

prison
entrepreneurship
program

**Business Plan Competition
May 23, 2025**

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The Elemental Tatoo Theatre & Art Gallery

Prison Entrepreneurship Program
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The Elemental Tattoo Theatre & Art Gallery

Business Plan
January 2025

Marcus
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																					
<ul style="list-style-type: none">Extremely high demand for tattoos and piercings and is steady climbing in the greater Houston area	<ul style="list-style-type: none">Our mission at the elemental tattoo theater is to provide absolutely unique and custom tattoo designs that are one of a kind, all while empowering our community to find their passion and dreams successfully.	<ul style="list-style-type: none">Provide a safe, family friendly environmentEnsure hospital grade sanitation and sterilizationHave a paid apprenticeshipHouse veteran artists																																					
Customers	Differentiators	Extras																																					
<ul style="list-style-type: none">Men and women ages 8-50College, military, veterans, first responders walk-ins.	<ul style="list-style-type: none">We are going to have an art gallery and take requests for custom art in multiple mediansWe are going to develop a rehabilitation through the arts program	<ul style="list-style-type: none">Plan to expand and hire on more artistWe will offer extended services such as custom jewelry, non-laser removal and permanent cosmetics																																					
Marketing	Start-up Costs	Financials & Extras																																					
<ul style="list-style-type: none">Veteran, college student discounts to spread the word of mouthBuy one get one free, tap-out session packagesTattoo cover-up contests give-awayEnhanced website, social media management team	<table><tr><td>Owner investment - cash</td><td>\$60,000</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>60,000</td></tr><tr><td>Total start-up costs:</td><td><u>\$ 120,000</u></td></tr></table>	Owner investment - cash	\$60,000	Owner investment - equipment	-	Vehicle and/or equipment loan	-	Start up financing	60,000	Total start-up costs:	<u>\$ 120,000</u>	<table><tr><td colspan="3">Year one summary income statement:</td></tr><tr><td>Sales</td><td>\$ 440,000</td><td>100%</td></tr><tr><td>COGS</td><td>127,600</td><td>29%</td></tr><tr><td>Gross profit</td><td>312,400</td><td>71%</td></tr><tr><td>Overhead</td><td>169,700</td><td>39%</td></tr><tr><td>Pretax income</td><td>142,600</td><td>32%</td></tr><tr><td>Tax expense</td><td>35,600</td><td>8%</td></tr><tr><td>Owner withdrawals</td><td>55,000</td><td>13%</td></tr><tr><td>Net income</td><td><u>\$ 51,900</u></td><td><u>12%</u></td></tr></table>	Year one summary income statement:			Sales	\$ 440,000	100%	COGS	127,600	29%	Gross profit	312,400	71%	Overhead	169,700	39%	Pretax income	142,600	32%	Tax expense	35,600	8%	Owner withdrawals	55,000	13%	Net income	<u>\$ 51,900</u>	<u>12%</u>
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Team Leadership Statement

Business Name: The Elemental Tattoo theatre & Art Gallery

CEO: Marcus

Marcus brings leadership and competent communicator skills to the table, alongside his passion that shaped the career path birthed into a business. He is in a position to build a life out of what he loves and pay it forward to the next person through encouragement and example. He has over 14 years' experience in the tattoo and piercing industry, and has been a certified body art practitioner in five states. By invitation, not only can he cultivate apprentices.

COO: Ruben

Ruben holds a meticulous organization skill and leadership attributes that are critical to the operations at our firm. He executes with perfection, originating from a lengthy career in the military he offers superior team building qualities and loyalty which will solidify the foundation of the business at large.

CFO: Robert

Robert is a humble, faith-oriented man and has a gift for vision. He has a positive outlook and his energy is contagious. He brings a much need atmosphere to the work environment to the work place that gets the people going and excited. He is an important part of our team

CMO: Michael

Michael hold superior promotion and advertising skills necessary to the marketing management. He has great public speaking skills, is reliable and trustworthy with great work ethics that could lead this firm to success. He has over 20 years in customer service and business management experience.

PRODUCT/SERVICE OFFERING

Elemental Ink crew will provide custom tattoos and permanent cosmetics and piercing covering 70% of our overall revenue. Followed up by our tattoo and piercing supply distribution. Offering a full range of essential products such as aftercare items, to custom jewelry, claiming a 15% portion of total sales. Non-Laser tattoo removal services will also be on site, covering the last 15% of our income. In brief, non-laser tattoo removal is not only proven more effective, but it is by far less painful, more affordable and can be completed in fewer sessions than laser technology. Our loyal, and expanding clientele based is fueled by military personal cycling through local bases. The turnover rate of colleges, and the densely populated city dwellers. We influence an extremely diverse multi-generational, multi-ethnic community. You would be surprised by how many soccer moms have a secret tattoo. Our crew consists of certified body art practitioners who have achieved the continued dedication beyond successful apprenticeships, and have accumulated multiple years of professional experience in the field. We have manifested our ancestral roots embedded into body art, declaring to never limit ourselves under a specific style, diversity is a key element. We have also mastered the complexity of cover-up tattooing. Our trademark is the ability to take the consultation process to new heights by transforming your dreams into custom tattoo designs. Not one vision is left behind. We stand on a firm foundation of customer safety. Enduring hospital grade sanitization and sterilization. We care for the beautification of your body. We will solidify our illumination within the industry with a performing arts theme made possible by constructing theatre-stylized work stations, and a family friendly viewing lounge. The public will have access to a live, digital portfolio feed that will over shadow the presenting artist on stage through a “point of view” projection, coupled with an alternating flash reel of finished product. One day soon, Elemental Ink Crew will be equipped for mobile requests. We will also be shaping a paid apprenticeship program for aspiring artists, as well as expanding into other states, beginning in the woodlands, of Houston TX.

Market

Body art is ever expanding and becoming more socially acceptable. The numbers are astronomical, in Houston alone the market is worth well over 100 million and continually increasing. I believe that with the elevated profit to supply and adjust to what they can afford, with discernment. I will be able to form a personal relationship with each individual given the intimacy attached to the body art. I believe we will have no problem in massing a loyal following in any new city that we are introduced to. We are already well established in the Houston area. We will accept walk-ins but we will not need to rely on them, due to the fact that we have gained much customer satisfaction.

Competition

In the in the Greater Houston and the surrounding areas there are roughly 50-80 reputable tattoo shops certified with the health department. Though we should have no problem getting booked in advance for the next 6-9 months with pre-paid clients. There are not enough artists to meet the demand that are worth getting service from. Our ability for custom creations will take the competition down ten-folds. We have no problem working in cahoots with other tattoo shops. Our diverse style and adaptability coupled with custom creations on demand is a dying breed of art that is sought after with a twist for more.

Differentiation

The part of the business that will set us apart and above the rest will be our extended services under our roof. Non-laser tattoo removal alone is not only more effective but it is less painful and more affordable. It can also be done in a fewer amount of sessions. Our permanent cosmetic department will one day develop a beauty and barber shop with a spa theme attached. This will further grow into a fragmented business. Major differentiator will be our live performing arts experience, made possible by constructing a venue style shop with mini theatre style work station, with multiple cameras projecting a live P.O.V. experience digitalized portfolio set above the artists on stage, coupled with family friendly viewing lounge and row seating. We will also stream live on social media in a reality T.V. aspect for all to see and follow.

MARKETING STRATEGY

Price:

The elemental tattoo theatre will charge \$150-\$175 an hour depending on the artist the customer chooses to work with. Piercing will range \$25-\$60 per needle, \$50 for micro-dermal, \$80 for genital piercing. We will offer packed deals on two or more piercings. Piercings include jewelry. Tattoo removal, depending on size will range from \$250-\$500 a session, and will can be completed in no less than three sessions. Permanent make up will cost \$250 for eyeliner, \$250 for micro bladed eyebrows, and \$400 for both. There will also be a \$50 non-refundable deposit required for any scheduled appointment for services.

Place:

We will be located in the Greater north-west Houston area, right in-between Spring, TX and the Galleria area off of I-45. We will be taking full advantage of the heavy traffic area off the interstate.

Promotion:

We will be offering discounts that will include our tap- out session package for \$800 with a 12 hour cap, this is about a \$400-\$600 discount off the hourly price. We will have BOGO sales, holiday sales, theme day flash sales like Friday the 13th or May the 4th be with you (Star Wars) we will create a tattoo cover-up contest give away for people who can't afford on extensive cover-ups. And many, many more creative ideas to bring the people in. We will utilize old school techniques as well. Using business cards, fliers, and the distribution of T-shirts with the shop logo.

VISION AND OBJECTIVES

Two Months before Starting

- Finalize business plan, begin articles of incorporation for LLC
- Secure an investment at Federal Credit Union.
- File DBA, EIN. Obtain license, permits, and insurance.
- Buy start up supplies and shop fixtures.
- Hire an employee

First Two Months after Starting

- Begin remodeling a recreational vehicle for mobile requests
- Begin apprenticeship program (hands around the shop)
- Begin promotional, discount and give away phase
- Surplus medical supplies, needles and ink

First Year

- Begin mobile venture, Build more booths for extra artists
- Begin looking for another store front.

Second Year

- Begin setting up a store front for supply store
- Begin process of opening up a second shop in a new city, Expand marketing in new city

Fifth Year

- Implement RTA program,
- Open new location

Tenth Year

- Start opening a vocational school for different mediums
- RTA program will convert into transitional housing, counseling center

Philanthropy

Donate a percentage of my net profits to a local church on a monthly bases and a percentage to PEP on a yearly basis.

Community Impact

RTA program, tattoo cover-ups contest give away (rehabilitation through art), therapy art classes cancer ribbon tattoo drives (donations to hospitals), children hospital tattoo fundraiser (which list)

START-UP COST

Owner's name	Marcus
Company name	The Elemental Tattoo Theatre & Art Gallery
NAICS Business Classification	
Sector (general classification)	71_Arts_Entertainment_and_Recreation
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	5,000		
cell phone purchase	1,200		
car/truck down payment, if leased			
permits			
supplies, office & misc.	300		
Remodel	5,000		
File LLC	350		
supplies, piercing and tattoos	10,000		
Certification	75		
Licences	600		
Cash needed for start-up expenses	22,525		
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	2,000		2,000
Tattoo furniture	4,000		4,000
Tattoo machine	1,200		1,200
			-
building/office deposit	3,200	N/A	N/A
beginning cash balance	87,075	N/A	N/A
Cash needed for start-up assets	97,475	-	7,200
			60 assumed life (months)
			120 monthly depreciation
Total start up cost	120,000		

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	60,000	50%
Vehicle loan and other equipment debt (see note 7 for financing)	-	0%
Startup financing, if applicable (for example Kiva loan)	60,000	50%
Outside equity investment, if applicable		0%
Total start up cost, total sources	120,000	100%

FINANCIALS STATEMENT (PRO FORMA)

Marcus dba The Elemental Tattoo Theatre & Art Gallery
EOU, Financing, and Payroll Assumptions
Year 1

Assumption 6 - Revenue Model (Economics of One Unit)

	Product 1				Product 2				Product 3			
Product name	Tattoos				Piercings							
Product description	custom tattoo design and application permanent cosmetics by the hour				expert piercing and exotic, custom jewelry options							
Price per unit			175.00	100%			50.00	100%				0%
Cost of one unit		hours	rate			hours	rate			hours	rate	
Non-owner payroll exp.			-	0%			-	0%			-	0%
Non-owner payroll tax	9.0%		-	0%			-	0%			-	0%
cost 1 description		Ink	9.00	5%		needle	1.00	2%				0%
cost 2 description		needle	1.00	1%		jewelry	4.00	8%				0%
cost 3 description		medical supplies	10.00	6%		medical supplies	5.00	10%				0%
cost 4 description				0%		Worker	25.00	50%				0%
Total variable costs			20.00	11%			35.00	70%			-	0%
Gross profit per unit - what you see on income statement			155.00	89%			15.00	30%			-	0%

	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
Tattoos sold		160	160	160	160	160	160	160	160	160	160	160	1,760
Piercings sold		240	240	240	240	240	240	240	240	240	240	240	2,640
total revenue		\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 440,000
total cost of sales		\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 127,600
total income statement gross profit (excludes owner labor)		\$ 28,400	\$ 28,400	\$ 28,400	\$ 28,400	\$ 28,400	\$ 28,400	\$ 28,400	\$ 28,400	\$ 28,400	\$ 28,400	\$ 28,400	\$ 312,400

Assumption 7 - Financing

		Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
Equipment financing, see Start-up Costs sheet		amortization schedule											
Amount borrowed	\$ -	principal, beginning	-	-	-	-	-	-	-	-	-	-	-
Interest rate (example 8%)		interest expense	-	-	-	-	-	-	-	-	-	-	-
Loan term (# of months)		principal payment	-	-	-	-	-	-	-	-	-	-	-
Monthly payment	-	principal, ending	-	-	-	-	-	-	-	-	-	-	-
Start-up financing, see Start-up Costs sheet													
Amount borrowed	\$ 60,000	principal, beginning	60,000	60,000	60,000	57,776	55,529	53,260	50,968	48,653	46,315	43,954	41,569
Interest rate (example 8%)	12.0%	interest expense	-	-	600	578	555	533	510	487	463	440	416
Payback period (# of months)	24	principal payment	-	-	(2,224)	(2,247)	(2,269)	(2,292)	(2,315)	(2,338)	(2,361)	(2,385)	(2,409)
Grace period (months pay delay)	3	principal, ending	60,000	60,000	57,776	55,529	53,260	50,968	48,653	46,315	43,954	41,569	39,161
Monthly payment	\$ 2,824												

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	1	1	1	1	1	1	1	1	1	
avg hours each employee(s) worked per month, not in EOU above	160	160	160	160	160	160	160	160	160	160	160	
average per hour wage	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	
salary expense, excluding payroll taxes	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	44,000

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
tattoo supplies	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	
piercing supplies	1,620	1,620	1,620	1,620	1,620	1,620	1,620	1,620	1,620	1,620	1,620	

The Elemental Tattoo Theatre & Art Gallery
 Marcus, Ruben, Robert, Michael

Marcus dba The Elemental Tattoo Theatre & Art Gallery
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														
Tattoos	6	-	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	308,000	70%
Piercings	6	-	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	132,000	30%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	440,000	100%
Cost of Goods Sold	2														
Tattoos	6	-	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	35,200	8%
Piercings	6	-	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	92,400	21%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600	127,600	29%
Gross profit		-	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400	312,400	71%
Expenses	2														
Auto or truck lease	-	-												-	0%
Depreciation	3	-	183	246	309	372	435	498	561	624	687	750	813	5,478	1%
Gasoline & fuels	-	-												-	0%
Insurance - bonding	-	-	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	26,400	6%
Insurance - vehicle	-	-												-	0%
Interest - equip & start up	7	-	-	-	600	578	555	533	510	487	463	440	416	4,580	1%
Marketing	5,000	-	100	100	100	100	100	100	100	100	100	100	100	6,100	1%
Office - rent	-	-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	13,200	3%
Office - insurance	-	-												-	0%
Office - telephone	-	-	100	100	100	100	100	100	100	100	100	100	100	1,100	0%
Office - utilities	-	-	300	300	300	300	300	300	300	300	300	300	300	3,300	1%
Payroll - not owner and not in COGS	8	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	44,000	10%
Payroll taxes (9%)	6 & 8	-	360	360	360	360	360	360	360	360	360	360	360	3,960	1%
Permits	-	-	50	50	50	50	50	50	50	50	50	50	50	550	0%
Supplies	300	-												300	0%
Tax service	-	-												-	0%
Telephone - cellular	1,200	-												1,200	0%
Start-up expenses	16,025	-	-	-	-	-	-	-	-	-	-	-	-	16,025	4%
Tattoo supplies	-	-	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	23,760	5%
Piercing supplies	-	-	1,620	1,620	1,620	1,620	1,620	1,620	1,620	1,620	1,620	1,620	1,620	17,820	4%
Convention	-	-	2,000											2,000	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
Total expenses		22,525	14,473	12,536	13,199	13,240	13,280	13,321	13,361	13,401	13,440	13,480	13,519	169,773	39%
Taxable profit (loss)	1	(22,525)	13,927	15,864	15,201	15,160	15,120	15,079	15,039	14,999	14,960	14,920	14,881	142,627	32%
Tax (expense) benefit	1			(1,817)			(11,370)			(11,280)			(11,190)	(35,657)	-8%
Owner's withdrawals	1	-	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(55,000)	-13%
Net profit (loss)		(22,525)	8,927	9,048	10,201	10,160	(1,251)	10,079	10,039	(1,280)	9,960	9,920	(1,309)	51,970	12%
Depreciation	3	-	183	246	309	372	435	498	561	624	687	750	813	5,478	
Equipment purchases	3	(10,400)	(3,780)	(3,780)	(3,780)	(3,780)	(3,780)	(3,780)	(3,780)	(3,780)	(3,780)	(3,780)	(3,780)	(51,980)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	60,000	-	-	(2,224)	(2,247)	(2,269)	(2,292)	(2,315)	(2,338)	(2,361)	(2,385)	(2,409)	39,161	
Owner contribution	3	60,000	-	-	-	-	-	-	-	-	-	-	-	60,000	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		87,075	5,330	5,514	4,506	4,506	(6,865)	4,506	4,506	(6,774)	4,506	4,506	(6,685)	104,629	
Cash, period start		-	87,075	92,405	97,919	102,424	106,930	100,065	104,571	109,076	102,302	106,808	111,313	-	
Cash, period end		87,075	92,405	97,919	102,424	106,930	100,065	104,571	109,076	102,302	106,808	111,313	104,629	104,629	

