

prison
entrepreneurship
program

**Business Plan Competition
May 23, 2025**

Martin, Raymundo, Austin, Joe
Tree Top Sculpture

Prison Entrepreneurship Program
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Tree Top Sculpture

Business Plan
May 2025

Martin
Owner & Founder

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																								
<ul style="list-style-type: none">Dead and unwanted trees and tree stumps	<ul style="list-style-type: none">To provide safe professional tree removal service in the central Texas area and leave the customer with a sculpture to remember	<ul style="list-style-type: none">Go in and remove all dead and unwanted trees and tree stumps																																								
Customers	Differentiators	Extras																																								
<ul style="list-style-type: none">Property owners in the central Texas area	<ul style="list-style-type: none">We will provide a sculpture from the stump and trees removed	<ul style="list-style-type: none">Tree sapling planted for referral																																								
Marketing	Start-up Costs	Financials & Extras																																								
<ul style="list-style-type: none">Social mediaReferral programBusiness cards and fliersWord of mouth	<table><tr><td>Owner investment - cash</td><td>\$50,000</td></tr><tr><td>Owner investment - equipment</td><td>-</td></tr><tr><td>Vehicle and/or equipment loan</td><td>9,000</td></tr><tr><td>Start up financing</td><td>-</td></tr><tr><td>Total startup costs:</td><td><u>\$59,000</u></td></tr></table>	Owner investment - cash	\$50,000	Owner investment - equipment	-	Vehicle and/or equipment loan	9,000	Start up financing	-	Total startup costs:	<u>\$59,000</u>	<table><tr><td colspan="3">Year one summary income statement:</td></tr><tr><td>Sales</td><td>\$288,000</td><td>100%</td></tr><tr><td>COGS</td><td><u>14,400</u></td><td><u>5%</u></td></tr><tr><td>Gross profit</td><td>273,600</td><td>95%</td></tr><tr><td>Overhead</td><td><u>135,000</u></td><td><u>47%</u></td></tr><tr><td colspan="3"> </td></tr><tr><td>Pretax income</td><td>138,500</td><td>48%</td></tr><tr><td>Tax expense</td><td>34,600</td><td>12%</td></tr><tr><td>Owner withdrawals</td><td><u>55,000</u></td><td><u>19%</u></td></tr><tr><td>Net income</td><td><u>\$ 48,800</u></td><td><u>17%</u></td></tr></table>	Year one summary income statement:			Sales	\$288,000	100%	COGS	<u>14,400</u>	<u>5%</u>	Gross profit	273,600	95%	Overhead	<u>135,000</u>	<u>47%</u>				Pretax income	138,500	48%	Tax expense	34,600	12%	Owner withdrawals	<u>55,000</u>	<u>19%</u>	Net income	<u>\$ 48,800</u>	<u>17%</u>
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TEAM LEADERSHIP STATEMENT

CEO: Martin

Martin brings leadership and sales skills to the table and has 10 years' experience in the tree service industry. He also specializes in climbing and cutting trees as well as sculpture design and production

COO: Raymundo

Raymundo brings organizational and motivational skills to the table. He has 10 years' experience in the tree service industry he also specializes in loading trailer properly and debris removal

CFO: Austin

Austin brings record keeping and accounting skills to the table and has 10 years' experience in the tree service industry, he also specializes in safety, as he is our safety supervisor as well.

CMO: Joe

Joe brings social media and sales skill to the table and has over 10 years' experience in the tree service industry. He also specializes in driving and towing trailers

PRODUCT/SERVICE OFFERING

At Tree Top Sculpture we offer safe tree removal service and custom-made chainsaw wooden sculptures, furniture, and chainsaw art. Our tree removal service represents 75% of our revenue with our custom carvings representing the remaining 25%. I plan to open in the spring of 2026. All of our climbers and ground crew on our tree removal team have been OSHA certified for safety and our tree sculpture has been carving since he could lift a chainsaw, before that he was whittling with a pocket knife. One day we hope to purchase the equipment necessary to start planting trees as well. An even greater vision on our horizon would be to establish our own nursery and orchard for peach trees and apple trees and possibly pecan trees as well.

MARKET/INDUSTRY

In the tree service and furniture businesses the current trend is being environmentally conscious. To fit this trend, we will advertise a donation to trees of Houston or a similar foundation in central Texas, with the purchase of our services. The repurpose of the red to create furniture and artwork speaks of itself as I can be classified as recycling.

COMPETITION

There are many local tree removal services in the area I will be located but none are using the trees to make high quality furniture. There are furniture retailers who off pre-fabricated wooden furniture and Omish furniture makers directly compete with my custom furniture creations. I believe offering safety certifications and environmental incentive will separate me from my competition and the custom nature of the furniture.

DIFFERENTIATION

Our tree service is different because we offer the opportunity to repurpose the trees into functional products. Being safety oriented and environmentally conscious will separate me from the competitors. Custom furniture fills a gap for customers who want a piece made especially for their needs

MARKETING STRATEGY

PRICE:

We plan to offer prices based on labor and equipment cost per job. The size of the tree and the details of the furniture will determine the labor, hours, and wear and tear on equipment. For example, a 15' tall pine tree may take three hours our charge will be \$250 and hour.

PLACE:

We will be located in Central Texas where it is heavily wooded. The dense forest is the ideal environment to operate a tree removal service. It is also densely populated creating a vast opportunity to sell custom furniture

PROMOTION:

We plan to invest our time and effort into making small wooden tokens to distribute in the mail to target areas, such as subdivisions with lots of large trees.

VISION AND OBJECTIVES

Two Months before Starting

- Finish business plan
- File for DBA
- Open bank account
- Develop web page
- Research potential customer

First Two Months after Starting

- Develop reputation for top notch service and safety
- Document referrals from cliental
- Begin pursuing commercial clients

First Year

- Secure first commercial client
- Broaden sculpture offerings
- Zero accidents or property damage

Second Year

- Purchase a lift
- Purchase property
- Second year with zero accidents or property damage

Fifth Year

- Expand service area
- Train multiple teams

Tenth Year

- Be the number one tree sculpture in the area
- Have multiple teams working the city

Philanthropy

Donate a percentage of my net profits to trees of Houston and other similar tree planting organizations

Community Impact

The removal of dangerous dead trees, clearing property's for development pools and porches and making long lasting unique art work in the form of sculptures

START-UP COST

Owner's name	Martin
Company name	Tree Top Sculptures
NAICS Business Classification	
Sector (general classification)	23_Construction
Sub-sector (more specific classification)	238: Specialty Trade Contractors

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	200		
car/truck down payment, if leased			
permits			
supplies, office & misc.	200		
Insurance	400		
Fuel	600		
File LLC	300		
Cash needed for start-up expenses	2,200		
Depreciable Costs	Paid or contributed in Month 1	Equipment Financing (Additional to amount paid)	Depreciable Assets
company car, truck or van	1,000	9,000	10,000
company trailer	2,000		
computer, printer, fax	1,000		1,000
Chainsaws	3,000		3,000
Leaf Blower	1,000		1,000
			-
building/office deposit		N/A	N/A
beginning cash balance	39,800	N/A	N/A
Cash needed for start-up assets	47,800	9,000	15,000
			60 assumed life (months)
			250 monthly depreciation
Total start up cost	59,000		

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	50,000	85%
Vehicle loan and other equipment debt (see note 7 for financing)	9,000	15%
Startup financing, if applicable (for example Kiva loan)		0%
Outside equity investment, if applicable		0%
Total start up cost, total sources	59,000	100%

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FINANCIALS STATEMENT (PRO FORMA)

Martin dba Tree Top Sculptures
EOU, Financing, and Payroll Assumptions
Year 1

Assumption 6 - Revenue Model (Economics of One Unit)

Product name	Product 1				Product 2				Product 3			
	Tree Removal											
Product description	Remove tree											
Price per unit		1,200.00	100%				0%				0%	
Cost of <u>one</u> 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	Fuel oil and chain		60.00	5%				0%				0%
cost 2 description				0%				0%				0%
cost 3 description				0%				0%				0%
cost 4 description				0%				0%				0%
Total variable costs			60.00	5%			-	0%			-	0%
Gross profit per unit - what you see on income statement			1,140.00	95%			-	0%			-	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
Tree Removal sold		20	20	20	20	20	20	20	25	25	25	25	240
total revenue		\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 288,000
total cost of sales		\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 14,400
total income statement gross profit (excludes owner labor)		\$ 22,800	\$ 22,800	\$ 22,800	\$ 22,800	\$ 22,800	\$ 22,800	\$ 22,800	\$ 28,500	\$ 28,500	\$ 28,500	\$ 28,500	\$ 273,600

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	\$ 9,000	principal, beginning	9,000	8,660	8,317	7,971	7,622	7,270	6,915	6,557	6,197	5,833	5,466	
Interest rate (example 8%)	10.0%	interest expense	75	72	69	66	64	61	58	55	52	49	46	665
Loan term (# of months)	24	principal payment	(340)	(343)	(346)	(349)	(352)	(355)	(358)	(361)	(364)	(367)	(370)	(3,903)
Monthly payment	415	principal, ending	8,660	8,317	7,971	7,622	7,270	6,915	6,557	6,197	5,833	5,466	5,097	
Start-up financing, see Start-up Costs sheet														
Amount borrowed	\$ -	principal, beginning	-	-	-	-	-	-	-	-	-	-	-	
Interest rate (example 8%)		interest expense	-	-	-	-	-	-	-	-	-	-	-	-
Payback period (# of months)		principal payment	-	-	-	-	-	-	-	-	-	-	-	-
Grace period (months pay delay)		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	2	2	2	2	2	2	2	2	2	2	2	
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, excludng payroll taxes	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	88,000

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

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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														
Tree Removal	6	-	24,000	24,000	24,000	24,000	24,000	24,000	24,000	30,000	30,000	30,000	30,000	288,000	100%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	24,000	24,000	24,000	24,000	24,000	24,000	24,000	30,000	30,000	30,000	30,000	288,000	100%
Cost of Goods Sold	2														
Tree Removal	6	-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,500	1,500	1,500	1,500	14,400	5%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,500	1,500	1,500	1,500	14,400	5%
Gross profit		-	22,800	22,800	22,800	22,800	22,800	22,800	22,800	28,500	28,500	28,500	28,500	273,600	95%
Expenses	2														
Auto or truck lease	-													-	0%
Depreciation	3	-	250	250	250	250	250	250	250	250	250	250	250	2,750	1%
Gasoline & fuels	-	-	600	600	600	600	600	600	600	600	600	600	600	6,600	2%
Insurance - bonding	-	-	500	500	500	500	500	500	500	500	500	500	500	5,500	2%
Insurance - vehicle	-	-												-	0%
Interest - equip & start up	7	-	75	72	69	66	64	61	58	55	52	49	46	665	0%
Marketing	500	-	500	500	500	500	500	500	500	500	500	500	500	6,000	2%
Office - rent	-	-	800	800	800	800	800	800	800	800	800	800	800	8,800	3%
Office - insurance	-	-	100	100	100	100	100	100	100	100	100	100	100	1,100	0%
Office - telephone	-	-	100	100	100	100	100	100	100	100	100	100	100	1,100	0%
Office - utilities	-	-	200	200	200	200	200	200	200	200	200	200	200	2,200	1%
Payroll - not owner and not in COGS	8	-	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	88,000	31%
Payroll taxes (9%)	6 & 8	-	720	720	720	720	720	720	720	720	720	720	720	7,920	3%
Permits	-	-	50	50	50	50	50	50	50	50	50	50	50	550	0%
Supplies	200	-	50	50	50	50	50	50	50	50	50	50	50	750	0%
Tax service	-	-	50	50	50	50	50	50	50	50	50	50	50	550	0%
Telephone - cellular	200	-	100	100	100	100	100	100	100	100	100	100	100	1,300	0%
Start-up expenses	1,300	-	-	-	-	-	-	-	-	-	-	-	-	1,300	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
Total expenses		2,200	12,095	12,092	12,089	12,086	12,084	12,081	12,078	12,075	12,072	12,069	12,066	135,085	47%
Taxable profit (loss)	1	(2,200)	10,705	10,708	10,711	10,714	10,716	10,719	10,722	16,425	16,428	16,431	16,434	138,515	48%
Tax (expense) benefit	1			(4,803)			(8,035)			(9,467)			(12,324)	(34,629)	-12%
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)	-19%
Net profit (loss)		(2,200)	5,705	905	5,711	5,714	(2,319)	5,719	5,722	1,959	11,428	11,431	(889)	48,886	17%
Depreciation	3	-	250	250	250	250	250	250	250	250	250	250	250	2,750	
Equipment purchases	3	(17,000)	-	-	-	-	-	-	-	-	-	-	-	(17,000)	
Principle, equipment loan	7	9,000	(340)	(343)	(346)	(349)	(352)	(355)	(358)	(361)	(364)	(367)	(370)	5,097	
Repay debt financing	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Owner contribution	3	50,000	-	-	-	-	-	-	-	-	-	-	-	50,000	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		39,800	5,615	811	5,615	5,615	(2,420)	5,615	5,615	1,848	11,315	11,315	(1,009)	89,733	
Cash, period start		-	39,800	45,415	46,226	51,841	57,456	55,035	60,650	66,264	68,112	79,427	90,742	-	
Cash, period end		39,800	45,415	46,226	51,841	57,456	55,035	60,650	66,264	68,112	79,427	90,742	89,733	89,733	

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