Diesel repair shop Startup: A Real-World Sample Business Plan

TITLE PAGE

DieselTech Pro LLC (Texas LLC). Founded March 15, 2024. Fort Worth, TX. Marcus Reynolds (CEO): 18 years diesel fleet management, ex-Paccar Shop Manager, generated $2.1M annual revenue at prior role. Provides diesel repair to 5-50 truck fleets at $199-$7,500/service, targeting $520,000 Year 1 revenue at 40% gross margin. October 2024.

SECTION 1: EXECUTIVE SUMMARY

North Texas fleets lose $4.7M annually to repair delays (2023 DFW Trucking Survey), with 73% citing "lack of timely service" as top pain point. DieselTech Pro solves this via 24/7 emergency response with GPS-tracked mobile units and guaranteed 4-hour diagnostic turnaround. We charge $225/hour for diagnostics (vs. dealerships' $275) and $599 for comprehensive PMs (vs. $699 at Interstate Fleet Care), capturing value through 10% faster turnaround times and IoT telematics integration.

Our hybrid model generates revenue from walk-in repairs (45% Year 1), fleet contracts (30% by Year 2), and mobile services (15%). Year 1 revenue: $520,000 at 40% gross margin ($208,000). Fixed costs: $788,700 over 3 years. Break-even at $1.97M cumulative revenue (Month 18). Path: Achieve 8 trucks serviced/day by Month 6 (vs. 3 at launch), growing to 14 trucks/day by Month 12.

Seeking $650,000: $400,000 (61.5%) owner equity, $150,000 (23.1%) SBA 7(a) loan (7.5% interest, 10-year term), $100,000 (15.4%) angel investment. Funds deploy to $185,000 facility buildout, $120,000 diagnostic equipment, $95,000 mobile unit. Enables 8% SAM capture ($8.7M SOM) by Month 24, yielding $70,000 net profit in Year 3 (5.8% net margin).

SECTION 2: COMPANY OVERVIEW

Texas LLC formed March 15, 2024. Chose LLC for liability protection and pass-through taxation. Location: 4801 West Loop North, Fort Worth (I-20/I-35 corridor). 12.8M truck crossings annually (TxDOT 2023). 85% owner-operated; 15% angel equity. SBA loan is debt-only with no equity stake.

Marcus Reynolds (CEO): Managed Paccar Houston service center generating $2.1M revenue in 2022 with 42% gross margin. Reduced fleet downtime 31% via predictive maintenance. Angela Chavez (COO): Drove 22% cost savings at Arrow Logistics (150-truck fleet) through route optimization. Carlos Mendez (Lead Tech): Completed 1,200+ engine overhauls at Cummins Dallas (2019-2023).

Date	Milestone	Status	Next Steps
Mar 2024	LLC formation, facility lease signed	Complete	Finalize equipment orders
Apr 2024	SBA loan application submitted	Complete	Secure angel term sheet
May 2024	ShopWare Pro implementation	Complete	Train staff on diagnostic protocols
Jun 2024	Mobile unit lease finalized	Complete	Recruit 2 junior technicians
Jul 2024	Soft launch (owner-operators only)	Pending	Acquire first 3 fleet contracts
Sep 2024	Full launch (B2B focus)	Pending	Hit 5 trucks/day capacity
Dec 2024	Break-even monthly operations	Pending	Expand to 8 trucks/day
Mar 2025	Secure Cummins Authorized Partner status	Pending	Negotiate OEM parts discount

SECTION 3: MARKET ANALYSIS

TAM: $28.4B (U.S. diesel repair, IBISWorld 2024). SAM: $1.1B (Texas, Texas Comptroller 2023). SOM: $8.7M (DFW metroplex fleets with 5-50 trucks). Methodology: Texas SAM = U.S. TAM x (TX commercial vehicle registrations / U.S. total). SOM = SAM x (DFW truck crossings / TX total) x (fleets with 5-50 trucks %). DFW truck crossings: 4.7M annually (TxDOT). Target fleets: 1,062 (85% owner-operators).

Primary customers: Fleets with 5-50 trucks (avg. 12 vehicles), $8,200 annual maintenance spend per truck (ATA 2023). 68% outsource repairs. Budget range: $50,000-$410,000/year. Buying triggers: Breakdowns (62%), PM schedules (28%), compliance deadlines (10%). Decision-makers: Fleet managers (75%), owner-operators (25%).

Market trends: 1) Aging fleets: 34% of Class 8 trucks >7 years old (ATA), driving 22% higher repair frequency. 2) EPA 2027 GHG standards: 40% of fleets require DPF/SCR upgrades by 2026. 3) Freight volume growth: DFW corridor up 8.3% YoY (TxDOT). 4) Technician shortage: 75,000 deficit nationally (BLS), inflating labor costs 6.2% annually.

Segment	Size ($)	Growth Rate	Our Share Target	Rationale
5-20 truck fleets	$4.1M	5.1%	10%	High outsourcing rate (72%); low contract penetration
21-50 truck fleets	$3.3M	4.3%	6%	Require mobile support; 58% use external shops
Owner-operators	$1.0M	3.8%	15%	Price-sensitive; 89% need emergency services
Municipal/construction	$0.3M	2.9%	5%	Long sales cycles; low margin focus

Category	Total Addressable	Serviceable Available	Serviceable Obtainable	Methodology
U.S. Market	$28.4B	N/A	N/A	IBISWorld 2024
Texas Market	N/A	$1.1B	N/A	TX registrations (18.7% of U.S. total)
DFW Fleets (5-50 trucks)	N/A	N/A	$8.7M	TX SAM x (DFW crossings/total TX) x target fleet %

SECTION 4: COMPETITIVE ANALYSIS

Direct competitors: Interstate Fleet Care (Fort Worth) - $3.2M revenue (est.), 12% local market share. Texas Diesel & Brake (Arlington) - $1.1M revenue, limited to brakes. FleetPro Maintenance (Dallas) - $1.8M revenue, no mobile service. Dealerships (Peterbilt/Freightliner) charge $275/hour (22% above us) with 5-day turnaround. National chains hold 38% market share but have 29% customer dissatisfaction (2023 survey).

Competitive advantages: 1) 4-hour diagnostic guarantee: Achieved via IoT telematics pre-screening (cuts diagnosis time 65%). 2) Mobile unit response: 45-minute average arrival (vs. competitors' 2+ hours). 3) Transparent pricing: Digital photo documentation reduces disputes by 78% (pilot data). 4) Fleet contract retention: 90% target via quarterly health reports and dedicated account managers.

Competitor	Revenue Est.	Pricing	Key Strength	Key Weakness	Our Differentiation
Interstate Fleet Care	$3.2M	$275/hr	National parts network	5-day turnaround avg.	4-hour diagnostics; 22% lower labor rate
Texas Diesel & Brake	$1.1M	$240/hr	Local reputation	No engine diagnostics	Full-service capability; IoT integration
FleetPro Maintenance	$1.8M	$250/hr	24/7 desk staff	No mobile service	GPS-tracked mobile units; 45-min response
Peterbilt Dealership	$5.1M	$285/hr	OEM parts warranty	14-day parts backlog	Rockwell parts partnership; 24-hr availability
DIY Shops	$0.4M	$95/hr	Low cost	No major repairs	ASE-certified master techs; warranty coverage

Strengths	Weaknesses	Opportunities	Threats
1. 4-hour diagnostic SLA	1. Limited brand awareness (0% unaided recall)	1. EPA 2027 compliance upgrades ($220/truck avg.)	1. 22% industry technician turnover (BLS)
2. Mobile unit capability	2. No OEM partnerships (yet)	2. DFW freight growth (8.3% YoY)	2. Parts cost inflation (15% annual)

3. 40% gross margin model	3. Single-location risk	3. Telematics integration demand (+37% YoY)	3. New competitor entry (20% probability)
4. Owner-operator relationships	4. $100k working capital buffer	4. SBA loan for expansion (7.5% rate)	4. Recession reducing freight volume (-12% est.)

SECTION 5: PRODUCTS & SERVICES

We deliver 5 core service lines: 1) Preventive Maintenance (PM) with 3 tiers: Level 1 ($199: oil change, fluid top-off), Level 2 ($349: PM + brake inspection), Level 3 ($599: PM + engine diagnostics). 2) Major Repairs: Engine overhaul ($3,200-$7,500), transmission repair ($1,800-$4,200). 3) Emergency Mobile: $275 service call + $225/hr labor. 4) Fleet Contracts: $499/month for 5 trucks (includes quarterly PM, 24/7 support). 5) Value-Adds: Emissions certification ($150), telematics integration (Samsara/Geotab).

Pricing set 10-15% below dealerships based on labor cost analysis: Our $225/hr rate covers $75k base salary + 30% benefits + $15k tool stipend. Dealerships charge $275/hr due to 40% higher overhead. Fleet contracts priced at 8% discount to walk-ins to secure recurring revenue (30% of Year 2 target). COGS maintained at 60% via $85k parts inventory and 30-day net terms with Rockwell.

Tier	Price	Features	Target Customer	Expected % Revenue	Gross Margin
PM Level 1	$199	Oil, fluids, tire inspection	Owner-operators	15%	35%
PM Level 2	$349	Level 1 + brakes, filters	5-20 truck fleets	20%	42%
PM Level 3	$599	Level 2 + engine diagnostics	21-50 truck fleets	25%	48%
Major Repairs	$1,800-$7,500	Engine/transmission/aftertreatments	All segments	25%	38%
Fleet Contracts	$499+/mo	PM, support, 15% repair discount	Fleets >5 trucks	15%	45%

Metric	Value	Calculation/Notes
Price per service (avg.)	$1,083	(8 trucks/day x $1,083) = $8,664 monthly revenue
COGS per service	$650	Parts ($400) + Labor ($250) = $650 (60% of $1,083)
Gross Profit per service	$433	$1,083 - $650 = $433
Gross Margin %	40%	$433 / $1,083 = 40%

CAC	$58.60	$8,500 monthly marketing spend / 145 leads = $58.60
LTV	$2,166	($1,083 monthly revenue x 2 months avg. relationship) = $2,166
LTV:CAC	37:1	$2,166 / $58.60 = 37
Payback Period	0.05 months	$58.60 CAC / ($433 GP per service x 2 services/month) = 0.05 months

SECTION 6: MARKETING & SALES

Go-to-market via digital channels targeting high-intent keywords: "diesel repair near me" (1,900 monthly searches, $2.40 CPC). Google Ads budget: $5,000/month (est. 2,083 clicks). SEO targets 25+ keywords; 6-month timeline to rank top 3 for "Fort Worth truck repair." Direct outreach: 500 fleet managers contacted via email/call (5% response rate). Referral program: $100 credit per fleet referral (22% conversion rate).

Sales cycle: 1) Lead capture (online/phone): 145 leads/month. 2) Free inspection ($150 value): 65% conversion to quote. 3) Digital quote approval: 78% acceptance rate. 4) Service execution: 24-72 hour turnaround. 5) Follow-up: 92% survey completion. Avg. cycle: 4.2 days. Conversion funnel: 145 leads -> 94 quotes -> 73 approvals -> 65 services.

Retention via automated PM reminders (68% redemption rate), "5th PM free" loyalty program (32% participation), and quarterly fleet reports. Target churn: 2.1% monthly (vs. industry 3.5%). Expansion revenue: 15% of fleet clients add services annually (est. $750/truck).

Channel	Monthly Budget	Expected CAC	Expected Leads/Month	Conversion Rate	Expected Customers/Month	ROI
Google Ads	$5,000	$34.01	147	44%	65	1,170%
LinkedIn Ads	$1,500	$75.00	20	35%	7	473%
Referral Program	$1,000	$45.45	22	50%	11	1,900%
Truck Stop Flyers	$500	$25.00	20	25%	5	1,632%
CDL Job Fairs	$500	$100.00	5	40%	2	330%

Month	Google Ads	Social Media	Content/SEO	Events	Other	Total	Expected Leads	Expected Customers
1	$5,000	$1,500	$500	$500	$0	$7,500	114	50
2	$5,000	$1,500	$500	$500	$0	$7,500	120	53
3	$5,000	$1,500	$500	$500	$0	$7,500	126	56
4	$5,000	$1,500	$500	$500	$0	$7,500	132	58
5	$5,000	$1,500	$500	$500	$0	$7,500	139	61
6	$5,000	$1,500	$500	$500	$0	$7,500	146	64
7	$5,000	$1,500	$500	$500	$0	$7,500	153	68
8	$5,000	$1,500	$500	$500	$0	$7,500	161	71
9	$5,000	$1,500	$500	$500	$0	$7,500	169	75
10	$5,000	$1,500	$500	$500	$0	$7,500	178	78
11	$5,000	$1,500	$500	$500	$0	$7,500	187	82
12	$5,000	$1,500	$500	$500	$0	$7,500	196	86

SECTION 7: OPERATIONS

Daily workflow: 6:00 AM check-in via ShopWare Pro tablets. Vehicles logged into system with VIN scan. Real-time SMS updates during service. E-signature approvals within 15 minutes avg. Payment processed via QuickBooks (95% credit card). Capacity: 5 bays handle 10 trucks/day (8 operational hours). Mobile unit covers 50-mile radius; 45-min avg. response time. Peak throughput: 14 trucks/day by Month 12.

Key vendors: Rockwell Diesel Supply (parts, $18,000/month, net-30 terms). Texas Fluid Systems (coolants, $1,200/month). O'Reilly Commercial (backup, spot pricing). Mobile unit: Ford F-550 leased at $1,450/month. Technology stack chosen for automotive-specific functionality and API integrations.

Vendor/Supplier	Service	Monthly Cost	Contract Terms	Backup Option
Rockwell Diesel Supply	Parts inventory	$18,000	Net-30; 2% discount for early pay	NAPA Commercial
Texas Fluid Systems	Coolants/lubricants	$1,200	Monthly invoice	Valvoline Commercial
Rockwell Leasing	Mobile unit	$1,450	24-month lease	Ryder Commercial
City of Fort Worth	Commercial waste	$420	Annual contract	Waste Management
TCEQ	Hazardous waste disposal	$380	Per-shipment billing	Stericycle

Tool	Purpose	Monthly Cost	Users	Alternatives Considered
ShopWare Pro	Shop management	$350	5	Shopmonkey (rejected: $420/month)
QuickBooks Online	Accounting	$125	2	Xero (rejected: integration issues)
Onfleet	Mobile dispatch	$99	2	OnRoad (rejected: $149/month)
Samsara	Telematics integration	$75	1	Geotab (rejected: $95/month)
Hootsuite	Social media	$49	1	Buffer (rejected: limited analytics)

SECTION 8: MANAGEMENT TEAM

Organizational structure: Flat hierarchy with CEO/COO direct oversight. Salaries: Lead Tech $75k base + $10k bonus; Junior Tech $55k base. Compensation philosophy: 10% above market median (BLS 2023) with 5% revenue-share after $50k monthly profit. No executives draw salary until Month 6.

Advisory board: David Chen (ex-Paccar Director): 0.5% equity for strategic guidance. Maria Lopez (ATA Compliance Officer): $150/hour consulting. Both signed 12-month agreements.

Month	Role	Salary	Priority	Source	Onboarding Time
1	Office Manager	$42k	High	Indeed	2 weeks
2	Mobile Unit Tech	$58k	High	CDL schools	3 weeks
4	Junior Technician	$55k	Medium	Tarrant College	4 weeks
6	CEO/COO Salary Start	$95k/$85k	High	N/A	N/A
8	Second Junior Tech	$55k	Medium	Referrals	3 weeks

SECTION 9: FINANCIAL PLAN

Key assumptions: 8 trucks serviced Month 1, growing 5% monthly to 14 by Month 12. Avg. revenue per service: $1,083. Monthly churn: 2.1%. COGS: 60% of revenue (parts 37%, labor 23%). Marketing: $7,500/month fixed until Month 7. Payroll: $22,500/month fixed until Month 4. SBA loan payment: $1,875/month starting Month 4.

Revenue model: 45% walk-ins ($490 avg. ticket), 30% fleet contracts ($1,350 avg. monthly revenue per fleet), 15% mobile ($620 avg. ticket), 10% parts sales. Growth drivers: Google Ads (145 leads/month), referral program (22% conversion), fleet contract expansion (15% annual).

Cost structure: Fixed costs 78% of OpEx ($51,265/month: rent $6,200, payroll $22,500, software $650, loan $1,875, insurance $1,500, utilities $2,800, marketing $7,500, mobile $1,200, parts replenishment $7,640). Variable costs 22% ($14,460/month: labor $5,100, parts $9,360).

Funding: $650,000 covers $550,000 startup costs + $100,000 working capital. Provides 12.1 months runway at $54,150 monthly burn (Months 1-3). Funds 8% SAM capture by Month 24 and $70,000 Year 3 net profit.

Ca	Item	Cost	Notes
Facility	Electrical/wiring	$32,000	50-amp service for lifts
Facility	Lift installation (3)	$78,000	12-ton capacity
Facility	Service pits	$25,000	2 bays
Facility	Parts storage	$15,000	Humidity control
Facility	Customer lounge	$10,000	Seating, TV, Wi-Fi
Equipment	Diagnostic scan tools	$42,000	2 sets: Cummins Detroit

Equipment	DPF cleaning machine	$38,000	EMI 2000 model
Equipment	Alignment rack	$25,000	12-month warranty
Equipment	Tool sets	$15,000	3 master tech kits
Mobile Unit	Ford F-550 chassis	$62,000	Lease deposit + mods
Mobile Unit	Lift/tooling	$33,000	Underbo crane
Inventory	Initial parts stock	$85,000	Filters, sensors, fluids
Software	ShopWare Pro setup	$5,000	One-time license
Marketing	Website development	$8,500	SEO-opt
Marketing	Launch campaign	$26,500	Ads, flyers, events
Working Capital	3-month OpEx reserve	$100,000	$33,333/ x 3
Contingency (10%)	Unplanned costs	$55,000	Applied to total

	Total	**$650,000**	

Category	Ty	Monthly Cost	Annual Cost	Notes
Rent	Fixed	$6,200	$74,400	8,500 sq. ft. warehous
Payroll	Fixed	$22,500	$270,000	3 FT techs, 1 office, 1 mobile
Benefits	Fixed	$6,750	$81,000	30% of payroll
Insurance	Fixed	$1,500	$18,000	Liability, property, workers' comp
Software	Fixed	$650	$7,800	ShopWar QuickBoo Onfleet
Utilities	Fixed	$2,800	$33,600	Electricity water, internet
Marketing	Fixed	$7,500	$90,000	Google Ads, referrals, events
Loan Payment	Fixed	$1,875	$22,500	SBA 7(a) at 7.5%
Mobile Unit	Fixed	$1,200	$14,400	Fuel, maintena lease
Parts Replenishment	Variable	$18,000	$216,000	37% of revenue

Labor Overtime	Variable	$5,100	$61,200	23% of revenue
Supplies	Variable	$1,200	$14,400	Shop consuma
Fixed Total		**$51,265**	**$615,180**	
Variable Total		**$24,400**	**$292,800**	
Combined Total		**$75,665**	**$907,980**	

Line Item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Year 1 Total
Revenue	$8,664	$9,097	$9,552	$10,030	$10,531	$11,058	$11,611	$12,192	$12,801	$13,441	$14,113	$14,819	$137,819
COGS	$5,198	$5,458	$5,731	$6,018	$6,319	$6,635	$6,967	$7,315	$7,681	$8,065	$8,468	$8,891	$82,691
Gross Profit	$3,466	$3,639	$3,821	$4,012	$4,212	$4,423	$4,644	$4,877	$5,120	$5,376	$5,645	$5,928	$55,128
Marketing	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$7,500	$90,000
Salaries	$0	$0	$0	$22,500	$22,500	$22,500	$22,500	$22,500	$22,500	$22,500	$22,500	$22,500	$180,000
Rent	$6,200	$6,200	$6,200	$6,200	$6,200	$6,200	$6,200	$6,200	$6,200	$6,200	$6,200	$6,200	$74,400
Software	$650	$650	$650	$650	$650	$650	$650	$650	$650	$650	$650	$650	$7,800
Insurance	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$18,000
Other OpEx	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$48,000
Total OpEx	$19,850	$19,850	$19,850	$42,350	$42,350	$42,350	$42,350	$42,350	$42,350	$42,350	$42,350	$42,350	$418,200
EBITDA	-$16,384	-$16,211	-$16,029	-$38,338	-$38,138	-$37,927	-$37,706	-$37,473	-$37,230	-$36,974	-$36,705	-$36,422	-$363,072
Depreciation	$4,583	$4,583	$4,583	$4,583	$4,583	$4,583	$4,583	$4,583	$4,583	$4,583	$4,583	$4,583	$55,000
EBIT	-$20,967	-$20,794	-$20,612	-$42,921	-$42,721	-$42,510	-$42,289	-$42,056	-$41,813	-$41,557	-$41,288	-$41,005	-$418,072
Interest	$0	$0	$0	$938	$938	$938	$938	$938	$938	$938	$938	$938	$11,250
Taxes (25%)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Income	-$20,967	-$20,794	-$20,612	-$43,859	-$43,659	-$43,448	-$43,227	-$42,994	-$42,751	-$42,495	-$42,226	-$41,943	-$429,322

Line Item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12

Beginning Cash	$100,000	$79,033	$58,239	$37,627	$2,002	-$39,020	-$81,110	-$123,955	-$166,502	-$208,597	-$250,136	-$291,023
Cash In (Revenue)	$8,664	$9,097	$9,552	$10,030	$10,531	$11,058	$11,611	$12,192	$12,801	$13,441	$14,113	$14,819
Cash In (Funding)	$550,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Cash In	$558,664	$9,097	$9,552	$10,030	$10,531	$11,058	$11,611	$12,192	$12,801	$13,441	$14,113	$14,819
Cash Out (COGS)	$5,198	$5,458	$5,731	$6,018	$6,319	$6,635	$6,967	$7,315	$7,681	$8,065	$8,468	$8,891
Cash Out (OpEx)	$19,850	$19,850	$19,850	$42,350	$42,350	$42,350	$42,350	$42,350	$42,350	$42,350	$42,350	$42,350
Cash Out (CapEx)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cash Out (Debt)	$0	$0	$0	$1,875	$1,875	$1,875	$1,875	$1,875	$1,875	$1,875	$1,875	$1,875
Total Cash Out	$25,048	$25,308	$25,581	$50,243	$50,544	$50,860	$51,192	$51,540	$51,906	$52,290	$52,693	$53,116
Net Cash Flow	$533,616	-$16,211	-$16,029	-$40,213	-$40,013	-$39,802	-$39,581	-$39,348	-$39,105	-$38,849	-$38,580	-$38,297
Ending Cash	$79,033	$58,239	$37,627	$2,002	-$39,020	-$81,110	-$123,955	-$166,502	-$208,597	-$250,136	-$291,023	-$330,236

Metric	Y1	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4	Y3 Q1	Y3 Q2	Y3 Q3	Y3 Q4	Y3 Total
Revenue	$520,000	$245,000	$265,000	$285,000	$305,000	$335,000	$360,000	$385,000	$420,000	$1,500,000
COGS	$312,000	$147,000	$159,000	$171,000	$183,000	$201,000	$216,000	$231,000	$252,000	$900,000
Gross Profit	$208,000	$98,000	$106,000	$114,000	$122,000	$134,000	$144,000	$154,000	$168,000	$600,000
OpEx	$195,000	$82,000	$85,000	$88,000	$91,000	$97,000	$101,000	$105,000	$107,000	$410,000
EBITDA	$13,000	$16,000	$21,000	$26,000	$31,000	$37,000	$43,000	$49,000	$61,000	$190,000
Net Income	$13,000	$10,000	$15,000	$20,000	$25,000	$31,000	$37,000	$43,000	$55,000	$204,000
Ending Cash	$100,000	$125,000	$160,000	$200,000	$245,000	$300,000	$360,000	$425,000	$500,000	$500,000

Metric	Value	Calculation

Monthly Fixed Costs	$51,265	From OpEx table
Variable Cost per Service	$650	COGS breakdown
Price per Service	$1,083	Average ticket
Contribution Margin per Unit	$433	$1,083 - $650 = $433
Contribution Margin %	40%	$433 / $1,083 = 40%
Break-Even Units per Month	118	$51,265 / $433 = 118.4
Break-Even Revenue per Month	$127,230	118 units x $1,083 = $127,230
Expected Break-Even Month	Month 18	Q3 2025 per projections
Safety Margin	15.2%	(146 units Month 18 - 118) / 146 = 19.2%

Metric	**Y1**	**Y2**	**Y3**	**Industry Benchmark**
Gross Margin %	40.0%	40.0%	40.0%	38-42% (IBISWorld)
Operating Margin %	2.5%	7.4%	13.7%	5-8%
Net Profit Margin %	2.5%	4.6%	13.6%	4-7%
Current Ratio	1.8	2.3	3.1	1.5+
Quick Ratio	1.2	1.7	2.5	1.0+
CAC Payback Period	0.05 months	0.04 months	0.03 months	3-6 months
LTV:CAC Ratio	37:1	45:1	52:1	3:1+
Monthly Burn Rate (Y1)	$54,150	N/A	N/A	N/A

Runway (months)	12.1	N/A	N/A	N/A

SECTION 10: RISK ANALYSIS

Top risks: 1) Technician turnover (probability 4/5, impact 5/5): Industry average 22% annual turnover costs $15k/replacement. 2) Parts cost inflation (probability 4/5, impact 4/5): 15% annual inflation erodes margins if unaddressed. 3) Economic downturn (probability 3/5, impact 4/5): 12% freight volume drop reduces repair demand. 4) Regulatory changes (probability 2/5, impact 5/5): EPA compliance costs $25k for new equipment.

Mitigation: 1) Turnover: $5k signing bonuses + ASE certification support (reduces turnover to 12%). 2) Inflation: Diversify suppliers; pass 50% of cost increases to customers. 3) Downturn: Focus on essential PMs (72% of fleet budgets). 4) Regulations: Allocate $10k/year for compliance updates; join Texas Trucking Association for alerts.

Risk	Probability	Impact	Risk Score	Mitigation Strategy	Contingency Plan	Owner
Technician turnover	4	5	20	$5k signing bonus; $2k/year ASE support	Shift to part-time staffing; use Tarrant College pipeline	COO
Parts cost inflation	4	4	16	Diversify to NAPA; 60-day inventory buffer	Pass 50% cost increase; reduce mobile unit usage	CEO
Slow-paying clients	3	4	12	50% deposit for repairs >$1,000	Factor receivables at 3% discount	COO
Mobile unit downtime	3	3	9	Annual maintenance contract ($3,600)	Partner with Ryder for backup units	Lead Tech
Google Ads CPC increase	4	3	12	Shift to LinkedIn; optimize landing pages	Double referral program budget	Marketing Lead
Equipment failure	2	5	10	$25k emergency reserve fund	Use competitor facilities at cost-plus	CEO
Cybersecurity breach	2	4	8	Encrypted cloud backups; employee training	Engage CyberScout ($15k retainer)	IT Lead
Economic downturn	3	4	12	Focus on PM contracts (recession-resilient)	Secure SBA EIDL backup line ($50k)	CEO

SECTION 11: IMPLEMENTATION TIMELINE

First 12 months prioritize customer acquisition and operational efficiency. Critical path: Achieve 8 trucks/day by Month 6 (requires 73% quote conversion rate) and Cummins partnership by Month 9. Dependencies: SBA loan approval (Month 3) for equipment purchase; mobile unit deployment (Month 4) for emergency response. Key metric: Reduce diagnostic time to 4 hours by Month 5.

Month	Milestone	Deliverables	Resources Needed	Success Metric	Owner
1	Facility buildout complete	5 bays operational; parts room stocked	$185k buildout budget	Pass TCEQ inspection	CEO
2	Staff hiring complete	3 FT techs, 1 office, 1 mobile hired	$25k recruitment budget	All roles filled	COO
3	SBA loan funding secured	$150k deposited	Loan docs package	Loan approved	CEO
4	Mobile unit deployed	Unit operational; 50-mile radius coverage	$95k equipment budget	First emergency call completed	Lead Tech
5	5 trucks/day capacity	8-hour throughput achieved	ShopWare workflow optimization	95% on-time completion	COO
6	First fleet contract signed	3-month PM agreement	Sales team training	$1,500 monthly revenue	Sales Lead
7	Break-even monthly operations	Gross profit > fixed costs	Marketing funnel optimization	$127,230 revenue	COO
8	Telematics integration live	Samsara data syncing to ShopWare	$2k API development	5 fleets using dashboard	IT Lead
9	Cummins partnership secured	Authorized Repair status	$10k certification fees	15% parts discount	CEO
10	90% customer retention rate	Quarterly fleet reports implemented	CRM automation setup	<2.1% monthly churn	COO
11	8 trucks/day sustained	146 services monthly	Staff overtime management	100% capacity utilization	Lead Tech

12	Year 1 financial close	Audit-ready books	Accountant fees ($3k)	$520k revenue achieved	CEO

SECTION 12: APPENDIX

Supporting documents available: TCEQ compliance permits, SBA loan term sheet, Rockwell supplier agreement, ShopWare Pro implementation plan. All financial assumptions documented in source files with IBISWorld, ATA, and TxDOT citations. Full technician certification records on file.