

prison
entrepreneurship
program

**Business Plan Competition
October 17, 2025**

X-Treme Diesel Repair

Prison Entrepreneurship Program
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X-Treme Diesel Repair

Business Plan
October 2025

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Executive Summary

Opportunity	Purpose	Solution																																		
- Overnight breakdowns - Minimum radius	We will open a shop with a 24/7, fully equipped service vehicle	- Mobile diesel repair 24/7 service calls 150-mile radius																																		
Customers	Differentiators	Extras																																		
- OTR Drivers - Medium and heavy-duty trucks	- Located in Paris, Texas - Bilingual - Specializing in hydraulics	- ASE Certified 10 years of experience - HVAC Certified - Clutch certified - Air Brakes Certified																																		
Marketing	Start-up Costs	Financials & Extras																																		
- Social media - Flyers - Business cards - Sponsor youth sports - Word of mouth	<table><tr><td>Owner investment - cash</td><td>\$ 15,000</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>250,000</td></tr><tr><td>Total start up costs:</td><td>\$265,000</td></tr></table>	Owner investment - cash	\$ 15,000	Owner investment - equity	-	Vehicle and/or equipment loan	-	Start up financing	250,000	Total start up costs:	\$265,000	<table><tr><td>Sales:</td><td>\$ 966,200</td><td>100%</td></tr><tr><td>COGS</td><td>-</td><td>0%</td></tr><tr><td>Gross profit</td><td>966,200</td><td>100%</td></tr><tr><td>Overhead</td><td>410,000</td><td>42%</td></tr><tr><td>Pretax income</td><td>556,100</td><td>58%</td></tr><tr><td>Tax expense</td><td>139,000</td><td>14%</td></tr><tr><td>Owner withdrawals</td><td>61,600</td><td>6%</td></tr><tr><td>Net income</td><td>\$ 355,500</td><td>37%</td></tr></table>	Sales:	\$ 966,200	100%	COGS	-	0%	Gross profit	966,200	100%	Overhead	410,000	42%	Pretax income	556,100	58%	Tax expense	139,000	14%	Owner withdrawals	61,600	6%	Net income	\$ 355,500	37%
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LEADERSHIP STATEMENT

CEO/COO: David has good ethic skills. He has been in this type of industry for over 10 years. He is highly driven and values others opinions. He has a college diploma as a diesel tech from Texas State Technical College in Waco, Texas. He is here to serve you.

CMO: Raul is a very committed individual with great experience on mechanics and strong values. He is committed to his workers. With over 10 years of experience, he is able to accomplish things and meet the expectations of every client he ever meets. With the passion he has for his job and the experience in leadership makes him a great value in any organization.

CFO: Kevin was a leader in the U.S. Army which creates and molds the greatest leaders that this country has ever had. He possesses over forty years of experience in the meat, poultry and agriculture industry which gives him a competitive advantage over his competition in his geographic radius.

PRODUCT/SERVICE OFFERING

X-treme Diesel Repair is a family owned local business. We will have a 24/7 mobile service vehicle, and will be able to come to you no matter the time or the weather conditions. We predict approximately 60% of our revenue will be coming from repairs being done in our shop and the other 40% coming from our mobile services. We plan to open doors by the fall of 2025 in Paris, Texas.

Our shop will have ASE certified technicians with commercial driver's licenses so that your vehicle or semi can be driven and tested before returning to your possession. Our shop will have a \$500,000 insurance policy not only to cover the shop and customers property but our mobile service vehicle and clients as well. What sets our company apart is that not only do we work on highway vehicles and semis but on construction equipment as well because we specialize in hydraulics.

Our plan is to expand throughout the state of Texas by 2035 with the help of our amazing technicians, network and God's blessing. We are committed to providing diesel services to the great state of Texas and keeping our customers on the road and businesses operating.

MARKET/INDUSTRY

The diesel mechanic industry is valued at \$35 billion per year with a 7% annual increase. In 2001, a recession happened and the diesel industry went down, but as of now that industry has gone back up tremendously. It is still rising with more and more tractor trailers on the road.

COMPETITION

Our competitors will be the dealers and other local shops, but with our outstanding prices and our 24/7 service calls including hydraulics, we will outperform them all. We will be located in Paris, Texas on a very busy Highway 271.

DIFFERENTIATION

We differ because not only are we a business we are a family and love to give back to our community. We also love to sponsor youth teams. We will hire nothing but ASE certified technicians or will get them trained at no cost to them.

MARKETING STRATEGY

Price:

Our pricing will be fairly simple, we will be competitively priced in our industry. We will perform top quality work with a money back guarantee service. We will have a shop price of \$100 per hour and our service vehicle price is \$145 per hour with a 2-hour minimum. We will offer a free one-hour diagnostic with the approval of solidifying your business. Our prices are much less than the dealerships but will cover cost and we will earn a profit while providing a service that is unparalleled in the industry.

Place:

X-treme Diesel Repair will be located in Paris, Texas on FM 34980 where we already own the land and can expand our services on. We are at the border of Oklahoma with Hwy 271 running into the State of Oklahoma. This location will attract a more diverse customer base and not just relying on business from Texas alone.

Promotion:

We will utilize our vinyl wrapped vehicles and our custom apparel to garner attention. We will also be advertising our services on billboards. Along with other various marketing strategies such as custom flyers and business cards scanned with a QR code that will direct our customers to our personalized company website. There they can view our before and after work. You can also read reviews about us on Glass Door and Reddit. We will also use Facebook Marketplace and Instagram to post photos worthy of attention. Our primary marketing source will come from our word of mouth referrals because in our community, we truly care and our hard work and dedication reassures our customers.

VISION AND OBJECTIVES

Our vision at X-Treme Diesel Repair is to take the stress off of people's shoulders that have experienced a break down or another unfortunate event. We bring over a decade of experience in the mechanic industry and carry a passion and love for our work.

First Year:

We will begin operations in a small Texas town named Paris. Growing as we can, hopefully by 20% per year.

Fifth Year:

We will expand into the lucrative DFW area in our fifth year, with five service vehicles.

Tenth Year:

As we enter our second decade, we will expand into the other large metropolitan areas in Texas such as Austin and Houston. All three locations will cover a 150-mile radius creating a huge triangle.

Philanthropy:

We will be giving back to charities and sponsoring youth programs all across the state.

Owner's name	David
Company name	X-Treme Diesel Repair
NAICS Business Classification	
Sector (general classification)	54_Professional_Scientific_and_Technical_Services
Sub-sector (more specific classification)	

Year 1

Non-Depreciable Costs	Paid or contributed in Month 1
marketing, business cards, fliers	250
cell phone purchase	200
car/truck down payment, if leased	800
permits	
supplies, office & misc.	150

1,400

	contributed in Month 1
company car, truck or van	70,000
company trailer	
computer, printer, fax	200
Building	140,000
building/office deposit	
beginning cash balance	53,400
Cash needed for start-up assets	263,600

70,000
200
140,000
53,400
263,600

N/A
N/A

70,000
200
140,000
-
-
N/A
N/A
210,200

265,000

Cash owner will contribute and the value of owner's assets contributed to company	15,000	6%
Vehicle loan and other equipment debt (see note 7 for financing)	-	0%
Startup financing, if applicable (for example Kiva loan)	250,000	94%
Outside equity investment, if applicable	-	0%
Total start up cost, total sources	265,000	100%

15,000

6%

0%

250,000

94%

0%

265 000

100%

FINANCIAL STATEMENT (PRO FORMA)

David dba X-Treme Diesel Repair EOU, Financing, and Payroll Assumptions Year 1

Assumption 6 - Revenue Model (Economics of One Unit)

	Product 1				Product 2				Product 3			
Product name	Hourly Shop Rate				Service Truck Hourly Rate							
Product description	\$125/hr six hour minimum				\$165hr/ two hour minimum							
Price per unit	750.00 100%				330.00 100%							
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				0%				0%				0%
cost 2 description				0%				0%				0%
cost 3 description				0%				0%				0%
cost 4 description				0%				0%				0%
Total variable costs			-	0%			-	0%			-	0%
Gross profit per unit - what you see on income statement			750.00	100%			330.00	100%			-	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
Hourly Shop Rate sold		96	96	96	96	96	96	96	96	96	96	96	1,056
Service Truck Hourly Rate sold		48	48	48	48	48	48	48	48	48	48	48	528
sold													-
total revenue		\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 966,240
total cost of sales		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
total income statement gross profit (excludes owner labor)		\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 87,840	\$ 966,240

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%)	10.0%											
Loan term (# of months)	180											
Monthly payment	-											
principal, beginning												
interest expense												
principal payment												
principal, ending												
Start-up financing, see Start-up Costs sheet												
Amount borrowed	\$250,000	250,000	249,092	248,172	247,241	246,298	245,343	244,377	243,398	242,407	241,404	240,388
Interest rate (example 8%)	15.0%	3,125	3,114	3,102	3,091	3,079	3,067	3,055	3,042	3,030	3,018	3,005
Payback period (# of months)	120	(908)	(920)	(931)	(943)	(955)	(967)	(979)	(991)	(1,003)	(1,016)	(1,029)
Grace period (months pay delay)	-											
Monthly payment	\$ 4,033	249,092	248,172	247,241	246,298	245,343	244,377	243,398	242,407	241,404	240,388	239,359

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	3	3	3	4	4	4	5	5	5	
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	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	4.00	40.00	40.00	
salary expense, excludng payroll taxes	12,800	12,800	19,200	19,200	19,200	25,600	25,600	25,600	3,200	32,000	32,000	227,200

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
Service Truck	-	-	-	-	60,000	-	-	-	-	60,000	-	

David dba X-Treme Diesel Repair
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														
Hourly Shop Rate	6	-	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	72,000	792,000	82%
Service Truck Hourly Rate	6	-	15,840	15,840	15,840	15,840	15,840	15,840	15,840	15,840	15,840	15,840	15,840	174,240	18%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total revenue		-	87,840	87,840	87,840	87,840	87,840	87,840	87,840	87,840	87,840	87,840	87,840	966,240	100%
Cost of Goods Sold	2														
Hourly Shop Rate	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Service Truck Hourly Rate	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
line not used	6	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total COGS		-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Gross profit		-	87,840	87,840	87,840	87,840	87,840	87,840	87,840	87,840	87,840	87,840	87,840	966,240	100%
Expenses	2														
Auto or truck lease		800	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,800	1%
Depreciation	3	-	3,503	3,503	3,503	3,503	4,503	4,503	4,503	4,503	4,503	5,503	5,503	47,537	5%
Gasoline & fuels	-	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,000	1%
Insurance - bonding	-	-	500	500	500	500	500	500	500	500	500	500	500	5,500	1%
Insurance - vehicle	-	-	500	500	500	500	500	500	500	500	500	500	500	5,500	1%
Interest - equip & start up	7	-	3,125	3,114	3,102	3,091	3,079	3,067	3,055	3,042	3,030	3,018	3,005	33,726	3%
Marketing	250	-	300	300	300	300	300	300	300	300	300	300	300	3,550	0%
Office - rent	-	-	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	19,800	2%
Office - insurance	-	-	300	300	300	300	300	300	300	300	300	300	300	3,300	0%
Office - telephone	-	-	100	100	100	100	100	100	100	100	100	100	100	1,100	0%
Office - utilities	-	-	800	800	800	800	800	800	800	800	800	800	800	8,800	1%
Payroll - not owner and not in COGS	8	-	12,800	12,800	19,200	19,200	19,200	25,600	25,600	25,600	3,200	32,000	32,000	227,200	24%
Payroll taxes (9%)	6 & 8	-	1,152	1,152	1,728	1,728	1,728	2,304	2,304	2,304	288	2,880	2,880	20,448	2%
Permits	-	-	200	200	200	200	200	200	200	200	200	200	200	2,200	0%
Supplies	150	-	250	250	250	250	250	250	250	250	250	250	250	2,900	0%
Tax service	-	-	300	300	300	300	300	300	300	300	300	300	300	3,300	0%
Telephone - cellular	200	-	200	200	200	200	200	200	200	200	200	200	200	2,400	0%
Start-up expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Total expenses		1,400	27,830	27,819	34,783	34,772	35,760	42,724	42,712	42,700	18,271	50,651	50,638	410,061	42%
Taxable profit (loss)	1	(1,400)	60,010	60,021	53,057	53,068	52,080	45,116	45,128	45,140	69,569	37,189	37,202	556,179	58%
Tax (expense) benefit	1	-	-	(29,658)	-	-	(39,551)	-	-	(33,846)	-	(35,990)	-	(139,045)	-14%
Owner's withdrawals	1	-	(5,600)	(5,600)	(5,600)	(5,600)	(5,600)	(5,600)	(5,600)	(5,600)	(5,600)	(5,600)	(5,600)	(61,600)	-6%
Net profit (loss)		(1,400)	54,410	24,763	47,457	47,468	6,929	39,516	39,528	5,694	63,969	31,589	(4,388)	355,534	37%
Depreciation	3	-	3,503	3,503	3,503	3,503	4,503	4,503	4,503	4,503	5,503	5,503	5,503	47,537	
Equipment purchases	3	(210,200)	-	-	-	-	(60,000)	-	-	-	-	(60,000)	-	(330,200)	
Principle, equipment loan	7	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repay debt financing	7	250,000	(908)	(920)	(931)	(943)	(955)	(967)	(979)	(991)	(1,003)	(1,016)	(1,029)	239,359	
Owner contribution	3	15,000	-	-	-	-	-	-	-	-	-	-	-	15,000	
Equity investor	3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash flow		53,400	57,005	27,347	50,029	50,029	(49,523)	43,053	43,053	9,207	67,469	(23,923)	87	327,230	
Cash, period start		-	53,400	110,405	137,752	187,780	237,809	188,286	231,339	274,392	283,598	351,067	327,143	-	
Cash, period end		53,400	110,405	137,752	187,780	237,809	188,286	231,339	274,392	283,598	351,067	327,143	327,230	327,230	