

prison
entrepreneurship
program

**Business Plan Competition
May 23, 2025**

Anthony, Christopher, Lawrence, Mark
Specialized Towing and Recovery

Prison Entrepreneurship Program
P.O. Box 2767
Houston, TX 77252
(832) 767-0928
www.pep.org

Specialized Towing and Recovery

Business Plan
May 2025

Anthony
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																					
<ul style="list-style-type: none">Heavy towing and recovery consent towing to all major companies, dealerships, and owner operators.Maintaining customer parking and upkeep in business and residentialAsset recovery and collateral insured	<ul style="list-style-type: none">Professional heavy towing and recovery service dedicated to providing safe efficient and reliable solutions for individuals and commercial clients in the trucking industry	<ul style="list-style-type: none">The company will focus on commercial vehicle towing, recovery, roadside assistance and asset recovery services, servicing customers in commercial trucking industry																																					
Customers	Differentiators	Extras																																					
<ul style="list-style-type: none">All and any size trucking transportation companiesMajor dealerships, commercial dealershipsOwner operatorsHouston police departmentHarris county sheriff’s dept	<ul style="list-style-type: none">The affordability and quality of my services I can take smaller jobs because of the size of my companyCheaper rates and surchargesNo hidden fees or surcharges	<ul style="list-style-type: none">(Private Properties) Free property stripping and maintence including fire lanes handicap parking.(Safe Clear) to first exit free of charge freeway and major highways onlyNo charge pulling drive lines or axels																																					
Marketing	Start-up Costs	Financials & Extras																																					
<ul style="list-style-type: none">Social Media: Facebook, Next-door, Linked in, Tik Tok, Etc.Industry seminars and eventsReturn customers, word of mouthDoor to door customersAdvertising tv and radio	<table><tr><td>Owner investment - cash</td><td>\$ 40,000</td></tr><tr><td>Owner investment - equipment</td><td>-</td></tr><tr><td>Vehicle and/or equipment loan</td><td>251,000</td></tr><tr><td>Start up financing</td><td>-</td></tr><tr><td>Total startup costs:</td><td><u>\$ 291,000</u></td></tr></table>	Owner investment - cash	\$ 40,000	Owner investment - equipment	-	Vehicle and/or equipment loan	251,000	Start up financing	-	Total startup costs:	<u>\$ 291,000</u>	<table><tr><td colspan="3">Year one summary income statement:</td></tr><tr><td>Sales</td><td>\$ 1,428,800</td><td>100%</td></tr><tr><td>COGS</td><td>438,000</td><td>31%</td></tr><tr><td>Gross profit</td><td>990,700</td><td>69%</td></tr><tr><td>Overhead</td><td>233,500</td><td>16%</td></tr><tr><td>Pretax income</td><td>757,200</td><td>53%</td></tr><tr><td>Tax expense</td><td>189,300</td><td>13%</td></tr><tr><td>Owner withdrawals</td><td>66,000</td><td>5%</td></tr><tr><td>Net income</td><td>\$ 501,900</td><td>35%</td></tr></table>	Year one summary income statement:			Sales	\$ 1,428,800	100%	COGS	438,000	31%	Gross profit	990,700	69%	Overhead	233,500	16%	Pretax income	757,200	53%	Tax expense	189,300	13%	Owner withdrawals	66,000	5%	Net income	\$ 501,900	35%
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TEAM LEADERSHIP STATEMENT

CEO: Anthony

Anthony has over twenty years in the trucking and towing industry specializing in heavy towing and recovery and the transportation of heavy equipment, he has a wreck master's degree and NCAA certification in heavy equipment operations.

COO: Christopher

Christopher has over five years in the trucking industry, with skills in strategy, foresight and organizational skills he has an abundance of influence in the industry.

CFO Lawrence

Lawrence is a licensed arborist with over 5 years of experience in the restoration and renovation industry and also has 10 years of experience in the quality control industry.

CMO: Mark

Mark specializes in flooring and has also been cutting hair for over 30 years and has owned his own barbershop before and also specializes in airbrushing with 15 years of experience.

PRODUCT/SERVICE OFFERING

Specialized transport is a towing and Recovery Company based out of Houston TX, established in 2015. We provide transport, towing and recovery to companies, fleet owners and owner operators and public. We service all 50 states, counties in our service contract area. These services will produce 50% towing field. 30% in transportation field and 20 % recovery field of our total gross revenue/income. We specialize in your on and off the road towing and recovery needs. From winch outs, rollovers, load stabilization, load transfers, breakdown, truck transfer and swap and new track sales. All your towing needs. We offer our price lock guarantee which will match or beat any of our competitor rates that our price lock guarantee. Our future goals for expansion are adding terminals into North Texas, Atlanta Georgia, and Northern California to service the market and industry needs. With specialized transport you protect your fleet profits.

MARKET/INDUSTRY

Market

Specialized towing and recovery are a fast-growing business in towing and recovery industry. The towing and recovery industry are a yearly multi-million-dollar industry. With Houston's growth in transportation market and expansion of transport companies and growth of new companies brings in more per Capita per year.

Competition

Our 10 biggest competitors are major companies that have 6 trucks or more to their fleet. Two or three of our major contracts will come from our competitors accounts which we figure will generate 20% of our revenue. We believe that rates and changes will be much cheaper and a more personal relationship will be established with our customers, this too will be our advantage. Since I network with most of my customers it makes them friends and family basically and will allow a better and more personal relationship to be established, thus allowing cheaper rates.

Differentiation

Since we are a small company family and friend based we will have cheaper rates and that will be our approach and give us the advantage, our interstate network to our customer will travel our fleet out further for the dollar.

MARKETING STRATEGY

PRICE:

Specialized Towing and Recovery will use competitive pricing strategy, by combining flat rate charges with local and intrastate to pass savings to our customers in the form of lower dependable rates.

PLACE:

We will be located on the East side of Houston TX, where the majority of truck stops and trucking companies are located, giving our customers a more reliable rate. Being located in the East Houston Industrial, our drivers will be strategically placed and located to serve you as quick as possible in professional manner.

PROMOTION:

The initial promotion of STR will be contracted sales through our sales department, social media platforms and local handout of business cards at major fuel locations. Google listing and website customer and word of mouth, custom website layout, flyers, sales, return and repeat. Our marketing and materials are through our work and dedication to satisfying our customer.

VISION AND OBJECTIVES

Two Months Before Starting

- Finalize business plan.
- Secure amount needed for funding.
- Promote customers and find new customers.
- Look for storage lot. (Yard)
- Begin work building and serving customers.

First Two Months After Starting

- Promote new customers.
- Equipment to meet work volume.
- Hire employees.

First Year

- Secure volume required.
- Add new equipment.
- Customer to customer.

Second Year

- Hire more employees and expand.
- Seek additional customers.
- Pay off at least 2 customers.

Fifth Year

- Add Houston police department.
- Add Harris county sheriff's office.

Tenth Year

- Have all equipment paid off.
- Adjust volume to net income.

Philanthropy

Successful multi-million-dollar company I will give back by sponsoring Sagemont Cowboys and Beverly Hills Dolphins football teams, will hold baseball tournament yearly in Sagemont area, Donate to St Luke's church and Sacred-Heart Church.

Community Impact

I will impact the community in saving and sponsoring local neighborhood kids' sports teams and will give back through charity.

START-UP COST

Owner's name	Anthony
Company name	Specialized towing and Recovery
NAICS Business Classification	
Sector (general classification)	48_49_Transportation_and_Warehousing
Sub-sector (more specific classification)	

Start-up Costs

Year 1

Assumption 4 - Total Uses

Non-Depreciable Costs	Paid or contributed in Month 1		
marketing, business cards, fliers	500		
cell phone purchase	500		
car/truck down payment, if leased	-		
permits	2,000		
supplies, office & misc.	500		
Apple Mac book	2,000		
Cash needed for start-up expenses	5,500		
Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	9,000	140,000	149,000
company trailer	18,000	111,000	
computer, printer, fax	3,000		3,000
Equipmnt			-
			-
			-
building/office deposit		N/A	N/A
beginning cash balance	4,500	N/A	N/A
Cash needed for start-up assets	34,500	251,000	152,000
			60 assumed life (months)
			2,533 monthly depreciation
Total start up cost	291,000		

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	40,000	14%
Vehicle loan and other equipment debt (see note 7 for financing)	251,000	86%
Startup financing, if applicable (for example Kiva loan)		0%
Outside equity investment, if applicable		0%
Total start up cost, total sources	291,000	100%

FINANCIALS STATEMENT (PRO FORMA)

Anthony dba Specialized towing and Recovery
EOU, Financing, and Payroll Assumptions
Year 1

Assumption 6 - Revenue Model (Economics of One Unit)

Product name	Product 1				Product 2				Product 3				
Product description	Consent Tow				Incident Management				Private Property				
	150\$ hook up 2.00 per mile x 22% fuel sum								497 per vin #				
Price per unit	450.00 100%				511.00 100%				497.00 100%				
Cost of <u>one</u> unit													
	hours	rate			hours	rate			hours	rate			
Non-owner payroll exp.		450.00	-	0%		255.50	-	0%		497.00	-	0%	
Non-owner payroll tax	9.0%		-	0%			-	0%			-	0%	
cost 1 description	Fuel		99.00	22%	fuel		99.00	19%	fuel		99.00	20%	
cost 2 description	Hook up		150.00	33%				0%				0%	
cost 3 description	2.00 per mile			0%				0%				0%	
cost 4 description				0%				0%				0%	
Total variable costs			249.00	55%			99.00	19%			99.00	20%	
Gross profit per unit - what you see on income statement			201.00	45%			412.00	81%			398.00	80%	
	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	Total Year
Consent Tow sold		50	60	70	80	90	100	100	100	110	110	110	980
Incident Management sold		50	60	70	80	90	100	100	100	110	110	110	980
Private Property sold		50	60	70	80	90	100	100	100	110	110	110	980
total revenue		\$ 72,900	\$ 87,480	#####	#####	\$ 131,220	\$ 145,800	#####	#####	\$ 160,380	\$ 160,380	\$ 160,380	#####
total cost of sales		\$ 22,350	\$ 26,820	\$ 31,290	\$ 35,760	\$ 40,230	\$ 44,700	\$ 44,700	\$ 44,700	\$ 49,170	\$ 49,170	\$ 49,170	\$ 438,060
total income statement gross profit (excludes owner labor)		\$ 50,550	\$ 60,660	\$ 70,770	\$ 80,880	\$ 90,990	\$ 101,100	#####	#####	\$ 111,210	\$ 111,210	\$ 111,210	\$ 990,780

Assumption 7 - Financing

Equipment financing, see Start-up Costs sheet	Month 2				Month 5				Month 9				Total Year
	amortization schedule												
Amount borrowed	\$ 251,000	principal, beginning	251,000	247,309	243,603	239,881	236,144	232,391	228,623	224,839	221,039	217,223	213,392
Interest rate (example 8%)	5.0%	interest expense	1,046	1,030	1,015	1,000	984	968	953	937	921	905	889
Loan term (# of months)	60	principal payment	(3,691)	(3,706)	(3,722)	(3,737)	(3,753)	(3,768)	(3,784)	(3,800)	(3,816)	(3,832)	(3,848)
Monthly payment	4,737	principal, ending	247,309	243,603	239,881	236,144	232,391	228,623	224,839	221,039	217,223	213,392	209,544
Start-up financing, see Start-up Costs sheet													
Amount borrowed	\$ -	principal, beginning	-	-	-	-	-	-	-	-	-	-	-
Interest rate (example 8%)	5.0%	interest expense	-	-	-	-	-	-	-	-	-	-	-
Payback period (# of months)	60	principal payment	-	-	-	-	-	-	-	-	-	-	-
Grace period (months pay delay)	3	principal, ending	-	-	-	-	-	-	-	-	-	-	-
Monthly payment	\$ -												

Assumption 8 - Payroll, nondirect

	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
# of employees										1	1	
avg hours each employee(s) worked per month, not in EOU above										360	360	
average per hour wage										30.00	30.00	
salary expense, excluding payroll taxes	-	-	-	-	-	-	-	-	-	10,800	10,800	21,600

Assumption 9 - Equipment Purchases, after start-up

Description	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
50 ton miller 9055/ Centry Class	4,160	4,160	4,160	4,160	4,160	4,160	4,160	4,160	4,160	4,160	4,160	

Anthony dba Specialized towing and Recovery
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														
Consent Tow	6	-	22,500	27,000	31,500	36,000	40,500	45,000	45,000	45,000	49,500	49,500	49,500	441,000	31%
Incident Management	6	-	25,550	30,660	35,770	40,880	45,990	51,100	51,100	51,100	56,210	56,210	56,210	500,780	35%
Private Property	6	-	24,850	29,820	34,790	39,760	44,730	49,700	49,700	49,700	54,670	54,670	54,670	487,060	34%
Total revenue		-	72,900	87,480	102,060	116,640	131,220	145,800	145,800	145,800	160,380	160,380	160,380	1,428,840	100%
Cost of Goods Sold	2														
Consent Tow	6	-	12,450	14,940	17,430	19,920	22,410	24,900	24,900	24,900	27,390	27,390	27,390	244,020	17%
Incident Management	6	-	4,950	5,940	6,930	7,920	8,910	9,900	9,900	9,900	10,890	10,890	10,890	97,020	7%
Private Property	6	-	4,950	5,940	6,930	7,920	8,910	9,900	9,900	9,900	10,890	10,890	10,890	97,020	7%
Total COGS		-	22,350	26,820	31,290	35,760	40,230	44,700	44,700	44,700	49,170	49,170	49,170	438,060	31%
Gross profit		-	50,550	60,660	70,770	80,880	90,990	101,100	101,100	101,100	111,210	111,210	111,210	990,780	69%
Expenses	2														
Auto or truck lease	-	-	4,055	4,055	4,055	4,055	4,055	4,055	4,055	4,055	4,055	8,215	8,215	52,925	4%
Depreciation	3	-	2,603	2,672	2,741	2,811	2,880	2,949	3,019	3,088	3,157	3,227	3,296	32,443	2%
Gasoline & fuels	-	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	6,000	6,000	39,000	3%
Insurance - bonding	-	-	600	600	600	600	600	600	600	600	600	1,000	1,000	7,400	1%
Insurance - vehicle	-	-												-	0%
Interest - equip & start up	7	-	1,046	1,030	1,015	1,000	984	968	953	937	921	905	889	10,648	1%
Marketing	500	-	200	200	200	200	200	200	200	200	200	300	350	2,950	0%
Office - rent	-	-												-	0%
Office - insurance	-	-												-	0%
Office - telephone	-	-	150	150	150	150	150	150	150	150	150	150	150	1,650	0%
Office - utilities	-	-												-	0%
Payroll - not owner and not in COGS	8	-	-	-	-	-	-	-	-	-	-	10,800	10,800	21,600	2%
Payroll taxes (9%)	6 & 8	-	-	-	-	-	-	-	-	-	-	972	972	1,944	0%
Permits	2,000	-	1,200								1,200			4,400	0%
Supplies	500	-	700								700			1,900	0%
Tax service	-	-												-	0%
Telephone - cellular	500	-	150	150	150	150	150	150	150	150	150	150	150	2,150	0%
Start-up expenses	2,000	-	-	-	-	-	-	-	-	-	-	-	-	2,000	0%
Truck # 1	-	-	15,000											15,000	1%
Truck # 2	-	-										15,000		15,000	1%
Laptop # 1	-	-	2,000											2,000	0%
Laptop # 2	-	-										2,000		2,000	0%
Insurance	-	-	6,000									3,000		9,000	1%
Permits	-	-	2,000									2,000		4,000	0%
Bonding	-	-	4,000									1,500		5,500	0%
Total expenses		5,500	42,704	11,857	11,911	11,965	12,019	12,073	12,126	12,180	14,133	55,219	31,822	233,509	16%
Taxable profit (loss)	1	(5,500)	7,847	48,803	58,859	68,915	78,971	89,027	88,974	88,920	97,077	55,991	79,388	757,271	53%
Tax (expense) benefit	1			(12,787)			(51,686)			(66,730)			(58,114)	(189,318)	-13%
Owner's withdrawals	1	-	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	(66,000)	-5%
Net profit (loss)		(5,500)	1,847	30,015	52,859	62,915	21,285	83,027	82,974	16,190	91,077	49,991	15,274	501,953	35%
Depreciation	3	-	2,603	2,672	2,741	2,811	2,880	2,949	3,019	3,088	3,157	3,227	3,296	32,443	
Equipment purchases	3	(281,000)	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)	(4,160)	(326,760)	
Principle, equipment loan	7	251,000	(3,691)	(3,706)	(3,722)	(3,737)	(3,753)	(3,768)	(3,784)	(3,800)	(3,816)	(3,832)	(3,848)	209,544	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	40,000	-	-	-	-	-	-	-	-	-	-	-	40,000	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		4,500	(3,402)	24,821	47,718	57,828	16,252	78,048	78,048	11,318	86,258	45,226	10,562	457,180	
Cash, period start		-	4,500	1,098	25,919	73,638	131,466	147,718	225,767	303,815	315,133	401,391	446,617	-	
Cash, period end		4,500	1,098	25,919	73,638	131,466	147,718	225,767	303,815	315,133	401,391	446,617	457,180	457,180	

