

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Jamal
Skin Gear

Prison Entrepreneurship Program
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Skin Gear

“Skin it here with Skin Gear”

Business Plan
January 2020

Jamal
Owner & Founder

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EXECUTIVE SUMMARY

| Opportunity | Purpose | Solution | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|---|-----------|------|------|---------------|------------|--------------|--------|-----|----------|---------------|------------|---------------|---------|------|-------------|---|----|-------------------|--------------|------------|------------|--------------------|-------------|--|-------------------------|-----------|------------------------------|---|-------------------------------|---|--------------------|---|------------------------------|-------------------------|----------------------|----------|
| <p>People love to customize their phones, gaming consoles and cars.</p> | <p>Here at Skin Gear we focus on the customer and their personality to provide the ultimate personalized accessory here in the Dallas area.</p> | <p>I plan to customize the customer's electric items to fit their brands and personality.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Customers | Differentiators | Extras | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Gamers/Pro Gamers/ Product Owners Needing Labels/ Small Businesses In Need Of Custom Signs.</p> | <p>My personal experience in the gaming world. My love for the advancement of technology.</p> | <p>I am a fun person with experience in the gaming world. I also have a love of art and like to customize my own personal game accessories.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Marketing | Financials & Extras | Start-up Costs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Social Media Events Such As Comic on And Gaming Tournaments</p> | <table border="0"> <tr> <td>Sales:</td> <td>\$ 51,200</td> <td>100%</td> </tr> <tr> <td>COGS</td> <td><u>13,800</u></td> <td><u>27%</u></td> </tr> <tr> <td>Gross profit</td> <td>37,400</td> <td>73%</td> </tr> <tr> <td>Overhead</td> <td><u>42,600</u></td> <td><u>83%</u></td> </tr> <tr> <td>Pretax income</td> <td>(5,100)</td> <td>-10%</td> </tr> <tr> <td>Tax expense</td> <td>-</td> <td>0%</td> </tr> <tr> <td>Owner withdrawals</td> <td><u>5,500</u></td> <td><u>11%</u></td> </tr> <tr> <td>Net income</td> <td><u>\$ (10,600)</u></td> <td><u>-21%</u></td> </tr> </table> | Sales: | \$ 51,200 | 100% | COGS | <u>13,800</u> | <u>27%</u> | Gross profit | 37,400 | 73% | Overhead | <u>42,600</u> | <u>83%</u> | Pretax income | (5,100) | -10% | Tax expense | - | 0% | Owner withdrawals | <u>5,500</u> | <u>11%</u> | Net income | <u>\$ (10,600)</u> | <u>-21%</u> | <table border="0"> <tr> <td>Owner investment - cash</td> <td>\$ 10,900</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>\$ 10,900</u></td> </tr> <tr> <td>Plan Purpose:</td> <td>Start-Up</td> </tr> </table> | Owner investment - cash | \$ 10,900 | Owner investment - equipment | - | Vehicle and/or equipment loan | - | Start up financing | - | Total start up costs: | <u>\$ 10,900</u> | Plan Purpose: | Start-Up |
| Sales: | \$ 51,200 | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| COGS | <u>13,800</u> | <u>27%</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Gross profit | 37,400 | 73% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Overhead | <u>42,600</u> | <u>83%</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pretax income | (5,100) | -10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tax expense | - | 0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Owner withdrawals | <u>5,500</u> | <u>11%</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net income | <u>\$ (10,600)</u> | <u>-21%</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Owner investment - cash | \$ 10,900 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Owner investment - equipment | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Vehicle and/or equipment loan | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Start up financing | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total start up costs: | <u>\$ 10,900</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Plan Purpose: | Start-Up | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Personal Fit | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

I am a person with a fun and loving personality who is driven with integrity and innovation. I have a very artistic and creative mind frame. This being my greatest asset. I will be able to incorporate my creativity into the customer vision. I will help their accessories reflect their passions and personality.

PERSONAL FIT

My name is Jamal Roshad and I was born in Dallas, Texas on July 24th, 1995. I was raised by my mom. My dad was not in my life, he blamed his condition for his absence. My mom tried the best that she could. I was never a bad kid my mom put me in private schools like Children First and Gateway Charter Academy. I made great grades in school, I even graduated high school in 2014. Well I never left the house, the house left me. It all changed one fatal day. My mom made a mistake that cost someone's life and was put in prison for 6 years. That is when my life changed and people left me. Life just got overwhelming and it took me by storm.

After my mom was put in jail my sister started to neglect me then she moved away with the food stamps which I knew nothing about or how to get them. I was 18 years old at the time this happened. I had never been in the streets but i did have a job. I just made a bad decision that I felt like I had no other choice. I spent my last paycheck on a gun and turned to a life of crime. Things were just piling up I had a section 8 apartment with no lights and a money shortage. So I started robbing people, stealing to eat at night, and to pay bills. Then it became a thrill. I just could not stop and that is how I got caught and sent to prison. My time being incarcerated has changed my life. I saw some unbelievable things, I saw a world of so much hatred. I knew that I needed to change or my life was over. So I started to depart from all the negative aspects of the penitentiary and strive to do well by people. I joined a program that is doing great things in the city that I helped destroy and cause problems in. I want to help rebuild what I destroyed. I have gained a sense of preservation while being locked up. The thing that made me change the most is how people that say they love me either do nothing at all or as little as possible for me, made me realize nobody will love me like I love me, so I need the change and love who I am.

You see, I have always had an entrepreneurs spirit, I am good at bringing great energy to my environment and I am able to speak to anyone and I am always smiling. I also have always wanted my own business because working for myself is the best kind of money to me. I always wanted to do something that I love and make money doing it. I have always told the truth and done trustworthy things good and bad but I am only doing it for the greater good from now on. I plan on starting my business 3-4 years after my release. I believe anybody that proves they are trustworthy can be trusted. It takes action and that is what I will bring to the table. I will be released to Dallas, Texas in May of 2022. I come back up for parole next year so I am hoping for the best. Thank you for hearing me out.

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?
 - No.
- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
 - I plan to hire at least 5 additional graphic design professionals.

- Is there growth potential to expand my business, or is this a dying market?
 - Yes.
- How soon can I get my business up and running?
 - I plan to start my business 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?
 - It will require a significant amount of money to get started.
- Is this something I would be proud to share with my family and parole officer?
 - Absolutely.
- 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?
 - Part-time initially until funding and business deem full-time.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Yes.
- What are the benefits (not features) that I am providing?
 - Customized and unique designs chosen by customers.
- Why can I do this better than another business (competitor)?
 - We will focus on quality, time and relationships with our customers.
- How will I deliver this better idea to my customers?
 - Through word of mouth at gaming conventions and social media.
- Is my delivery (retail store, home service, etc.) consistent with how I will produce the service (one-day delivery, hand-made products, etc.)?
 - Yes.
- Is my solution consistent with my passion for selling?
 - Yes.
- Is the price of my solution equal to or less than the customer's pain?
 - Yes.
- Is the approximate cost of my solution lower than the price?
 - Yes.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - We will need a fixed location.
- Do I offer a guaranty or return policy?
 - Yes.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - No, we will look to serve both equally.

- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - My ideal customers will be from age 6 and up.
- 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?
 - It does not matter.
- What aspect of my ideal customer am I appealing to (outdoors person, health conscious, nerd, their personal image, environmental concerns, recreation, etc.)?
 - I will be appealing to my customers' sense of recreation.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - Does not matter as long as they can afford my service.
- Does my customer need to own specific assets (car, house, boat)?
 - The customers' assets will not be a factor.

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 my service to my customer in their home, at my store and online.
- Do I go to my customer (home service) or does my customer come to me?
 - Both.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - It does not matter as long as they can afford the service.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - Due to also using online services it does not matter.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - Both.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - Both.
- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - Highly likely.

DIFFERENTIATORS

| My Competitors | Direct or Indirect | Promotion | Price | Their Advantages | Their Disadvantages | My Differentiators |
|-----------------------|---------------------------|---------------------------------|--------------|--|--|---|
| Skin It | Direct | Social Media, TV & Computer Ads | Varies | Branding Well Known | No Face To Face Interaction With Customers | More Personalization, Experience With Gaming & Technology |
| Decal Girl | Direct | Social Media, TV & Computer Ads | Varies | Branding Well Known/ Creates Own Designs | No Face To Face Interaction With Customers | More Personalization, Experience With Gaming & Technology |
| | | | | | | |
| | | | | | | |
| | | | | | | |

EXTRAS

External Extras:

- Do you have a connection with a supplier in your industry?
 - I do not.
- Do you have access to a favorable location for your business?
 - Yes.
- 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?
 - I have experience in customer service, salesmanship as well as communication.
- 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?
 - Yes.

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - Signs and designs of advertisements. Eye catching visuals to catch the customers' attention.
- What is your tagline?
 - So when your gaming consoles are bland and boring just skin it here with Skin Gear.
- How does your name and tagline make you different than your competitors?
 - We are seeking a relationship with our customers and value their needs and personality.
- Can your message be effectively conveyed through multiple types of media?
 - Yes.
- 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?
 - Social media, Billboards and Newspaper Ads.
- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - I will seek to have a minimum of 50 people through the month through the media we use.
- Once you've reached your typical customer, how many will actually buy from you?
 - I believe about 100 people.
- For each of the three, what do you think the estimated cost will be?
 - Still doing research to determine pricing.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - Recurring on everything except social media.
- How will you collect customer reviews?
 - Through social media.

RESUME

Jamal

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

Experience

Salesman *2010-2012*
Salesman of internet services and customer communication.

Salesman *2012-2014*
Salesman of fragrances and customer communication.

Skills

- **Supervision**
- **HVAC**
- **Educated Speaker**

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 *2016-2017*
HVAC

| | |
|--------------|-----------|
| Owner's name | Jamal |
| Company name | Skin Gear |

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 | 150 |
| cell phone purchase | 500 |
| car/truck down payment, if leased | 2,000 |
| permits | 400 |
| supplies, office & misc. | 2,000 |
| Cricut Explore Air 2 | 1,000 |
| Vinyl Rolls | 500 |
| Application Tape | 200 |
| Weeding Tools & Blades | 200 |
| Cutting Mat & Squeegee | 100 |
| Cash needed for start-up expenses | 7,050 |

| 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 | 3,000 | | 3,000 |
| Camera | 600 | | 600 |
| Accounting Software | 100 | | 100 |
| Packing & Shipping Supplies | 150 | | 150 |
| building/office deposit | | N/A | N/A |
| beginning cash balance | | N/A | N/A |
| Cash needed for start-up assets | 3,850 | - | 3,850 |

60 assumed life (months)
64 monthly depreciation

Total start up cost **10,900**

Assumption 5 - Total Sources

| | | |
|---|---------------|-------------|
| Cash owner will contribute and the value of owner's assets contributed to company | 10,900 | 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 | 10,900 | 100% |

Jamal dba Skin Gear
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 | | | | | | | | | | | | | | |
| Gaming Console Wrap | 6 | - | 1,600 | 1,600 | 1,600 | 1,600 | 1,800 | 2,000 | 2,199 | 2,399 | 2,599 | 2,799 | 2,799 | 22,994 | 45% |
| Cell Phone Wrap | 6 | - | 900 | 600 | 900 | 900 | 1,050 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,350 | 11,696 | 23% |
| Computer/Laptop Wrap | 6 | - | 1,200 | 1,200 | 1,200 | 1,200 | 1,400 | 1,600 | 1,600 | 1,600 | 1,600 | 2,000 | 2,000 | 16,596 | 32% |
| Total revenue | | - | 3,699 | 3,399 | 3,699 | 3,699 | 4,249 | 4,799 | 4,999 | 5,199 | 5,399 | 5,998 | 6,148 | 51,286 | 100% |
| Cost of Goods Sold | 2 | | | | | | | | | | | | | | |
| Gaming Console Wrap | 6 | - | 400 | 400 | 400 | 400 | 450 | 500 | 550 | 600 | 650 | 700 | 700 | 5,750 | 11% |
| Cell Phone Wrap | 6 | - | 300 | 200 | 300 | 300 | 350 | 400 | 400 | 400 | 400 | 400 | 450 | 3,900 | 8% |
| Computer/Laptop Wrap | 6 | - | 300 | 300 | 300 | 300 | 350 | 400 | 400 | 400 | 400 | 500 | 500 | 4,150 | 8% |
| Total COGS | | - | 1,000 | 900 | 1,000 | 1,000 | 1,150 | 1,300 | 1,350 | 1,400 | 1,450 | 1,600 | 1,650 | 13,800 | 27% |
| Gross profit | | - | 2,699 | 2,499 | 2,699 | 2,699 | 3,099 | 3,499 | 3,649 | 3,799 | 3,949 | 4,398 | 4,498 | 37,486 | 73% |
| Expenses | 2 | | | | | | | | | | | | | | |
| Auto or truck lease | | 2,000 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 9,700 | 19% |
| Depreciation | 3 | - | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 706 | 1% |
| Gasoline & fuels | | - | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 6,600 | 13% |
| Insurance - bonding | | - | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 3,300 | 6% |
| Insurance - vehicle | | - | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 3,300 | 6% |
| Interest - equip & start up | 7 | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% |
| Marketing | | 150 | 500 | | | | | 500 | | | | | | 1,150 | 2% |
| Office - rent | | - | | | | | | | | | | | | - | 0% |
| Office - insurance | | - | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 3,300 | 6% |
| Office - telephone | | - | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 440 | 1% |
| Office - utilities | | - | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 2,200 | 4% |
| Payroll - not owner and not in COGS | 8 | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% |
| Payroll taxes (9%) | 6 & 8 | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% |
| Permits | | 400 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 2,600 | 5% |
| Supplies | | 2,000 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 6,400 | 12% |
| Tax service | | - | | | | | | | | | | | | - | 0% |
| Telephone - cellular | | 500 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 940 | 2% |
| Start-up expenses | | 2,000 | - | - | - | - | - | - | - | - | - | - | - | 2,000 | 4% |
| | | - | | | | | | | | | | | | - | 0% |
| | | - | | | | | | | | | | | | - | 0% |
| | | - | | | | | | | | | | | | - | 0% |
| | | - | | | | | | | | | | | | - | 0% |
| | | - | | | | | | | | | | | | - | 0% |
| | | - | | | | | | | | | | | | - | 0% |
| | | - | | | | | | | | | | | | - | 0% |
| Total expenses | | 7,050 | 3,644 | 3,144 | 3,144 | 3,144 | 3,144 | 3,644 | 3,144 | 3,144 | 3,144 | 3,144 | 3,144 | 42,636 | 83% |
| Taxable profit (loss) | 1 | (7,050) | (945) | (645) | (445) | (445) | (45) | (145) | 504 | 654 | 804 | 1,254 | 1,354 | (5,150) | -10% |
| Tax (expense) benefit | 1 | - | - | - | - | - | - | - | - | - | - | - | - | - | 0% |
| Owner's withdrawals | 1 | - | (500) | (500) | (500) | (500) | (500) | (500) | (500) | (500) | (500) | (500) | (500) | (5,500) | -11% |
| Net profit (loss) | | (7,050) | (1,445) | (1,145) | (945) | (945) | (545) | (645) | 4 | 154 | 304 | 754 | 854 | (10,650) | -21% |
| Depreciation | 3 | - | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 706 | |
| Equipment purchases | 3 | (3,850) | - | - | - | - | - | - | - | - | - | - | - | (3,850) | |
| Principle, equipment loan | 7 | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Repay debt financing | 7 | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Owner contribution | 3 | 10,900 | - | - | - | - | - | - | - | - | - | - | - | 10,900 | |
| Equity investor | 3 | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Net cash flow | | - | (1,381) | (1,081) | (881) | (881) | (481) | (581) | 69 | 219 | 369 | 818 | 918 | (2,894) | |
| Cash, period start | | - | - | (1,381) | (2,462) | (3,343) | (4,224) | (4,705) | (5,286) | (5,218) | (4,999) | (4,631) | (3,812) | - | |
| Cash, period end | | - | (1,381) | (2,462) | (3,343) | (4,224) | (4,705) | (5,286) | (5,218) | (4,999) | (4,631) | (3,812) | (2,894) | (2,894) | |