

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Kenneth
Refreshed Vibez

Prison Entrepreneurship Program
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Refreshed Vibez

“Trying to beat the heat and soiled sheets? Come grab a slush while you wash your sheets”

Business Plan
January 2020

Kenneth
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>To provide a relaxing area to study, drink a refreshing slush and provide a quick efficient washing area.</p>	<p>Refreshed Vibez will just freshen the clothes in a quick and efficient manner.</p>	<p>We have a passion to provide comfort to our customers/ students by providing a convenient study lounge while washing clothes.</p>																																				
Customers	Differentiators	Extras																																				
<p>College students and local community</p>	<p>I provide a nice clean laundry environment and refreshing drinks to comfort you while you wash your clothes.</p>	<p>Study lounge/ Wi-Fi and refreshing drinks.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>Social media/ Fliers and signs.</p>	<table border="0"> <tr> <td>Sales:</td> <td style="text-align: right;">\$ 171,400</td> <td style="text-align: right;">100%</td> </tr> <tr> <td>COGS</td> <td style="text-align: right; border-bottom: 1px solid black;">6,200</td> <td style="text-align: right; border-bottom: 1px solid black;">4%</td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;">165,100</td> <td style="text-align: right;">96%</td> </tr> <tr> <td>Overhead</td> <td style="text-align: right; border-bottom: 1px solid black;">54,600</td> <td style="text-align: right; border-bottom: 1px solid black;">32%</td> </tr> <tr> <td>Pretax income</td> <td style="text-align: right;">110,500</td> <td style="text-align: right;">64%</td> </tr> <tr> <td>Tax expense</td> <td style="text-align: right;">27,600</td> <td style="text-align: right;">16%</td> </tr> <tr> <td>Owner withdrawals</td> <td style="text-align: right; border-bottom: 1px solid black;">24,200</td> <td style="text-align: right; border-bottom: 1px solid black;">14%</td> </tr> <tr> <td>Net income</td> <td style="text-align: right; border-bottom: 3px double black;">\$ 58,700</td> <td style="text-align: right; border-bottom: 3px double black;">34%</td> </tr> </table>	Sales:	\$ 171,400	100%	COGS	6,200	4%	Gross profit	165,100	96%	Overhead	54,600	32%	Pretax income	110,500	64%	Tax expense	27,600	16%	Owner withdrawals	24,200	14%	Net income	\$ 58,700	34%	<table border="0"> <tr> <td>Owner investment - cash</td> <td style="text-align: right;">\$159,345</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; border-bottom: 3px double black;">\$159,345</td> </tr> <tr> <td>Plan Purpose:</td> <td style="text-align: right;">Start-Up</td> </tr> </table>	Owner investment - cash	\$159,345	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	-	Total start up costs:	\$159,345	Plan Purpose:	Start-Up
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I will have a testimony to tell other brothers while going through PEP I hope to gain success and better understanding of the business world. I look forward to connecting with executives who can provide me with guidance and direction to be sufficient and successful.

PERSONAL FIT

My name is Kenneth Jr.; I was born on May 19, 1990 in Fort Huachuca, Arizona. I come from a family where both parents served twenty plus years in the army. I was their first born son together; my mother's second child. My parents have been married for twenty nine years. I had an older sister who died in her sleep from diabetes. I have two younger siblings; my little sister who's twenty five and a little brother who is twenty two years old.

While growing up, I was constantly doing things for attention because, once my younger siblings were born all attention went to them. I eventually developed an anger problem that moved me to engage in physical confrontations on the regular. Now, I have two sons; a five year old and a nine year old. My sons have different mothers but, I try to treat them the way I wanted to be treated when I was growing up.

My very first job started when I was in the third grade delivering newspapers with my parents. From then on, I have never not had a job. I moved out on my own three months after graduating high school. I definitely did not graduate in the top of my class, but I did pass. I began on a downward spiral after my sister died and my oldest cousin was hung; I turned to drinking and wanting to fight anyone who spoke wrong.

It was not until December 22, 2012 that I decided to change my way of thinking. That was the day I was shot at a party and was supposed to die. I was shot attempting to protect the lives of several women who were being shot at. A month later I was shot by an officer while having my hands in the air; that was the day my life changed, I was charged with aggravated assault on an officer. I was sentenced to five years on probation after fighting my case for two years.

On January, 2016 my ex was intoxicated and attacked me with knives at 3am. I disarmed her by grabbing hold of her wrist, and shaking them until she released the knives; I thought nothing wrong with the way I disarmed her. Little did I know, the next day her dad would call the police because of the markings on her wrist, due to me gripping and shaking her wrist too hard. I received a prison sentence of five years for that incident.

Being incarcerated has helped me change my outlook on the criminal justice system. I am grateful for prison because my eyes have been opened and I am able to read people better. My soul purpose is to open my own business with money I earned. The reason I want my own business is because I never want to work for anyone and be taken advantage of. Also, I want to show my sons how important it is to own something in life that works for you. My plan is to have my business up and running in Arizona by January 2023. That date is two years and four months after my release from parole. I can be trusted with capital investment because it is money gifted to me because of someone believing in me and my success. I will be released December 2019 to my parents in Crowley, Texas.

OPPORTUNITY

- Can I solve the problem given my skills and personality?
 - Yes.

- Is the customer looking for a more holistic solution than his or her immediate complaint?
 - Yes. My business will be convenient and relaxing.
- 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 main person for the first 2-3 years until I hire employees.
- Is there growth potential to expand my business, or is this a dying market?
 - Yes it can grow.
- How soon can I get my business up and running?
 - By summer 2023.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
 - A lot of cash to start up roughly 250,000.
- Is this something I would be proud to share with my family and parole officer?
 - I would love to share this with my family, because they will support me.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
 - No, I will no longer be on parole.
- Would my business start as a part-time venture or need to be full time?
 - We will be fully operational but the slush bar will be part time.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Yes. By giving them a relaxing environment.
- What are the benefits (not features) that I am providing?
 - Providing cleaner more efficient washing facility.
- Why can I do this better than another business (competitor)?
 - Other competitors are limited on their amenities.
- How will I deliver this better idea to my customers?
 - Social media advertising.
- 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 consistent with drinks & cleanliness.
- Is my solution consistent with my passion for selling?
 - No.
- Is the price of my solution equal to or less than the customer's pain?
 - Less.
- Is the approximate cost of my solution lower than the price?
 - Eventually it will even out.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - Store front.
- Do I offer a guaranty or return policy?
 - Guaranty eco-friendly & fast washing.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - No it will be equal.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - Young adult.
- Does my customer need to be married, single or does it matter?
 - No does not matter.
- Do language or ethnicity differences improve or limit my ability to sell to my ideal customer?
 - No.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
 - Every one.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - No.
- Does my customer need to own specific assets (car, house, boat)?
 - No.

Location:

- Where will I sell to my customers (their home, their workplace, on the street, online, my store, an event like trades day)?
 - Only at the Laundromat.
- Do I go to my customer (home service) or does my customer come to me?
 - They come to me.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - Live at or near the ASU area.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - Within 5 minutes.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - These customer will easily be located.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - 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?
 - It does not matter.
- What industry is my customer in?
 - Wouldn't know.
- What size customer do I want to serve (large/small, single/multiple locations)?
 - Large.
- 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?
 - No.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
Sonic	indirect	TV/Radio	varies	Multiple slush flowers	Nowhere to wash clothes	Clothes washing, study lounge, and slushies'
Starbucks	indirect	TV/social media	Varies	food	No specific studying area or convenient of washing clothes	Convenient of washing clothes study lounge and slushes to beat the heat.

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, I will be seeking a location near the Arizona University.
- Are you going to be the first company of your type in your chosen area operations?
 - Yes.

Internal Extras:

- Do you have a new or cutting edge concept?
 - Yes.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
 - Most definitely.
- 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 will refresh your mind. Freshen your clothes and keep you relaxed.
- What is your tagline?
 - Making life more refreshing.
- How does your name and tagline make you different than your competitors?
 - My tagline sounds relaxing.
- Can your message be effectively conveyed through multiple types of media?
 - Absolutely.
- 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?
 - I will use social media flyers 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 pushing to reach about 150 or more each month.
- Once you've reached your typical customer, how many will actually buy from you?
 - More than likely every customer stepping into my business and there experience.
- For each of the three, what do you think the estimated cost will be?
 - Social media free flyers roughly \$100 depending on the amount of flyers.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - Every 6 months for flyers word of mouth daily and priceless.
- How will you collect customer reviews?
 - Paper ballots and people will be able to post on the social media page for the business.

RESUME

Kenneth

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

Experience

Customer Service Rep.

May 2015-October 2016

Troubleshoot customers' accounts and payment process.

Escrow Representative

January 2012-July 2014

Verify Escrow payments and data entry.

Skills

- **Computer specialist**
- **Power Point**
- **Microsoft Excel**
- **Coding**
- **Fiserv**

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.

South West High

August 2004-May 2008

Certificate: High School Diploma

Owner's name	Kenneth
Company name	Refreshed VibeZ

NAICS Business Classification

Sector (general classification)	_81_Other_Services_except_Public_Administration	
Sub-sector (more specific classification)	812: Personal and Laundry Services	

**Start-up Costs
Year 1**

Assumption 4 - Total Uses

Non-Depreciable Costs	Paid or contributed in Month 1
marketing, business cards, fliers	20
cell phone purchase	100
car/truck down payment, if leased	
permits	
supplies, office & misc.	
Tools	150
Cash needed for start-up expenses	270

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van			-
company trailer			
computer, printer, fax	75		75
20 Commercial Washer/Dryers	150,000		150,000
4 Commercial Slush Machines	6,000		6,000
			-
building/office deposit	3,000	N/A	N/A
beginning cash balance		N/A	N/A
Cash needed for start-up assets	159,075	-	156,075

60 assumed life (months)
2,601 monthly depreciation

Total start up cost **159,345**

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	159,345	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>159,345</u>	100%

Kenneth dba Refreshed Vibez
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														
Wash & Dry Cycle	6	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	165,000	96%
Slush Drink	6	-	225	225	225	405	450	495	630	1,125	788	900	1,013	6,480	4%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	15,225	15,225	15,225	15,405	15,450	15,495	15,630	16,125	15,788	15,900	16,013	171,480	100%
Cost of Goods Sold	2														
Wash & Dry Cycle	6	-	500	500	500	500	500	500	500	500	500	500	500	5,500	3%
Slush Drink	6	-	28	28	28	50	55	61	77	138	96	110	124	792	0%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	528	528	528	550	555	561	577	638	596	610	624	6,292	4%
Gross profit		-	14,698	14,698	14,698	14,856	14,895	14,935	15,053	15,488	15,191	15,290	15,389	165,188	96%
Expenses	2														
Auto or truck lease	-														0%
Depreciation	3	-	2,601	2,738	2,738	2,738	2,738	2,738	2,738	2,738	2,738	2,738	2,738	29,980	17%
Gasoline & fuels	-														0%
Insurance - bonding	-	-	250											250	0%
Insurance - vehicle	-														0%
Interest - equip & start up	7	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Marketing	20	20	20	20	20	20	20	20	20	20	20	20	20	240	0%
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	10%
Office - insurance	-	-	125	125	125	125	125	125	125	125	125	125	125	1,375	1%
Office - telephone	-	-	50	50	50	50	50	50	50	50	50	50	50	550	0%
Office - utilities	-	-	400	400	400	400	400	400	400	400	400	400	400	4,400	3%
Payroll - not owner and not in COGS	8	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Payroll taxes (9%)	6 & 8	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Permits	-														0%
Supplies	-														0%
Tax service	-	-	50	50	50	50	50	50	50	50	50	50	50	550	0%
Telephone - cellular	100	-	50	50	50	50	50	50	50	50	50	50	50	650	0%
Start-up expenses	150	-	-	-	-	-	-	-	-	-	-	-	-	150	0%
	-														0%
	-														0%
	-														0%
	-														0%
	-														0%
	-														0%
Total expenses		270	5,046	4,933	4,933	4,933	4,933	4,933	4,933	4,933	4,933	4,933	4,933	54,645	32%
Taxable profit (loss)	1	(270)	9,651	9,765	9,765	9,923	9,962	10,002	10,120	10,555	10,258	10,357	10,456	110,543	64%
Tax (expense) benefit	1			(4,786)			(7,412)			(7,669)			(7,768)	(27,636)	-16%
Owner's withdrawals	1	-	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(24,200)	-14%
Net profit (loss)		(270)	7,451	2,778	7,565	7,723	350	7,802	7,920	686	8,058	8,157	488	58,707	34%
Depreciation	3	-	2,601	2,738	2,738	2,738	2,738	2,738	2,738	2,738	2,738	2,738	2,738	29,980	
Equipment purchases	3	(159,075)	-	(8,200)	-	-	-	-	-	-	-	-	-	(167,275)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	159,345	-	-	-	-	-	-	-	-	-	-	-	159,345	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		-	10,053	(2,684)	10,303	10,461	3,088	10,540	10,658	3,423	10,796	10,895	3,226	80,757	
Cash, period start		-	-	10,053	7,369	17,671	28,132	31,219	41,759	52,417	55,840	66,636	77,531	-	
Cash, period end		-	10,053	7,369	17,671	28,132	31,219	41,759	52,417	55,840	66,636	77,531	80,757	80,757	