

prison
entrepreneurship
program

Business Plan Competition
January 23-24, 2020

Kalan
Samson's Priority Trucking

Prison Entrepreneurship Program
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Samson's Priority Trucking

"Samson's Priority Trucking, where on-time delivery is our strength"

Business Plan
January 2020

Kalan
Owner & Founder

TABLE OF CONTENTS

EXECUTIVE SUMMARY1

PERSONAL FIT2

OPPORTUNITY3

SOLUTION3

CUSTOMERS4

DIFFERENTIATORS6

EXTRAS7

MARKETING7

RÉSUMÉ ATTACHED

FINANCIAL PROJECTIONS ATTACHED

EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																				
<p>All types of companies need freight moved. The big companies cannot fill the gap which my company can.</p>	<p>Here at Samson's Priority Trucking and transportation the mission is to alleviate the pressure by taking the weight upon ourselves. This is our purpose and our mission</p>	<p>Fill gaps that large companies will not fulfill in the niche markets.</p>																																				
Customers	Differentiators	Extras																																				
<p>Grocery stores/ warehouse owners/ broker business owners.</p>	<p>Two driver team specialize in all types of freight transportation.</p>	<p>We have a wide variety of potential customers and clients to choose from and network with.</p>																																				
Marketing	Financials & Extras	Start-up Costs																																				
<p>Flyers/ newspaper/ Radio along with TV and trade shows.</p>	<table border="0"> <tr> <td>Sales:</td> <td style="text-align: right;">\$ 383,900</td> <td style="text-align: right;">100%</td> </tr> <tr> <td>COGS</td> <td style="text-align: right;">81,200</td> <td style="text-align: right;">21%</td> </tr> <tr> <td>Gross profit</td> <td style="text-align: right;"><u>302,600</u></td> <td style="text-align: right;"><u>79%</u></td> </tr> <tr> <td>Overhead</td> <td style="text-align: right;">21,700</td> <td style="text-align: right;">6%</td> </tr> <tr> <td>Pretax income</td> <td style="text-align: right;">280,800</td> <td style="text-align: right;">73%</td> </tr> <tr> <td>Tax expense</td> <td style="text-align: right;">70,200</td> <td style="text-align: right;">18%</td> </tr> <tr> <td>Owner withdrawals</td> <td style="text-align: right;">42,500</td> <td style="text-align: right;">11%</td> </tr> <tr> <td>Net income</td> <td style="text-align: right;"><u>\$ 168,100</u></td> <td style="text-align: right;"><u>44%</u></td> </tr> </table>	Sales:	\$ 383,900	100%	COGS	81,200	21%	Gross profit	<u>302,600</u>	<u>79%</u>	Overhead	21,700	6%	Pretax income	280,800	73%	Tax expense	70,200	18%	Owner withdrawals	42,500	11%	Net income	<u>\$ 168,100</u>	<u>44%</u>	<table border="0"> <tr> <td>Owner investment - cash</td> <td style="text-align: right;">\$ 20,000</td> </tr> <tr> <td>Owner investment - equipment</td> <td style="text-align: right;">14,000</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;">1,110</td> </tr> <tr> <td>Total start up costs:</td> <td style="text-align: right;"><u>\$ 35,110</u></td> </tr> <tr> <td>Plan Purpose:</td> <td style="text-align: right;">Start-Up</td> </tr> </table>	Owner investment - cash	\$ 20,000	Owner investment - equipment	14,000	Vehicle and/or equipment loan	-	Start up financing	1,110	Total start up costs:	<u>\$ 35,110</u>	Plan Purpose:	Start-Up
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Personal Fit																																						

I will be an owner/ operator and will work to fulfill the niche markets. I will be a valuable asset the economy is needing in a self-service direction.

PERSONAL FIT

My name is Kalan; I was born October 5, 1991, in Natchez, Mississippi. I was raised by both parents. I am the eldest of three children; my parents worked hard and raised me the correct way. In school I was a class clown from time to time, but overall a fairly decent kid.

The first job I was ever employed to, was a barbershop named Moore Style. I received pay from the barbers and the shop owner. My second job required me to pay taxes, so I guess you can say this was my first real job. I was a clerk at Sack N' Save and I also was responsible for retrieving the shopping carts from the parking lot.

I maintained this job all through high school. When I graduated, I enlisted in the Army Reserves. I signed a contract with them for a term of four years; with a \$12,000 signing bonus upon completion of basic training and AIT. My M.O.S was 92 Gulf food service specialist. I completed training and returned home to Garland, Texas; I was stationed in Grand Prairie, Texas.

Shortly after my return home, I began to work with my father at a company named Clements Nut CO. I was a roast operator, and I worked that job for 13 months. I then applied for a job working as a United States Postal Service worker. I begun as a mail handler assistant, and moved to better positions as time passed.

While jubilant at the accomplishment; death struck very near, penetrating my mind heart and soul. My healthy and strong new born son, Kalan Montel Jr.; met his demise in the care of his mother's relatives. It was unexpected and devastating; something that just breaks a man, and something no parent should ever experience. Losing my son affected my life in an unimaginable way.

My friends in the military and postal service noticed that I was not the same as I had been before. My bearing was lost along with my sight of who I was and my direction. I began using drugs and became a sexual addict. Naturally the mother of my son and I began to bicker and quarrel a lot. In the year 2016 things came to a head, and I was arrested for aggravated assault with deadly weapon. I was sentenced to two years deferred probation. I violated the terms of my probation very shortly after being sentenced, and was arrested again, then sentenced to five years TDCJ.

I then began to reflect on all the wrong and hurt I caused and began to make amends. I also accepted Jesus Christ as my Lord and savior. I have since become meek and more understanding; also devoted to no more drinking and drug usage. I will utilize self-control and be done with the old man I became. My family and I deserve more and I demand more from myself. This change was brought to me in a state of brokenness and humility in the presence of God almighty. I am now healed and made whole again.

I learned that I am a leader that can lead judiciously; and now I desire to run and operate a business of my own, and help empower others. I also want to help people overcome struggles similar to my own. My business will take roughly four years to get up and running, as I have to work as an operator to learn and understand my craft better. The

reason I can be trusted with capital investments is because; I would not bite the hand that feeds me. PEP has gifted me with hands and ropes, along with ladders to pull me out of the muck and mire. I will show my trust worthiness by being noble and bringing honor to my family and PEP.

OPPORTUNITY

- Can I solve the problem given my skills and personality?
 - Yes, I was a docker for the postal service and would expedient mail.
- Is the customer looking for a more holistic solution than his or her immediate complaint?
 - Customer is looking for holistic solution other companies are not dependable we are.
- Do I need to do all of the work myself or can I hire others to help me and still maintain quality?
 - I will employ others in my business.
- Is there growth potential to expand my business, or is this a dying market?
 - There is growth potential.
- How soon can I get my business up and running?
 - Within three years of my release.
- Is this something that will take a lot of cash to get started or is it more of a question of hustle?
 - There is capital needed to be successful.
- Is this something I would be proud to share with my family and parole officer?
 - Yes it is.
- Is the opportunity (Activity and Start Date) consistent with potential parole restrictions?
 - No.
- Would my business start as a part-time venture or need to be full time?
 - It will be full-time.

SOLUTION

- Is what I am offering filling the customer's real need?
 - Yes, they need product moved.
- What are the benefits (not features) that I am providing?
 - Time and service.
- Why can I do this better than another business (competitor)?
 - Because I have the proper training and expertise. That along will solve a lot of the trials and errors that are experienced.
- How will I deliver this better idea to my customers?
 - By filling in the gaps that are left open by other companies; allowing my work to speak for its self.

- 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 deliver as promised, customers will not be let down.
- Is my solution consistent with my passion for selling?
 - Yes, we are all about profit and pleasing customers.
- Is the price of my solution equal to or less than the customer's pain?
 - The price will be slightly less than the customers' pain.
- Is the approximate cost of my solution lower than the price?
 - Time is our main cost and the value point will be based on the shipment.
- Do I need a fixed location (Storefront) or is this a mobile business?
 - Though we are a mobile business, we will have an office building with a truck yard.
- Do I offer a guaranty or return policy?
 - We will not have a return policy, but we will be insured.

CUSTOMERS

Demographics:

- Will my service have different appeal to men versus women?
 - Both sexes will equally want to utilize my business.
- What is my ideal customer's age (children, young adult, middle aged, mature)?
 - Ages are not necessarily important; customers must be mature and sane.
- Does my customer need to be married, single or does it matter?
 - It is of no importance.
- Do language or ethnicity differences improve or limit my ability to sell to my ideal customer?
 - It improves my ability to reach a broader customer base.
- 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 virtually all types.

Income:

- Does my customer need a certain income (rich, middle class, poor)?
 - They would need to be middle class to rich.
- 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)?
 - I will sell online and stores.

- Do I go to my customer (home service) or does my customer come to me?
 - I travel to customers.
- What neighborhood will my ideal customer live/work in (River Oaks/Highland park, a suburb, or small rural community)?
 - My ideal customer will live in the suburb.
- How close are my customers geographically located (live close to each other or spread all over the city)? Time is money.
 - They will be spread all over the city.
- How easily can I find this customer (one at a time or they will provide referrals)?
 - We will encourage our customers to provide referrals.

Other:

- Can I reach these individuals as a group or do I need to find and sell to them individually?
 - I will be able to find them both collectively and individually.
- Once I sell to a customer, what is the likelihood that they will buy from me again?
 - They will come to use again because we are dependable.

If Doing Business to Business Operations (Optional):

- Am I selling to a wholesaler, retailer or does it matter?
 - No, it does not matter.
- What industry is my customer in?
 - Food, tech, and furniture.
- What size customer do I want to serve (large/small, single/multiple locations)?
 - A large scale of customers and multiple locations.
- 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?
 - Will be able to expand easily.

DIFFERENTIATORS

My Competitors	Direct or Indirect	Promotion	Price	Their Advantages	Their Disadvantages	My Differentiators
JB Hunt	Direct	Billboards, TV, and radio.	N/A	Well known and established.	Cannot fill niche.	Specialize in all freight transportation.
Swift	Direct	Billboards, TV, and radio.	N/A	Well known and established.	Cannot fill niche.	Provide lower rates.
Uber	Direct	Billboards, TV, and radio.	N/A	Well known and established.	Cannot fill niche.	Have a two driver team.

EXTRAS

External Extras:

- Do you have a connection with a supplier in your industry?
 - I have no connections.
- 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?
 - No I will not.

Internal Extras:

- Do you have a new or cutting edge concept?
 - No, but I will be constantly in search of one.
- Will you be able to offer specialized or flexible scheduling that your competitors cannot match initially?
 - Yes, a two driver team system.
- Are you an especially charming or personable person?
 - Yes, I am from the south where southern hospitality is as natural as breathing.

MARKETING

Message:

- What are three things your company name (with no other information provided) says about your company?
 - Licensed commercial drivers, hard workers, and time effective.
- What is your tagline?
 - We carry the freight and are never late.
- How does your name and tagline make you different than your competitors?
 - They cannot be me and I cannot be them originally or personally.
- 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, but will vary for competitive advantage.
- Is your pricing consistent with the degree of personalization?
 - Yes, the greater the load the greater the pay.

Media:

- What are three types of media you will use to reach your customers?
 - I will use Web pages, billboards, and social media.

- How many potential typical customers (not just total people) can you reach each month using the types listed above?
 - I could easily reach over 200 customers a month with my chosen media types.
- Once you've reached your typical customer, how many will actually buy from you?
 - I believe I will do business with at least 72% of my reached customers.
- For each of the three, what do you think the estimated cost will be?
 - Between \$500 for all three combined.
- For each cost estimate, is this a one-time expense up front or a recurring monthly charge?
 - It will be a quarterly expense.
- How will you collect customer reviews?
 - I will collect reviews online.

RESUME

Kalan

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

Experience

Deli Clerk

December 2009-July 2012

Serviced customers and cut meat.

Roast Operator

August 2012-July 2013

Cooked peanuts and maintained machines.

92 Gulf Food Service Specialist

February 2011-August 2015

Prepared food, maintained equipment, and operated infield setting.

U.S. Postal Service

August 2013-August 2016

Sorted mail, expedite forklift, and power jack operator.

Skills

- **Machine Operator**
- **Forklift Operator**
- **Power Jack Operator**
- **Jitney Driver**
- **Palletizer (making of pallets)**
- **Inventory/Logistics specialist**
- **Expediter**
- **Dock Worker**

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.

Garland H.S.

2006-2010

Diploma

Owner's name	Kalan
Company name	Samson's Priority Trucking
NAICS Business Classification	
Sector (general classification)	48_49_Transportation_and_Warehousing
Sub-sector (more specific classification)	484: Truck Transportation

**Start-up Costs
Year 1**

Assumption 4 - Total Uses

Non-Depreciable Costs	Paid or contributed in Month 1
marketing, business cards, fliers	50
cell phone purchase	60
car/truck down payment, if leased	10,000
permits	2,000
supplies, office & misc.	
Cash needed for start-up expenses	12,110

Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	15,000		15,000
company trailer	8,000		
computer, printer, fax			-
			-
			-
building/office deposit		N/A	N/A
beginning cash balance		N/A	N/A
Cash needed for start-up assets	23,000	-	15,000
			60 assumed life (months)
			250 monthly depreciation

Total start up cost 35,110

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	20,000	57%
Vehicle loan and other equipment debt (see note 7 for financing)	-	0%
Startup financing, if applicable (for example Kiva loan)	1,110	3%
Outside equity investment, if applicable	14,000	40%
Total start up cost, total sources	35,110	100%

Kalan dba Samson's Priority Trucking
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														
Mileage Normal Haul	6	-	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	214,500	56%
Hazardous Haul	6	-	15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400	15,400	169,400	44%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	34,900	34,900	34,900	34,900	34,900	34,900	34,900	34,900	34,900	34,900	34,900	383,900	100%
Cost of Goods Sold	2														
Mileage Normal Haul	6	-	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	52,800	14%
Hazardous Haul	6	-	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	2,590	28,490	7%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	7,390	81,290	21%
Gross profit		-	27,510	27,510	27,510	27,510	27,510	27,510	27,510	27,510	27,510	27,510	27,510	302,610	79%
Expenses	2														
Auto or truck lease		10,000												10,000	3%
Depreciation	3	-	250	250	267	267	267	283	283	283	300	300	300	3,050	1%
Gasoline & fuels	-	-												-	0%
Insurance - bonding	-	-	200	200	200	200	200	200	200	200	200	200	200	2,200	1%
Insurance - vehicle	-	-	300	300	300	300	300	300	300	300	300	300	300	3,300	1%
Interest - equip & start up	7	-	-	-	7	7	6	6	5	4	4	3	3	45	0%
Marketing		50		50		50		50		50		50		300	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		2,000			50			50			50			2,150	1%
Supplies	-	-												-	0%
Tax service	-	-												-	0%
Telephone - cellular		60	60	60	60	60	60	60	60	60	60	60	60	720	0%
Start-up expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
		-												-	0%
		-												-	0%
		-												-	0%
		-												-	0%
		-												-	0%
		-												-	0%
Total expenses		12,110	810	860	884	883	833	949	848	898	914	913	863	21,765	6%
Taxable profit (loss)	1	(12,110)	26,700	26,650	26,626	26,627	26,677	26,561	26,662	26,612	26,596	26,597	26,647	280,845	73%
Tax (expense) benefit	1			(10,310)			(19,982)			(19,959)			(19,960)	(70,211)	-18%
Owner's withdrawals	1	-	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(42,500)	-11%
Net profit (loss)		(12,110)	24,200	13,840	24,126	24,127	4,195	21,561	21,662	1,654	21,596	21,597	1,687	168,134	44%
Depreciation	3	-	250	250	267	267	267	283	283	283	300	300	300	3,050	
Equipment purchases	3	(23,000)	-	-	(1,000)	-	-	(1,000)	-	-	(1,000)	-	-	(26,000)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	1,110	-	-	(89)	(90)	(90)	(91)	(92)	(92)	(93)	(93)	(94)	286	
Owner contribution	3	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000	
Equity investor	3	14,000	-	-	-	-	-	-	-	-	-	-	-	14,000	
Net cash flow		-	24,450	14,090	23,303	24,303	4,371	20,753	21,853	1,845	20,803	21,803	1,893	179,470	
Cash, period start		-	-	24,450	38,540	61,843	86,147	90,518	111,271	133,125	134,970	155,773	177,576	-	
Cash, period end		-	24,450	38,540	61,843	86,147	90,518	111,271	133,125	134,970	155,773	177,576	179,470	179,470	