

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Damian
G.B. Galore

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

G.B. Galore

“Your customization is our creation”

Business Plan
January 2020

Damian
Owner & Founder

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
PERSONAL FIT	2
OPPORTUNITY	2
SOLUTION	3
CUSTOMERS	4
DIFFERENTIATORS	6
EXTRAS	7
MARKETING	7
RÉSUMÉ	ATTACHED
FINANCIAL PROJECTIONS	ATTACHED

EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>People on certain holidays want to show their love and appreciation to their loved ones with gifts.</p>	<p>G.B Galore provides unique and innovative trends fit for all to provide one of a kind gift baskets to make your loved ones feel truly special.</p>	<p>We provide our customers with gift baskets to show their families and friends how much they mean to them.</p>																																				
Customers	Differentiators	Extras																																				
<p>Families that celebrate holidays.</p>	<p>I give my customers a chance to personalize their family gift baskets.</p>	<p>We deliver to our customers.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>Social Media/ Word of Mouth/ Business Cards and Flyers</p>	<table border="0"> <tr> <td>Sales:</td> <td style="text-align: right;">\$ 309,900</td> <td style="text-align: right;">100%</td> </tr> <tr> <td>COGS</td> <td style="text-align: right;"><u>114,400</u></td> <td style="text-align: right;"><u>37%</u></td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;">195,400</td> <td style="text-align: right;">63%</td> </tr> <tr> <td>Overhead</td> <td style="text-align: right;"><u>71,700</u></td> <td style="text-align: right;"><u>23%</u></td> </tr> <tr> <td>Pretax income</td> <td style="text-align: right;">123,700</td> <td style="text-align: right;">40%</td> </tr> <tr> <td>Tax expense</td> <td style="text-align: right;">30,900</td> <td style="text-align: right;">10%</td> </tr> <tr> <td>Owner withdrawals</td> <td style="text-align: right;"><u>53,000</u></td> <td style="text-align: right;"><u>17%</u></td> </tr> <tr> <td>Net income</td> <td style="text-align: right;"><u>\$ 39,800</u></td> <td style="text-align: right;"><u>13%</u></td> </tr> </table>	Sales:	\$ 309,900	100%	COGS	<u>114,400</u>	<u>37%</u>	Gross profit	195,400	63%	Overhead	<u>71,700</u>	<u>23%</u>	Pretax income	123,700	40%	Tax expense	30,900	10%	Owner withdrawals	<u>53,000</u>	<u>17%</u>	Net income	<u>\$ 39,800</u>	<u>13%</u>	<table border="0"> <tr> <td>Owner investment - cash</td> <td style="text-align: right;">\$ 20,664</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>\$ 20,664</u></u></td> </tr> <tr> <td>Plan Purpose:</td> <td style="text-align: right;">Start-Up</td> </tr> </table>	Owner investment - cash	\$ 20,664	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	-	Total start up costs:	<u><u>\$ 20,664</u></u>	Plan Purpose:	Start-Up
Sales:	\$ 309,900	100%																																				
COGS	<u>114,400</u>	<u>37%</u>																																				
Gross profit	195,400	63%																																				
Overhead	<u>71,700</u>	<u>23%</u>																																				
Pretax income	123,700	40%																																				
Tax expense	30,900	10%																																				
Owner withdrawals	<u>53,000</u>	<u>17%</u>																																				
Net income	<u>\$ 39,800</u>	<u>13%</u>																																				
Owner investment - cash	\$ 20,664																																					
Owner investment - equipment	-																																					
Vehicle and/or equipment loan	-																																					
Start up financing	-																																					
Total start up costs:	<u><u>\$ 20,664</u></u>																																					
Plan Purpose:	Start-Up																																					
Personal Fit																																						

I'm ready to make a positive change in my family's life and be the best role model for my son.

PERSONAL FIT

In a hospital named Santa Rosa in San Antonio, Texas on the day of October 7, 1993 I was brought into this world by my beautiful mother Claudia Lopez. I was the first born out of five kids. I have two little brothers and two little sisters. My father Luis is a pretty good guy he just had a bad habit of being involved in street violence most of the time at a very young age. My mother was a great woman she just had a habit of doing too much. At a young age my parents bought a house and to keep up with the payments and property taxes they had to work a lot. They spent a lot of time working in Houston and would leave me, my brothers and sisters at my grandparents' house. This was for most of my elementary school years being raised by my grandparents. By the time middle school came both of my parents were in prison. So the family was raising us but mostly our grandmother. They were strong hard working Mexican people. They taught me a lot of good things growing up. But I learned a lot of bad things from the streets by this time. My grandparents and my mom taught me how to work hard for what I wanted in life. So at a young age I worked a lot so I could help my grandmother sell toys and roses. I would then save up all my money and buy shoes. I love to work hard and help my grandparents, they were teaching me good things but I would pick up bad habits from the people surrounding me. I started getting in trouble a lot at school and by middle school I was involved in violence every day. It always was around me since I was a kid but now it was just an everyday thing. I was put in hand cuffs for the first time in my sixth grade year but it did not stop there. By the time eighth grade came I started getting involved with guns and the violence started getting worst. I also started to smoke weed all the time. My ninth grade year was similar I bought my second gun and had made money off drugs. Once I started selling drugs and making enough money to take care of myself I left home. I started staying with my girlfriend and dedicated my life to the streets. Up until I was incarcerated my life consisted of nothing but drugs, money, guns, women and violence. That's the life I was living and that's what brought me into prison. As of right now I have been incarcerated over five years and have changed and matured a lot. I have a whole new perspective of life. I don't think the way I used to think. I am selfless now that I care about leading by example and I care about serving and leading as well. It's amazing how things have changed for me over the years but I realize that it's for the best. Now I'm able to move forward and leave the past in the past. I have always been an entrepreneur since a kid. I was just using my skills and mind for a negative outcome. Now I've learned new skills and I'm using them for a positive outcome. I'm ready to make a positive change in my family's life and be the best role model for my son. I will be determined to work hard for two years straight and only spend money on living cost and save the rest to create capital for my business and pursue my dreams.

OPPORTUNITY

- Can I solve the problem given my skills and personality?
 - With the experience I have in retail I have come to understand the better you listen to your customer the better understanding you have of the problem.
- Is the customer looking for a more holistic solution than his or her immediate complaint?
 - Our focus is to create quality gift baskets and grow over time.

- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
 - I will start off doing the work myself as the business expands I will be seeking hired help.
- Is there growth potential to expand my business, or is this a dying market?
 - I believe it does have potential to grow.
- How soon can I get my business up and running?
 - I will have my venture up and running 2 years 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?
 - This will be a low start up costing venture.
- Is this something I would be proud to share with my family and parole officer?
 - I will be glad to share with family and friends.
- 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 venture will be part-time.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Yes since a lot of people are busy and unable to shop for families.
- What are the benefits (not features) that I am providing?
 - We are going to make sure the customer will receive product on time through our delivery service.
- Why can I do this better than another business (competitor)?
 - They will be able to customize their gift baskets to their liking.
- How will I deliver this better idea to my customers?
 - I will rely on online promotion and word of mouth.
- Is my delivery (retail store, home service, etc.) consistent with how I will produce the service (one-day delivery, hand-made products, etc.)?
 - Yes I will be consistent.
- Is my solution consistent with my passion for selling?
 - I am very passionate to selling my product to families to their liking.
- Is the price of my solution equal to or less than the customer's pain?
 - The cost is less than the customer's pain.
- Is the approximate cost of my solution lower than the price?
 - My prices are reasonable.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - I will be operating at my house.
- Do I offer a guaranty or return policy?
 - I will offer return policy on any damaged products.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - My product will appeal to both genders.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - My customers will be from the ages 18 years and up.
- Does my customer need to be married, single or does it matter?
 - This does not matter.
- Do language or ethnicity differences improve or limit my ability to sell to my ideal customer?
 - My business 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.)?
 - Gift baskets will mainly appeal to customers who celebrate holidays.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - My customer's income does not matter.
- Does my customer need to own specific assets (car, house, boat)?
 - Does not apply.

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 to customers online and from my store.
- Do I go to my customer (home service) or does my customer come to me?
 - I go to my customers and they will be able to come to me.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - My ideal customers will live in middle class and upper class neighborhoods.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - My customers will be in a 10-15 mile radius from my shop.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - I will find customers one at a time others will come by referrals.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - I will reach them as a group and individually.

- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - Due to the fact I take pride in my work I am sure they will return to buy from me again.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
Amazon	Indirect	Online/ TV	\$50	Big company that delivers	They do not customize products	I customize to the customers liking
Walmart	Indirect	Online/ TV/ billboards	\$50	Big company	They do not focus on customer needs	I meet with customers and meet there needs on the product they want.
Fingerhut	Indirect	Online	\$70	They are an online service	They do not customize products	I personalize the gift baskets for customers

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 will be servicing the Dallas area.
- Are you going to be the first company of your type in your chosen area operations?
 - No I will not be the first company in this area.

Internal Extras:

- Do you have a new or cutting edge concept?
 - I will be bringing customized baskets to our customers liking.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
 - I will work with my customer's schedule.
- Are you an especially charming or personable person?
 - I am passionate about family value.

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - It shows that are products are made to your liking and customized the way you want them to look with the passion we have for family oriented events.
- What is your tagline?
 - Your customization is our creation.
- How does your name and tagline make you different than your competitors?
 - It shows we make baskets to your liking a customization.
- Can your message be effectively conveyed through multiple types of media?
 - Most definitely.
- Is your message effective across different demographics?
 - Yes people will hear the name and know what our service is about.
- Is your pricing consistent with the market for similar offerings?
 - Yes it is.
- Is your pricing consistent with the degree of personalization?
 - Yes the size of the basket will determine the price.

Media:

- What are three types of media you will use to reach your customers?
 - Social media, 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 a minimum of 300 people a month.
- Once you've reached your typical customer, how many will actually buy from you?
 - I plan to actually sell to 100-150 customers.
- For each of the three, what do you think the estimated cost will be?
 - Social media (free), business cards (\$20) and word of mouth (priceless).
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - The business cards will be recurring every 3 months.
- How will you collect customer reviews?
 - I will collect online reviews.

RESUME

Damian

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

Experience

Floor Installer

2012-2013

Demolition and installing floors in houses

Skills

- **Fiber optics knowledge**
- **Customer service**
- **HVAC**
- **Leadership**

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.

Windham School District

2017-2018

HVAC

Windham School District

2014-2015

GED

Owner's name	Damian
Company name	G.B. Galore
NAICS Business Classification	
Sector (general classification)	_44_45_Retail_Trade
Sub-sector (more specific classification)	453: Miscellaneous Store Retailers

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	100
car/truck down payment, if leased	
permits	
supplies, office & misc.	
Gift Basket Supplies	15,964
Cash needed for start-up expenses	16,164

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	4,000		4,000
company trailer			
computer, printer, fax	500		500
			-
			-
			-
building/office deposit		N/A	N/A
beginning cash balance		N/A	N/A
Cash needed for start-up assets	4,500	-	4,500

60 assumed life (months)
75 monthly depreciation

Total start up cost 20,664

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	20,664	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>20,664</u></u>	100%

Damian dba G.B. Galore
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															
Just For Her	6	-	25,875	1,150	1,150	40,250	1,150	1,150	1,150	1,150	1,150	28,750	57,500	160,425	52%	
Just For Him	6	-	22,500	1,000	1,000	1,000	25,000	1,000	1,000	1,000	1,000	12,500	25,000	92,000	30%	
Holiday/Birthday	6	-	1,250	750	15,000	500	500	500	500	500	500	12,500	25,000	57,500	19%	
Total revenue		-	49,625	2,900	17,150	41,750	26,650	2,650	2,650	2,650	2,650	53,750	107,500	309,925	100%	
Cost of Goods Sold	2															
Just For Her	6	-	7,938	353	353	12,348	353	353	353	353	353	8,820	17,640	49,216	16%	
Just For Him	6	-	9,626	428	428	428	10,695	428	428	428	428	5,348	10,695	39,358	13%	
Holiday/Birthday	6	-	563	338	6,750	225	225	225	225	225	225	5,625	11,250	25,875	8%	
Total COGS		-	18,126	1,118	7,531	13,001	11,273	1,006	1,006	1,006	1,006	19,793	39,585	114,448	37%	
Gross profit		-	31,499	1,782	9,619	28,749	15,377	1,644	1,644	1,644	1,644	33,958	67,915	195,477	63%	
Expenses	2															
Auto or truck lease	-														-	0%
Depreciation	3	-	75	75	75	75	75	75	75	75	75	75	75	825	0%	
Gasoline & fuels	-		200	100	200	200	200	100	100	100	100	100	200	1,600	1%	
Insurance - bonding	-													-	0%	
Insurance - vehicle	-		150	150	150	150	150	150	150	150	150	150	150	1,650	1%	
Interest - equip & start up	7	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	
Marketing	100													100	0%	
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	-		5,000	5,000	12,000	1,000	2,500				10,000		15,963	51,463	17%	
Tax service	-													-	0%	
Telephone - cellular	100													100	0%	
Start-up expenses	15,964													15,964	5%	
														-	0%	
														-	0%	
														-	0%	
														-	0%	
														-	0%	
														-	0%	
														-	0%	
Total expenses		16,164	5,425	5,325	12,425	1,425	2,925	325	325	325	10,325	325	16,388	71,702	23%	
Taxable profit (loss)	1	(16,164)	26,074	(3,543)	(2,806)	27,324	12,452	1,319	1,319	1,319	(8,681)	33,633	51,527	123,775	40%	
Tax (expense) benefit	1			(1,592)			(9,243)			(990)			(19,120)	(30,944)	-10%	
Owner's withdrawals	1	-	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(3,000)	(5,000)	(5,000)	(53,000)	-17%	
Net profit (loss)		(16,164)	21,074	(10,135)	(7,806)	22,324	(1,791)	(3,681)	(3,681)	(4,670)	(11,681)	28,633	27,407	39,831	13%	
Depreciation	3	-	75	75	75	75	75	75	75	75	75	75	75	825		
Equipment purchases	3	(4,500)	-	-	-	-	-	-	-	-	-	-	-	(4,500)		
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-		
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-		
Owner contribution	3	20,664	-	-	-	-	-	-	-	-	-	-	-	20,664		
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net cash flow		-	21,149	(10,060)	(7,731)	22,399	(1,716)	(3,606)	(3,606)	(4,595)	(11,606)	28,708	27,482	56,820		
Cash, period start		-	-	21,149	11,089	3,359	25,758	24,042	20,437	16,831	12,236	630	29,338	-		
Cash, period end		-	21,149	11,089	3,359	25,758	24,042	20,437	16,831	12,236	630	29,338	56,820	56,820		