

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Mark
The Aquatic Academy

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

The Aquatic Academy

“Knowing how will save lives”

Business Plan
January 2020

Mark
Owner & Founder

TABLE OF CONTENTS

EXECUTIVE SUMMARY1

PERSONAL FIT2

OPPORTUNITY3

SOLUTION3

CUSTOMERS4

DIFFERENTIATORS5

EXTRAS6

MARKETING7

RÉSUMÉ ATTACHED

FINANCIAL PROJECTIONS ATTACHED

EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
Lack of experienced aircraft mechanics in the field at this time.	It is our mission to change lives by saving lives. We will mentor our members by helping them develop the skills they need to have confidence in deep waters.	Worked as an A&P mechanic on a 77 conversion aircraft from passenger tot cargo planes.																																				
Customers	Differentiators	Extras																																				
American Airlines to Airborne Express cargo planes.	17 Years of aviation experience working on heavy aircraft as a licensed mechanic.	Worked as an independent contractor as well as a direct employee for various large airlines.																																				
Marketing	Financials & Extras	Start-up Costs																																				
Certified to rig flight controls landing gear & CFM 5600 engines.	<table border="0"> <tr> <td>Sales:</td> <td>\$ 92,100</td> <td>100%</td> </tr> <tr> <td>COGS</td> <td>-</td> <td>0%</td> </tr> <tr> <td>Gross profit</td> <td>92,100</td> <td>100%</td> </tr> <tr> <td>Overhead</td> <td>22,000</td> <td>24%</td> </tr> <tr> <td>Pretax income</td> <td>70,100</td> <td>76%</td> </tr> <tr> <td>Tax expense</td> <td>17,500</td> <td>19%</td> </tr> <tr> <td>Owner withdrawals</td> <td>5,500</td> <td>6%</td> </tr> <tr> <td>Net income</td> <td><u>\$ 47,000</u></td> <td><u>51%</u></td> </tr> </table>	Sales:	\$ 92,100	100%	COGS	-	0%	Gross profit	92,100	100%	Overhead	22,000	24%	Pretax income	70,100	76%	Tax expense	17,500	19%	Owner withdrawals	5,500	6%	Net income	<u>\$ 47,000</u>	<u>51%</u>	<table border="0"> <tr> <td>Owner investment - cash</td> <td>\$ 4,750</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><u>\$ 4,750</u></td> </tr> <tr> <td>Plan Purpose:</td> <td>Start-Up</td> </tr> </table>	Owner investment - cash	\$ 4,750	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	-	Total start up costs:	<u>\$ 4,750</u>	Plan Purpose:	Start-Up
Sales:	\$ 92,100	100%																																				
COGS	-	0%																																				
Gross profit	92,100	100%																																				
Overhead	22,000	24%																																				
Pretax income	70,100	76%																																				
Tax expense	17,500	19%																																				
Owner withdrawals	5,500	6%																																				
Net income	<u>\$ 47,000</u>	<u>51%</u>																																				
Owner investment - cash	\$ 4,750																																					
Owner investment - equipment	-																																					
Vehicle and/or equipment loan	-																																					
Start up financing	-																																					
Total start up costs:	<u>\$ 4,750</u>																																					
Plan Purpose:	Start-Up																																					
Personal Fit																																						

I have been working on large category airplanes for over 17 years working on flight controls, landing gear, engines and airframes at various airlines and fixed based operators across the country.

PERSONAL FIT

I was born on April 15, 1971 in Johnstown, Pennsylvania. I was raised in a coal mining town two hours away from Pittsburgh. Growing up with two younger sisters, a stay at home mother and a father that worked long hours in our family owned business of steel fabricating designs of anything made from steel. I grew up in a middle class household in a below average class town. I grew up very close to my entire family of aunts, uncles, cousins and grandparents who all lived close to one another. I spent most of my childhood playing baseball, football and I did a lot of swimming but my main hobby once I was ten years old was riding my bicycle doing tricks on the ground then on half pipes or quarter pipes doing all sorts of stunts. I enjoyed school up to the age of 15 when I lost my mother when a drunk driver went through a red light and took her away from us. With my dad working long hours and me being in charge of raising my sisters I became introverted and started smoking pot with some of my neighborhood friends very shortly after her death. My father met and married a local woman that had a son my age and a daughter a couple years younger. My step sister grew up in Washington State but my step brother and step mother moved in with us before my 17th birthday. I started working at the age of sixteen as a lifeguard at a local water park and became a lifeguard and swimming instructor at the YMCA. I loved working with people in the water and teaching the swimming techniques I learned from my instructors growing up. Once I left home after I graduated from high school, my step brother and I moved to Virginia Beach where I continued to work at a YMCA as a swimming instructor and lifeguard. Living on my own with my brother led me to start letting go a little bit and I started partying a lot. I was twenty years old when I first tried meth. That was the beginning of a long road of addiction in my life. I lost everything I worked for up to that point in my life. My dad and the rest of my family moved to San Antonio at this point and having lost my job I had to move back into his house in San Antonio to get the help I needed to get back on my feet. I started working on communication towers and I was making very good money. One of the guys I was with became a close friend of mine and we started hanging out all the time. He lived with a girl who worked at a gentlemen's club in San Antonio and I was back to my old ways of doing meth and partying for days that turned into weeks. The endless use of drugs became expensive and the list of people I knew who used these drugs became long. Being able to use these drugs for free and making money selling them to all these people became an addiction itself. By the grace of God I didn't get caught.

At the age of twenty five the girl I was dating got pregnant and I knew I had to change my ways if I was going to be serious about being a father. We both immediately stopped using drugs and I got a job installing residential alarms. I wanted to change my lifestyle and I had never been happier to become a dad. I knew I had to start looking for a career doing something I would want to do forever. That is when I enrolled in school to become an aircraft mechanic. I loved airplanes. Working on them most of my life has given me a great sense of accomplishment. At the age of thirty four I got divorced and started using meth again. On my way to my first day of work at Boeing I was pulled over and the cops searched my vehicle and found a gram of meth in my explorer that I never knew was there. That was my first felony. I thought my life was over. My addiction finally caught up with me. I spent one year incarcerated in State Jail and thought I would never see bars again. One year after I got released I was on my way back to the same State Jail for another year. This time I was caught breaking into a storage unit that my friend quit paying

for. The stuff in the unit was his but legally it belonged to the storage unit due to nonpayment on his behalf.

This time my father got involved with me upon my release and asked me to move to Florida where he was living to stop the cycle of me getting into trouble. He really did make a difference by doing everything possible to help me. I did well in Florida. I started working at a Charter Airline located in Lakeland Florida and worked my way up to maintenance control and I was in charge of twenty mechanics and four airplanes. I worked there for two years until the company moved to California and I had to take a job in Mobil Alabama. Living in Mobil working on airplanes not knowing anyone I got bored and moved back to San Antonio to be close to my kids and the people I knew best. Knowing only the wrong kind of people and being weak to my addiction led me right back to where I left off at when I left San Antonio. I started selling large amounts of meth and was using more than I ever had before. Statistically I knew it was only a matter of time before I got caught again and I did. This time I got caught with a lot. Needless to say I am back with a five year sentence and list of reasons why I will never come back. At the top of this list is I vow to never use meth again. I am getting to old for living that lifestyle implementing the ten driving values I have learned in this program into my life will help me stay grounded and focus on getting my life and family also my career back. Once I have my finances in order I plan on keeping my job and using the PEP resources I have to start my own business and pursue my passion to help others by starting a swim school with my own money. I am confident that my plan will be accomplished within ten years upon my release. God willing I will be released in February of 2020 and plan on living in the Austin area.

OPPORTUNITY

- Can I solve the problem given my skills and personality?
 - Yes the problem will get solve due to my skills.
- Is the customer looking for a more holistic solution than his or her immediate complaint?
 - Yes the customer is looking to build confidence to swim in deep waters.
- 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 certified instructors and demonstrators.
- Is there growth potential to expand my business, or is this a dying market?
 - There is always growth potential in educational programs.
- How soon can I get my business up and running?
 - I will start this venture 1 year after being released.
- 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 moderate startup cost to start this venture.
- 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?
 - Yes.

- Would my business start as a part-time venture or need to be full time?
 - This will be a part-time venture.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Yes child safety is number one in all parents' life decisions.
- What are the benefits (not features) that I am providing?
 - Saving lives.
- Why can I do this better than another business (competitor)?
 - My experience of 7 years teaching kids of all ages to swim.
- How will I deliver this better idea to my customers?
 - Verbal referrals and day care centers were I will advise parents about my service.
- Is my delivery (retail store, home service, etc.) consistent with how I will produce the service (one-day delivery, hand-made products, etc.)?
 - There will be private lessons offered at customer's home pools or apartment pools.
- Is my solution consistent with my passion for selling?
 - I am not selling no products.
- Is the price of my solution equal to or less than the customer's pain?
 - My price will be average to above average.
- Is the approximate cost of my solution lower than the price?
 - Time is our main cost.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - I will seek an indoor pool area to use to give lessons.
- Do I offer a guaranty or return policy?
 - There will be a no return policy on education.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - My service will appeal to both men and women.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - My customers will be 6 months to adults.
- 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?
 - Does not matter I will hire a bi-lingual instructor.

- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
 - My aspect of my customer will be personal image, recreation and health conscious.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - My customer income does not matter.
- Does my customer need to own specific assets (car, house, boat)?
 - If my customer owns a pool is a plus I will have community pool area.

Location:

- Where will I sell to my customers (their home, their workplace, on the street, online, my store, an event like trades day)?
 - My establishment will be the main location but will travel to customers' homes.
- Do I go to my customer (home service) or does my customer come to me?
 - I will be willing to go to their place or have them come to my establishment.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - Anywhere in the San Marcus or Austin 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 spread all over the city.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - Referrals and one at a time.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - I can reach them both individually and as a group.
- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - My classes will last up to a year in order to complete all we have to offer.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
YMCA	Indirect	Flyers/ business cards	\$50-\$100	Worldwide locations	Not personal	Private lessons given/ travel to customer house
Nitro Swimming	Direct	Web page/ radio/ TV	\$70	Established clients/ members	Registration fee/ classes are only 30 minutes	No registration fee/ my lessons are hour long
Swim School of Austin	Direct	Web pages/ radio/ newspaper	\$175-\$480	No registration fees/ good session breakdown	30 min classes/ expensive	My customers will pay less for more lessons

EXTRAS

External Extras:

- Do you have a connection with a supplier in your industry?
 - No supplier needed.
- Do you have access to a favorable location for your business?
 - I will purchase an already built establishment.
- Are you going to be the first company of your type in your chosen area operations?
 - Not going to be the first swim school 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 offer special flexible scheduling.
- 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 are a water sport class and we are an academy.
- What is your tagline?
 - Learning how to save lives.
- How does your name and tagline make you different than your competitors?
 - We only teach life saving techniques.
- Can your message be effectively conveyed through multiple types of media?
 - Definitely.
- Is your message effective across different demographics?
 - Yes people will travel a short distance to attend classes.
- Is your pricing consistent with the market for similar offerings?
 - We will have competitive prices.
- Is your pricing consistent with the degree of personalization?
 - Yes depending on the class type chosen.

Media:

- What are three types of media you will use to reach your customers?
 - Social Media, churches and youth groups.

- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - Depends on referrals.
- Once you've reached your typical customer, how many will actually buy from you?
 - I hope to reach at least 15-20 people to attend each class.
- For each of the three, what do you think the estimated cost will be?
 - Business cards (\$50) and flyers (\$25).
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - This will be a recurring charge.
- How will you collect customer reviews?
 - I will collect customer reviews through social media.

RESUME

Mark

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

Experience

Aircraft Mechanic 2014-2015
A&P Mechanic on 737 United Airlines for Mobile Aerospace

Aircraft Mechanic 2012-2014
A&P Mechanic on 737 Sky King Airlines and maintenance controller

Aircraft Mechanic 2010-2012
A&P Mechanic of Pemco Aviation and Lead Mechanic

Aircraft Mechanic 2004-2006
A&P Mechanic for San Antonio Aerospace

Skills

- **Maintenance Controller**
- **Lead Mechanic**
- **A&P Mechanic on 767 model**
- **A&P mechanic on Airbus 320**

Education/Certifications

PEP *May2019 - January2020*
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.

Hallmark University 1996-1997
Airframe and power plant license

Hallmark University 1997
Associates Degree in applied science

Mark dba The Aquatic Academy
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														
Swim Lesson	6	-	1,500	3,000	3,000	4,500	4,500	6,000	6,000	6,000	6,000	6,000	3,750	50,250	55%
Swim Lesson	6	-	1,250	2,500	2,500	3,750	3,750	5,000	5,000	5,000	5,000	5,000	3,125	41,875	45%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	2,750	5,500	5,500	8,250	8,250	11,000	11,000	11,000	11,000	11,000	6,875	92,125	100%
Cost of Goods Sold	2														
Swim Lesson	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Swim Lesson	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Gross profit		-	2,750	5,500	5,500	8,250	8,250	11,000	11,000	11,000	11,000	11,000	6,875	92,125	100%
Expenses	2														
Auto or truck lease		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Depreciation	3	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Gasoline & fuels		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Insurance - bonding		-	200	200	200	200	200	200	200	200	200	200	200	2,200	2%
Insurance - vehicle		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Interest - equip & start up	7	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Marketing		200	100	100	100	100	100	100	100	100	100	100	100	1,300	1%
Office - rent		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Office - insurance		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Office - telephone		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Office - utilities		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Payroll - not owner and not in COGS	8	-	400	400	400	900	900	1,600	1,600	1,600	1,600	1,600	2,500	13,500	15%
Payroll taxes (9%)	6 & 8	-	36	36	36	81	81	144	144	144	144	144	225	1,215	1%
Permits		150	150	150	150	150	150	150	150	150	150	150	150	1,800	2%
Supplies		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Tax service		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Telephone - cellular		500	100	100	100	100	100	100	100	100	100	100	100	1,600	2%
Start-up expenses		400	-	-	-	-	-	-	-	-	-	-	-	400	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total expenses		1,250	986	986	986	1,531	1,531	2,294	2,294	2,294	2,294	2,294	3,275	22,015	24%
Taxable profit (loss)	1	(1,250)	1,764	4,514	4,514	6,719	6,719	8,706	8,706	8,706	8,706	8,706	3,600	70,110	76%
Tax (expense) benefit	1			(1,257)			(4,488)			(6,530)			(5,253)	(17,528)	-19%
Owner's withdrawals	1	-	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(5,500)	-6%
Net profit (loss)		(1,250)	1,264	2,757	4,014	6,219	1,731	8,206	8,206	1,677	8,206	8,206	(2,153)	47,083	51%
Depreciation	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equipment purchases	3	(1,000)	-	-	-	-	-	-	-	-	-	-	-	(1,000)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	4,750	-	-	-	-	-	-	-	-	-	-	-	4,750	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		2,500	1,264	2,757	4,014	6,219	1,731	8,206	8,206	1,677	8,206	8,206	(2,153)	50,833	
Cash, period start		-	2,500	3,764	6,521	10,535	16,754	18,485	26,691	34,897	36,574	44,780	52,986	-	
Cash, period end		2,500	3,764	6,521	10,535	16,754	18,485	26,691	34,897	36,574	44,780	52,986	50,833	50,833	