

prison
entrepreneurship
program

**Business Plan Competition
June 20, 2025**

OTG Logistics

Prison Entrepreneurship Program
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OTG Logistics

Business Plan
June 2025

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EXECUTIVE SUMMARY

Opportunity	Purpose	Solution																																		
<ul style="list-style-type: none">Over 800,000 CDL drivers needed to meet growing demandLate deliveriesSaturated market	<ul style="list-style-type: none">Bad reputations always travel faster than good onesThat is what happens when you prioritize profits over relationships	<ul style="list-style-type: none">Employee retention planSafe and on time deliveriesRefrigerated trucks are in high demand																																		
Customers	Differentiators	Extras																																		
<ul style="list-style-type: none">HospitalsPharmaciesSupermarketsRestaurant	<ul style="list-style-type: none">Understanding customers’ needs and providing them with complete transparencyCulture that focuses on relationships with both customer and employeeCompetitive pricing for best service	<ul style="list-style-type: none">Our networking abilities																																		
Marketing	Start-up Costs	Financials & Extras																																		
<ul style="list-style-type: none">WebsiteCold callingSocial media	<table><tr><td>Owner investment - cash</td><td>\$ 30,000</td></tr><tr><td>Owner investment - equity</td><td>-</td></tr><tr><td>Vehicle and/or equipment loan</td><td>-</td></tr><tr><td>Start up financing</td><td>500,000</td></tr><tr><td>Total start up costs:</td><td><u>\$530,000</u></td></tr></table>	Owner investment - cash	\$ 30,000	Owner investment - equity	-	Vehicle and/or equipment loan	-	Start up financing	500,000	Total start up costs:	<u>\$530,000</u>	<table><tr><td>Sales:</td><td>\$ 612,400</td><td>100%</td></tr><tr><td>COGS</td><td>111,900</td><td>18%</td></tr><tr><td>Gross profit</td><td>500,400</td><td>82%</td></tr><tr><td>Overhead</td><td>342,300</td><td>56%</td></tr><tr><td>Pretax income</td><td>158,000</td><td>26%</td></tr><tr><td>Tax expense</td><td>39,500</td><td>6%</td></tr><tr><td>Owner withdrawals</td><td>66,000</td><td>11%</td></tr><tr><td>Net income</td><td>\$ 52,500</td><td>9%</td></tr></table>	Sales:	\$ 612,400	100%	COGS	111,900	18%	Gross profit	500,400	82%	Overhead	342,300	56%	Pretax income	158,000	26%	Tax expense	39,500	6%	Owner withdrawals	66,000	11%	Net income	\$ 52,500	9%
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LEADERSHIP STATEMENT

CEO: Nasir is a compassionate leader that's highly driven by a hunger for success and is approachable by anyone. His determination to succeed will be an asset in the transportation industry where most people fail or falter due to the long hours it takes to get the job done. He has vast work experience in many different fields ranging from telecommunications and electrical to loading and unloading trucks.

CMO: Juan is a confident leader that loves to teach and help others. He is very optimistic, is capable of critical thinking, problem solving and possesses a strong work ethic and will always lead by example. He has three years of experience in the transportation and logistics industry, two years of sales, 5 years of customer service and seven years as a sub-contractor. He is an experienced and skilled man certified in energy management, OSHA safety, and DOT. He will train employees with passion.

CFO: Henry is a knowledgeable, persistent and trustworthy individual with a drive for success and uncompromising work ethic. He leads by example with integrity and sets standards higher than his own to build and develop top performers.

COO: Mario is a highly driven individual who ran a small engine department. He possesses an exceptional ability to diagnose and trouble shoot engines giving professional feedback on his to solve each problem he faces. He has also six years of work experience in the glazing industry bringing a unique work ethic to get the projects done in a timely and effective manner. He does all of this while showing a great innovative spirit to bring people together from all demographics to achieve our main objective, which is to complete the task at hand.

PRODUCT/SERVICE OFFERING

On The Go Logistics is a family-oriented company dedicated to delivering the best service and shipments on time. We will provide trucking and freight brokerage services. Medical transport will account for 60%, produce 30%, and freight brokerage 10% of total revenue. Our plan is to be fully operational by 2027 with our headquarters being located conveniently in Dallas, Texas. We will specialize in medical and pharmaceutical transport with our niche being expedited medical equipment needed for emergencies. We will also be delivering fresh produce which is a necessity to everyday living. Some entry barriers will be purchasing trucks, insurance cost, certifications/permits, and gaining the trust and business from hospitals. While accomplishing our primary goal of being profitable, we will also differ from competitors by providing essentials to everyday life and helping our communities.

Here at OTG Logistics, we plan on using strategic partnership to grow our customers and networks. Our plan is to scale up nationally by 2037 through building a reputation and establishing trust inside the industry. By maintaining great communication with customers to deliver transparency, control, low costs, proper book keeping and complying with regulations. Our trustworthy company will be committed to our family which is our customers, employees and community. When those other companies don't have the get up and go, get your freight moving with On the Go.

MARKET/INDUSTRY

The transportation industry is vast and forever growing. Freight brokerage is a \$51.7 billion a year industry with a 6% annual increase. By 2032, this market is forecast for \$86 billion a year. The trucking sector is nearly \$1 trillion per year and business to business accounts for nearly 60% of that market.

COMPETITION

Our direct competition will be Cisco and XPO. Our indirect competition will be local small logistic companies. Our advantage over Cisco and XPO is that they are large national companies with a vast array of contracts. So, they don't cater to any single customers, creating a disconnect. While our advantage over local smaller companies is that they target hot shots, flat beds and other target markets. Basically, shying away from refrigerated trucks because of the hassle of delicate transportation. We will specialize in serving these specific customers in need of consistency.

DIFFERENTIATION

We differ from our competition through our transparency with our customers to give an intimate ease of service. Our goal is to obliterate the would-be competition by specializing in our target market and focusing on our niche.

MARKETING STRATEGY

Price:

In the trucking industry, prices vary, so our model will be built around competitive rates to ensure a sustainable business relationship. Our pricing model will consist of four variables: weight, density, classification and distance traveled.

Place:

On The Go Logistics will be located in Dallas, Texas. Our customers will come from local hospitals and pharmacies in the area. Our customers will learn about us from those hospitals we have developed personal relationships with.

Promotion:

Call On The Go Logistics to get your loads shipped. Our personalized service and unique system will deliver the transparent process to accommodate all your needs. We plan to use mixed model and virtually free promotions to garner the attention of our target customers. We plan to use Facebook, Pinterest, LinkedIn and X. LinkedIn will be utilized to network professionally and bring in new employees. Pinterest will showcase our service and satisfied customers. We will use X to build awareness and also to provide updates on OTG Logistics.

VISION AND OBJECTIVES

Our vision here at OTG is to offer first class logistical support at a fair price to local businesses providing necessities to our community. We believe that while the foundational goal of every business is to make money, we can do that while providing top tier service at a reasonable price. Our mission is to build relationships with local hospitals and supermarkets to make them our customer base. Our goal is to be a national logistics company specializing in refrigerated cargo to hospitals and grocery stores across the entire United States. We plan on being an LLC. To comply with the IRS tax rules and codes so we can properly pay our employees but also for legitimacy.

First Year:

We plan on starting by leasing two trucks and refrigerated trailers to get our loads moving. We plan on expanding by purchasing more trucks but only when we have consistent routes that require more trucks than we have.

Third Year:

We plan on expanding by becoming freight brokers to maximize profits through self-reliance cutting out the middle man.

Fifth Year:

We hope to purchase a warehouse to complete our logistical capabilities.

Tenth Year:

We strive to be a national logistics company with multiple locations, with discernment and proper planning we believe all of our goals are attainable.

Philanthropy:

We believe in giving back to the communities that we do business in. So, we will host a food drive once a year to give back to the homeless. Also, all employees will receive one PTO day a year to give back to local shelters.

START-UP COST

Owner's name	
Company name	OTG Logistics
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			
cell phone purchase	100		
car/truck down payment, if leased	54,000		
permits	76		
supplies, office & misc.			
Transportation Management Systems	200		
Refrigerated Trailers	3,200		
Gas	7,338		
Insurance (Trucks)	2,333		
Cargo Insurance	300		
Cash needed for start-up expenses	67,247		
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			-
Macbook Pro	2,000		2,000
Printer/Fax Machine	400		400
			-
building/office deposit		N/A	N/A
beginning cash balance	460,353	N/A	N/A
Cash needed for start-up assets	462,753	-	2,400
			60 assumed life (months)
			40 monthly depreciation
Total start up cost	530,000		

Assumption 5 - Total Sources

Cash owner will contribute and the value of owner's assets contributed to company	30,000	6%
Vehicle loan and other equipment debt (see note 7 for financing)	-	0%
Startup financing, if applicable (for example Kiva loan)	500,000	94%
Outside equity investment, if applicable	-	0%
Total start up cost, total sources	530,000	100%

FINANCIAL STATEMENT (PRO FORMA)

dba OTG Logistics EOU, Financing, and Payroll Assumptions Year 1

Assumption 6 - Revenue Model (Economics of One Unit)

	Product 1				Product 2				Product 3				
Product name	One Way				Round Trip				Expedited				
Product description	400 Miles at \$2.25 per mile				600 miles at \$2 per mile				100 miles at \$3.50 per mile				
Price per unit	900.00 100%				1,200.00 100%				350.00 100%				
Cost of one unit	hours rate				hours rate				hours rate				
Non-owner payroll exp.	-				-				-				
Non-owner payroll tax	-				-				-				
cost 1 description	Gas 159.50 18%				Gas 239.25 20%				Gas 39.88 11%				
cost 2 description													
cost 3 description													
cost 4 description													
Total variable costs	159.50 18%				239.25 20%				39.88 11%				
Gross profit per unit - what you see on income statement	740.50 82%				960.75 80%				310.12 89%				
	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
One Way sold		32	32	32	32	32	32	32	32	32	32	32	352
Round Trip sold		8	8	8	24	24	24	24	24	24	24	24	216
Expedited sold		8	8	8	8	8	8	8	12	12	12	12	104
total revenue		\$ 41,200	\$ 41,200	\$ 41,200	\$ 60,400	\$ 60,400	\$ 60,400	\$ 60,400	\$ 61,800	\$ 61,800	\$ 61,800	\$ 61,800	\$ 612,400
total cost of sales		\$ 7,337	\$ 7,337	\$ 7,337	\$ 11,165	\$ 11,165	\$ 11,165	\$ 11,165	\$ 11,325	\$ 11,325	\$ 11,325	\$ 11,325	\$ 111,970
total income statement gross profit (excludes owner labor)		\$ 33,863	\$ 33,863	\$ 33,863	\$ 49,235	\$ 49,235	\$ 49,235	\$ 49,235	\$ 50,475	\$ 50,475	\$ 50,475	\$ 50,475	\$ 500,430

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	\$ -			-	-	-	-	-	-	-	-	-
Interest rate (example 8%)				-	-	-	-	-	-	-	-	-
Loan term (# of months)				-	-	-	-	-	-	-	-	-
Monthly payment	-			-	-	-	-	-	-	-	-	-
Start-up financing, see Start-up Costs sheet												
Amount borrowed	\$500,000			485,531	480,611	475,642	470,624	465,555	460,435	455,264	450,042	
Interest rate (example 8%)	12.0%			4,855	4,806	4,756	4,706	4,656	4,604	4,553	4,500	52,293
Payback period (# of months)	72			(4,920)	(4,969)	(5,019)	(5,069)	(5,120)	(5,171)	(5,222)	(5,275)	(55,233)
Grace period (months pay delay)												
Monthly payment	\$ 9,775			495,225	490,402	485,531	480,611	475,642	470,624	465,555	460,435	455,264

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	2	2	2	2	2	2	2	
avg hours each employee(s) worked per month, not in EOU above	176	176	176	176	100	100	100	102	102	102	102	
average per hour wage	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	
salary expense, excluding payroll taxes	6,160	6,160	6,160	6,160	7,000	7,000	7,000	7,140	7,140	7,140	7,140	74,200

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

dba OTG Logistics
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														
One Way	6	-	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	316,800	52%
Round Trip	6	-	9,600	9,600	9,600	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	259,200	42%
Expedited	6	-	2,800	2,800	2,800	2,800	2,800	2,800	2,800	4,200	4,200	4,200	4,200	36,400	6%
Total revenue		-	41,200	41,200	41,200	60,400	60,400	60,400	60,400	61,800	61,800	61,800	61,800	612,400	100%
Cost of Goods Sold	2														
One Way	6	-	5,104	5,104	5,104	5,104	5,104	5,104	5,104	5,104	5,104	5,104	5,104	56,144	9%
Round Trip	6	-	1,914	1,914	1,914	5,742	5,742	5,742	5,742	5,742	5,742	5,742	5,742	51,678	8%
Expedited	6	-	319	319	319	319	319	319	319	479	479	479	479	4,148	1%
Total COGS		-	7,337	7,337	7,337	11,165	11,165	11,165	11,165	11,325	11,325	11,325	11,325	111,970	18%
Gross profit		-	33,863	33,863	33,863	49,235	49,235	49,235	49,235	50,475	50,475	50,475	50,475	500,430	82%
Expenses	2														
Auto or truck lease		54,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	98,000	16%
Depreciation	3	-	40	40	40	40	40	40	40	40	40	40	40	440	0%
Gasoline & fuels	-	-												-	0%
Insurance - bonding	-	-	300	300	300	300	300	300	300	300	300	300	300	3,300	1%
Insurance - vehicle	-	-	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	25,674	4%
Interest - equip & start up	7	-	5,000	4,952	4,904	4,855	4,806	4,756	4,706	4,656	4,604	4,553	4,500	52,293	9%
Marketing	-	-												-	0%
Office - rent	-	-	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,500	3%
Office - insurance	-	-												-	0%
Office - telephone	-	-												-	0%
Office - utilities	-	-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	13,200	2%
Payroll - not owner and not in COGS	8	-	6,160	6,160	6,160	6,160	7,000	7,000	7,000	7,140	7,140	7,140	7,140	74,200	12%
Payroll taxes (9%)	6 & 8	-	554	554	554	554	630	630	630	643	643	643	643	6,678	1%
Permits	76	-												76	0%
Supplies	-	-												-	0%
Tax service	-	-												-	0%
Telephone - cellular	100	-	100	100	100	100	100	100	100	100	100	100	100	1,200	0%
Start-up expenses	13,071	-	-	-	-	-	-	-	-	-	-	-	-	13,071	2%
IMS System	-	-	200	200	200	240	240	240	240	240	240	240	240	2,520	0%
Refrigerated Trailer	-	-	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	35,200	6%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
	-	-												-	0%
Total expenses		67,247	24,588	24,541	24,492	24,484	25,350	25,300	25,250	25,352	25,301	25,249	25,197	342,352	56%
Taxable profit (loss)	1	(67,247)	9,275	9,322	9,371	24,751	23,885	23,935	23,985	25,123	25,174	25,226	25,278	158,078	26%
Tax (expense) benefit	1	-	-	-	-	-	(2,339)	-	-	(18,261)	-	-	(18,920)	(39,520)	-6%
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)	-11%
Net profit (loss)		(67,247)	3,275	3,322	3,371	18,751	15,546	17,935	17,985	863	19,174	19,226	359	52,559	9%
Depreciation	3	-	40	40	40	40	40	40	40	40	40	40	40	440	
Equipment purchases	3	(2,400)	-	-	-	-	-	-	-	-	-	-	-	(2,400)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	500,000	(4,775)	(4,823)	(4,871)	(4,920)	(4,969)	(5,019)	(5,069)	(5,120)	(5,171)	(5,222)	(5,275)	444,767	
Owner contribution	3	30,000	-	-	-	-	-	-	-	-	-	-	-	30,000	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		460,353	(1,461)	(1,461)	(1,461)	13,871	10,617	12,956	12,956	(4,217)	14,044	14,044	(4,876)	525,366	
Cash, period start		-	460,353	458,892	457,432	455,971	469,843	480,460	493,415	506,371	502,154	516,198	530,242	-	
Cash, period end		460,353	458,892	457,432	455,971	469,843	480,460	493,415	506,371	502,154	516,198	530,242	525,366	525,366	