).
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - Billboards and business cards are a recurring cost.
- How will you collect customer reviews?
 - I will have on-line reviews.

RESUME

David

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

Experience

Transmission Tech

June 1991-April 2018

Repaired automatic transmissions.

Maintenance Technician

January 2012-January 2014

Electrical, mechanical and hydraulic repairs.

Electrician

January 2010-January 2012

Installed electrical wiring in vehicles and homes.

Skills

- **Transmission Tech**
- **Welding**
- **Hydraulic Application**
- **Mechanical Application**
- **CADD (Complete Added Drafting Design)**
- **Electronics Application**
- **BCIS (Basic Complete Information System)**

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.

Automatic Transmission (Auto-Mechanics)

January 1990-January 1991

Certificate: Transmission Tech

CADD

January 1990-October 2007

Certificate: Drafting Design

Owner's name	David
Company name	Glenn's Transmission Emporium
NAICS Business Classification	
Sector (general classification)	_54_Professional_Scientific_and_Technical_Services
Sub-sector (more specific classification)	541: Professional, Scientific, and Technical Services

Start-up Costs
Year 1

Assumption 4 - Total Uses

Non-Depreciable Costs	Paid or contributed in Month 1
marketing, business cards, fliers	100
cell phone purchase	50
car/truck down payment, if leased	
permits	
supplies, office & misc.	
Transmission Fluid	100
Hydraulic Floor Jack	50

Cash needed for start-up expenses 300

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van		5,000	5,000
company trailer			-
computer, printer, fax			-
			-
			-
building/office deposit	1,500	N/A	N/A
beginning cash balance	250	N/A	N/A
Cash needed for start-up assets	<u>1,750</u>	<u>5,000</u>	<u>5,000</u>

60 assumed life (months)
83 monthly depreciation

Total start up cost 7,050

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	2,050	29%
Vehicle loan and other equipment debt (see note 7 for financing)	5,000	71%
Startup financing, if applicable (for example Kiva loan)		0%
Outside equity investment, if applicable	-	0%
Total start up cost, total sources	<u><u>7,050</u></u>	100%

David dba Glenn's Transmission Emporium
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														
Repair	6	-	45,000	45,000	45,000	48,000	48,000	48,000	67,500	67,500	90,000	90,000	90,000	684,000	89%
Service	6	-	2,000	2,000	2,000	2,500	2,500	2,500	2,500	3,000	3,000	3,000	3,000	28,000	4%
Parts	6	-	4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	53,625	7%
Total revenue		-	51,875	51,875	51,875	55,375	55,375	55,375	74,875	75,375	97,875	97,875	97,875	765,625	100%
Cost of Goods Sold	2														
Repair	6	-	3,054	3,054	3,054	3,258	3,258	3,258	4,581	4,581	6,108	6,108	6,108	46,421	6%
Service	6	-	156	156	156	195	195	195	234	234	234	234	234	2,184	0%
Parts	6	-	325	325	325	325	325	325	325	325	325	325	325	3,575	0%
Total COGS		-	3,535	3,535	3,535	3,778	3,778	3,778	5,101	5,140	6,667	6,667	6,667	52,180	7%
Gross profit		-	48,340	48,340	48,340	51,597	51,597	51,597	69,774	70,235	91,208	91,208	91,208	713,445	93%
Expenses	2														
Auto or truck lease	-		200	200	200	200	200	200	200	200	200	200	200	2,200	0%
Depreciation	3	-	85	87	88	90	92	93	95	97	98	100	102	1,027	0%
Gasoline & fuels	-		50	50	50	50	50	50	50	50	50	50	50	550	0%
Insurance - bonding	-													-	0%
Insurance - vehicle	-		100	100	100	100	100	100	100	100	100	100	100	1,100	0%
Interest - equip & start up	7	-	42	41	40	39	38	37	36	35	33	32	31	402	0%
Marketing	100		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	55,100	7%
Office - rent	-		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,500	2%
Office - insurance	-													-	0%
Office - telephone	-													-	0%
Office - utilities	-													-	0%
Payroll - not owner and not in COGS	8	-	2,400	2,400	2,400	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	45,600	6%
Payroll taxes (9%)	6 & 8	-	216	216	216	432	432	432	432	432	432	432	432	4,104	1%
Permits	-													-	0%
Supplies	-													-	0%
Tax service	-													-	0%
Telephone - cellular	50		50	50	50	50	50	50	50	50	50	50	50	600	0%
Start-up expenses	150		-	-	-	-	-	-	-	-	-	-	-	150	0%
Scan Tool	-		250	250	250	250	250	250	250	250	250	250	250	2,750	0%
	-													-	0%
	-													-	0%
	-													-	0%
	-													-	0%
	-													-	0%
Total expenses		300	9,893	9,893	9,894	12,511	12,511	12,512	12,513	12,513	12,514	12,514	12,515	130,083	17%
Taxable profit (loss)	1	(300)	38,447	38,447	38,446	39,087	39,086	39,085	57,261	57,222	78,694	78,694	78,693	583,362	76%
Tax (expense) benefit	1			(19,148)			(29,155)			(38,517)			(59,020)	(145,841)	-19%
Owner's withdrawals	1	-	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(66,000)	-9%
Net profit (loss)		(300)	32,447	13,298	32,446	33,087	3,931	33,085	51,261	13,205	72,694	72,694	13,673	371,522	49%
Depreciation	3	-	85	87	88	90	92	93	95	97	98	100	102	1,027	
Equipment purchases	3	(6,500)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(100)	(7,600)	
Principle, equipment loan	7	5,000	(120)	(121)	(122)	(123)	(124)	(125)	(126)	(127)	(128)	(129)	(130)	3,627	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	2,050	-	-	-	-	-	-	-	-	-	-	-	2,050	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		250	32,313	13,164	32,313	32,954	3,799	32,954	51,131	13,074	72,565	72,565	13,544	370,626	
Cash, period start		-	250	32,563	45,727	78,039	110,994	114,793	147,747	198,878	211,952	284,517	357,081	-	
Cash, period end		250	32,563	45,727	78,039	110,994	114,793	147,747	198,878	211,952	284,517	357,081	370,626	370,626	