

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Matthew
Can-Due

Prison Entrepreneurship Program
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Can-Due

“Ask what we Can-Due for you?”

Business Plan
January 2020

Matthew
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>There are many noxious dumpsters and trash bins out there that I plan to put a stop to.</p>	<p>We strive for excellence whether it be in customer service, leadership in our communities or the work ethic we exhibit on a daily basis. We are always asking what we can do for you.</p>	<p>I plan to do on site cleaning, sanitizing and deodorizing of commercial/residential waste management bins.</p>																																				
Customers	Differentiators	Extras																																				
<p>Restaurants, apartment complexes and residents.</p>	<p>I will specialize in this type of business and focus on the waste management aspect.</p>	<p>I will be doing my own waste water removal and deodorizing the waste management bins and dumpsters.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>I will wrap my truck, have flyers, word of mouth and cold call corporately owned restaurants, apartment complexes and businesses.</p>	<table border="0"> <tr> <td>Sales:</td> <td style="text-align: right;">\$ 186,900</td> <td style="text-align: right;">100%</td> </tr> <tr> <td>COGS</td> <td style="text-align: right;"><u>67,300</u></td> <td style="text-align: right;"><u>36%</u></td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;">119,600</td> <td style="text-align: right;">64%</td> </tr> <tr> <td>Overhead</td> <td style="text-align: right;"><u>36,600</u></td> <td style="text-align: right;"><u>20%</u></td> </tr> <tr> <td>Pretax income</td> <td style="text-align: right;">82,900</td> <td style="text-align: right;">44%</td> </tr> <tr> <td>Tax expense</td> <td style="text-align: right;">20,700</td> <td style="text-align: right;">11%</td> </tr> <tr> <td>Owner withdrawals</td> <td style="text-align: right;"><u>35,200</u></td> <td style="text-align: right;"><u>19%</u></td> </tr> <tr> <td>Net income</td> <td style="text-align: right;"><u>\$ 27,000</u></td> <td style="text-align: right;"><u>14%</u></td> </tr> </table>	Sales:	\$ 186,900	100%	COGS	<u>67,300</u>	<u>36%</u>	Gross profit	119,600	64%	Overhead	<u>36,600</u>	<u>20%</u>	Pretax income	82,900	44%	Tax expense	20,700	11%	Owner withdrawals	<u>35,200</u>	<u>19%</u>	Net income	<u>\$ 27,000</u>	<u>14%</u>	<table border="0"> <tr> <td>Owner investment - cash</td> <td style="text-align: right;">\$ 18,800</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;">6,000</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>\$ 24,800</u></u></td> </tr> <tr> <td>Plan Purpose:</td> <td style="text-align: right;">Start-Up</td> </tr> </table>	Owner investment - cash	\$ 18,800	Owner investment - equipment	-	Vehicle and/or equipment loan	6,000	Start up financing	-	Total start up costs:	<u><u>\$ 24,800</u></u>	Plan Purpose:	Start-Up
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I have made it my personal goal to eradicate the odor and carbon footprint of you commercial and residential waste management bins so you can park next to the dumpster when you go out to eat and the kids will not be afraid to take the trash out.

PERSONAL FIT

My story starts at Presbyterian hospital in Dallas, Texas on October 21st, 1979. My parents later got divorced 2 years later. My mom stayed in Dallas and later married my stepfather and my dad moved back to Fort Worth. I stayed with my mom and she worked hard and sent me to the best schools, White Lock North and Dallas Christian. I received a presidential award for my grades but by 7th grade things started changing that eventually guided me down the wrong path. I played football and found out about girls as more than just cootie infested weirdoes and my mom had my brother Steven. With the focus less on me by my parents and more by girls I started acting out and getting in trouble. I ended up getting kicked out and started public school that's when things really changed. I started doing and selling drugs and skipping school. When I was 17 I got caught with drugs and stolen property. I went to a place called Teen Challenge for 14 months and when I got kicked out they sent me to TDCJ for 2 years. I got out and did well for a little but when I started slipping again I moved to Fort Worth to my dad's. He taught me about remodeling houses and the value of hard work. I did well until I started running around with the wrong crowd again. I ended up getting into the neighborhood politics and had an altercation with an individual that brought me the five year sentence that I am here for. I have currently done a little over half of my time.

I started realizing how late in the game it was getting for me after my 38th birthday as I was sitting in my cell. I knew I had all this free time that I should probably be using it constructively. So I started working out and taking trade classes. Eventually I got the PEP post card and took it for a sign, and made a commitment to try to turn my life around and make it the best life from here on out.

I have always had leadership qualities and always excelled when I applied myself. So for myself and all those that have sacrificed so much to see me shine I will put my best foot forward and seize hold of this opportunity. I believe the best opportunity I have is to find a mentor and learn as much from him until I spread my own wings and set off on my own venture, being the master of my own universe. Hopefully there is an executive out there up for the task of polishing this diamond in the rough. My discharge date is March, 2021.

OPPORTUNITY

- Can I solve the problem given my skills and personality?
 - I did construction for years, so with a little elbow grease and an award winning personality, what can I not accomplish?
- 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?
 - Initially I will be the principal in this venture to set up the routes, do all the footwork and be the face of my company so that when I do find employees with the same work ethics and personality I can say that I have “walked that mile” in efforts to troubleshoot any problems that may arise.

- Is there growth potential to expand my business, or is this a dying market?
 - There is definitely potential for growth and as long as garbage stinks, I believe I have job security.
- How soon can I get my business up and running?
 - I am planning for 3-6 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?
 - Hopefully with angel investors and a few grants I should have a lean operational model. I plan to buy what I can second hand until such a time as I can upgrade.
- Is this something I would be proud to share with my family and parole officer?
 - I believe that as long as I am moving in a positive direction I share the joys of success with my family and keep my parole officer satisfied.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
 - Yes, as far as I know.
- Would my business start as a part-time venture or need to be full time?
 - My business is based on contracts, so initially it will be a full-time venture just promoting myself. I believe any labor of love is a full-time venture.

SOLUTION

- Is what I am offering filling the customer's real need?
 - It is an attempt to limit the smell and carbon footprint that waste management bins and dumpsters are known for.
- What are the benefits (not features) that I am providing?
 - I am filling a niche market of something everyone wants, but nobody wants to do it.
- Why can I do this better than another business (competitor)?
 - As far as the research I have done, I am alone in this industry or the competition is so limited it is not an issue to have to out due anyone.
- How will I deliver this better idea to my customers?
 - N/A.
- 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 travel extensively based on the geographic spread of my waste washing routes.
- Is my solution consistent with my passion for selling?
 - One of my first jobs out of prison in 2000 was selling Kirby vacuum cleaners, doing cold calls. The one thing my boss said to me is that when you have a product that sells itself all that's left is that you sell yourself to the customer. I believe that my service sells itself so all that is left is for me to do the same.
- Is the price of my solution equal to or less than the customer's pain?
 - I market it at such a price as to satisfy my overhead, but if we can reach a long lasting contractual relationship there is no reason we can't renegotiate.

- Is the approximate cost of my solution lower than the price?
 - No.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - This is a mobile business, unless you would like to bring your dumpsters to me.
- Do I offer a guaranty or return policy?
 - I take before and after photos of my job sites, but I can stand by what I do and offer a warranty.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - I believe my business targets both. In the females sense of smell and the males lack of desire to do it.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - If you're old enough to complain about the smell of the waste management bins then my service is for you.
- Does my customer need to be married, single or does it matter?
 - It does not matter.
- Do language or ethnicity differences improve or limit my ability to sell to my ideal customer?
 - They improve my ability to sell to my potential customers.
- 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 customer's health, cleanliness, personal image and convenience.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - I'm going to focus on the middle class neighborhoods, but you certainly don't need to be rich to require my service.
- Does my customer need to own specific assets (car, house, boat)?
 - A home or business with trash receptions would be required.

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 this service to my target customer at their homes mainly with supplementary contact at restaurants, apartment complexes and businesses.
- Do I go to my customer (home service) or does my customer come to me?
 - I will be performing my services on site whether at home or their business.

- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - Upper middle class neighborhoods in McKinney Texas.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - I'm ideally going to start with one neighborhood and approach the businesses within a 10 mile radius.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - If my marketing approach takes off, they will easily come available 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?
 - These target customers can be found individually through the neighborhood, but I plan for the “keeping up with the joneses” mentality to take off.
- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - My intention is to offer the customer a monthly, quarterly and bi - yearly contract plans.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
J&M pressure washing	Direct	Ads/ truck wrap	Varies	Well known company	They are slow/ focus only on cars	I will pressure wash trash cans and dumpsters in apartment complex
Byrd Power wash	Direct	Ads/ newspaper	Varies	Well known company	They focus mainly in the oilfield	I will pressure wash trash cans and dumpsters in apartment complex

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?
 - No.
- Are you going to be the first company of your type in your chosen area operations?
 - As far as I know, yes.

Internal Extras

- Do you have a new or cutting edge concept?
 - I believe so, but my market research is limited.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
 - Yes.
- Are you an especially charming or personable person?
 - I am a Libra, so I am a natural diplomat. I blend in easily to my surroundings and am a natural salesperson, so I would say yes.

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - Can, like a trashcan, is due (to be cleaned perhaps) with our “CAN- DO” attitude and work ethic.
- What is your tagline?
 - “Ask what we Can-Due for you.”
- How does your name and tagline make you different than your competitors?
 - I am one of a kind.
- Can your message be effectively conveyed through multiple types of media?
 - Of course.
- Is your message effective across different demographics?
 - I believe it is.
- Is your pricing consistent with the market for similar offerings?
 - I am the first to market with this type of industry in my area.
- Is your pricing consistent with the degree of personalization?
 - Yes, my pricing is consistent with the degree of personalization.

Media:

- What are three types of media you will use to reach your customers?
 - Flyers, word of mouth and my truck will be wrapped with my business information.
- 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 a minimum of 200+ people a month with my advertising methods.
- Once you've reached your typical customer, how many will actually buy from you?
 - I hope to retain at least half of the customers I advertise to, so potentially half.
- For each of the three, what do you think the estimated cost will be?
 - About \$1500-\$2000 every six months.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - This will be a recurring monthly payment.
- How will you collect customer reviews?
 - I plan on using the "next door" app and Angie's list to promote myself.

RESUME

Matthew

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

Experience

Kitchen Commissary Clerk for TDCJ *2018-2019*
Responsible for receipts of goods, cycle counts, inventory and quarterly audits

R.D. Construction Inc. *1997-2017*
Manage and repaired rental properties and residential remodel and add-ons

Skills

- **Painter**
- **Carpenter**
- **Drywall installer**
- **Minor electrical**
- **Framing**
- **Management**
- **Minor plumbing**
- **Tile layer**

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.

ATI *2008-2009*
HVAC and Refrigeration certified

L.V. Berkner High School *1996-1998*
Diploma

Owner's name	Matthew
Company name	Can-Due
NAICS Business Classification	
Sector (general classification)	_55_Management_of_Companies_and_Enterprises
Sub-sector (more specific classification)	551: Management of Companies and Enterprises

Start-up Costs
Year 1

Assumption 4 - Total Uses

Non-Depreciable Costs	Paid or contributed in Month 1
marketing, business cards, fliers	2,500
cell phone purchase	500
car/truck down payment, if leased	
permits	100
supplies, office & misc.	100
Insurance	500
Chemicals	1,000

Cash needed for start-up expenses 4,700

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	4,000	6,000	10,000
company trailer	2,000		
computer, printer, fax	500		500
Pressure Washer Attachment	6,000		6,000
Water Tank	1,000		1,000
Tool/Scrub Brush	600		600
building/office deposit		N/A	N/A
beginning cash balance		N/A	N/A
Cash needed for start-up assets	<u>14,100</u>	<u>6,000</u>	<u>18,100</u>

60 assumed life (months)
302 monthly depreciation

Total start up cost 24,800

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	18,800	76%
Vehicle loan and other equipment debt (see note 7 for financing)	6,000	24%
Startup financing, if applicable (for example Kiva loan)		0%
Outside equity investment, if applicable		0%
Total start up cost, total sources	<u><u>24,800</u></u>	100%

Matthew dba Can-Due
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														
Dumpster Clean	6	-	1,875	3,750	7,500	11,250	11,250	15,000	15,000	18,750	18,750	22,500	22,500	148,125	79%
Parking Lot	6	-	700	1,400	1,400	2,100	2,800	2,800	3,500	4,200	4,200	4,200	4,900	32,200	17%
Residential	6	-	150	150	300	300	450	600	750	900	900	1,050	1,050	6,600	4%
Total revenue		-	2,725	5,300	9,200	13,650	14,500	18,400	19,250	23,850	23,850	27,750	28,450	186,925	100%
Cost of Goods Sold	2														
Dumpster Clean	6	-	745	1,491	2,981	4,472	4,472	5,962	5,962	7,453	7,453	8,943	8,943	58,875	31%
Parking Lot	6	-	40	80	80	119	159	159	199	239	239	239	279	1,831	1%
Residential	6	-	150	150	300	300	450	600	750	900	900	1,050	1,050	6,600	4%
Total COGS		-	935	1,720	3,361	4,891	5,081	6,721	6,911	8,591	8,591	10,232	10,272	67,306	36%
Gross profit		-	1,790	3,580	5,839	8,759	9,419	11,679	12,339	15,259	15,259	17,518	18,178	119,619	64%
Expenses	2														
Auto or truck lease	-	-													0%
Depreciation	3	-	302	302	302	302	302	302	302	302	302	302	302	3,318	2%
Gasoline & fuels	-	-	150	200	250	300	350	400	450	500	500	500	500	4,100	2%
Insurance - bonding	-	-	200	200	200	200	200	200	200	200	200	200	200	2,200	1%
Insurance - vehicle	-	-	150	150	150	150	150	150	150	150	150	150	150	1,650	1%
Interest - equip & start up	7	-	60	59	57	56	54	53	51	50	48	47	45	581	0%
Marketing	2,500	-	200	100	100	100	100	100	100	100	100	100	100	3,700	2%
Office - rent	-	-												-	0%
Office - insurance	-	-												-	0%
Office - telephone	-	-												-	0%
Office - utilities	-	-												-	0%
Payroll - not owner and not in COGS	8	-	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	15,840	8%
Payroll taxes (9%)	6 & 8	-	130	130	130	130	130	130	130	130	130	130	130	1,426	1%
Permits	100	-												100	0%
Supplies	100	-	100	100	100	100	100	100	100	100	100	100	100	1,200	1%
Tax service	-	-												-	0%
Telephone - cellular	500	-	50	50	50	50	50	50	50	50	50	50	50	1,050	1%
Start-up expenses	1,500	-	-	-	-	-	-	-	-	-	-	-	-	1,500	1%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
Total expenses		4,700	2,781	2,730	2,778	2,827	2,876	2,924	2,973	3,021	3,020	3,018	3,017	36,665	20%
Taxable profit (loss)	1	(4,700)	(991)	850	3,061	5,932	6,544	8,755	9,366	12,237	12,239	14,500	15,162	82,954	44%
Tax (expense) benefit	1	-					(2,674)			(7,590)			(10,475)	(20,739)	-11%
Owner's withdrawals	1	-	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(3,200)	(35,200)	-19%
Net profit (loss)		(4,700)	(4,191)	(2,350)	(139)	2,732	670	5,555	6,166	1,448	9,039	11,300	1,487	27,016	14%
Depreciation	3	-	302	302	302	302	302	302	302	302	302	302	302	3,318	
Equipment purchases	3	(20,100)	-	-	-	-	-	-	-	-	-	-	-	(20,100)	
Principle, equipment loan	7	6,000	(139)	(141)	(142)	(144)	(145)	(146)	(148)	(149)	(151)	(152)	(154)	4,389	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	18,800	-	-	-	-	-	-	-	-	-	-	-	18,800	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		-	(4,029)	(2,189)	20	2,890	827	5,710	6,320	1,600	9,190	11,449	1,634	33,423	
Cash, period start	-	-	-	(4,029)	(6,218)	(6,197)	(3,307)	(2,481)	3,229	9,549	11,149	20,339	31,788	-	
Cash, period end		-	(4,029)	(6,218)	(6,197)	(3,307)	(2,481)	3,229	9,549	11,149	20,339	31,788	33,423	33,423	