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A BROILER POULTRY BUSINESS PLAN

A business plan is a decision making tool that takes the form of a formal document. It states your business goals, why you think you can achieve them, and the lays out of your plan for doing so.

Farm business planning is also a process, not an end product. A business plan is a work in progress, which farm business owners or operators will want to revisit regularly.

Broiler poultry farming business is a very profitable business, and many people are making money all over the world by farming the birds. However, to build a successful, sustainable broiler poultry farming business, you require sufficient knowledge of how to efficiently raise the birds, good management skills, and a good poultry farming business plan.

Broiler chicken farming is a lucrative business, providing income for millions of people, but there are some essential things you need to do before you venture into the business. You have to decide on the size of your poultry farming business project i.e. the number of broiler chickens you want to keep per cycle; location of the poultry farming business e.g. a chicken farm, and your target market. These choices will be affected by the amount of capital you have, and the size of your target market. If you do not have a lot of capital, you can always start small and grow your broiler farming business overtime, remember, Rome was not built in a day. You also need to carry out market research (Who are you going to sell the broiler chickens to? At what price?)

The richest man in the world, Bill Gates, regards poultry farming business as a good, profitable business. He is donating thousands of chickens to as a means of empowering people to earn an income by starting poultry farming businesses. Bill Gates says poultry farming is a good investment which can generate a lot of income for the people.

LAND, HOUSING AND EQUIPMENT

The kind of housing needed and the size of the land will depend on the size of the poultry farming business project. When choosing the location for the poultry farming business, you have to balance the need for proximity to the market, with the cost of land, labor costs, security, and a good water supply.

When planning to construct a broiler chicken house, a site which is well-drained with plenty of natural air movement should be selected. Broiler Chickens cannot adjust well to temperature extremes, so it is very essential that the hens be housed, cared and provided with an environment that will enable them to maintain their thermal balance. we need to reduce temperature fluctuations, and this can be achieved by having the broiler chicken house oriented on an east-west axis to reduce the effect of direct sunlight on the sidewalls during the hottest part of the day. Good temperature control will enhance feed conversion and growth rate, making your poultry farming business more profitable.

Broilers chickens need sufficient space for them to grow well, they should not be crowded, otherwise they may suffocate to death and that will lead to a loss in your poultry farming business. Each broiler chicken requires about 0.1 square meters of floor space which translates to 10 hens per square meter. So the size of the poultry house will depend on the number of birds to be reared. The chicken housing can be barns, chicken runs or hutches, and the cost of construction will depend on the materials used, and the size of the broiler poultry house. We also need poultry farming equipment which includes good chicken feeders, drinkers, lighting system and waste disposal system. The cost of equipment should also be take into account in the broiler poultry business plan.

DAY OLD CHICKS

Purchase day old chicks from a reliable accredited hatchery or company where the parent stocks are well managed. The success of the broiler poultry farming business will partly depend on the type of day old chicks which you buy. Broiler chicks from different hatcheries vary greatly in terms of quality, and thus will be a determining factor in the success of the poultry farming

business venture. We should assess the quality of the chicks by checking whether they are clean, dry, have bright eyes, are active and alert, and should not have any deformity on the body.

Buy stock from accredited hatcheries which have a comprehensive history of vaccination and health management program for the breeding flock. Since we are new to the poultry farming business, we should enquire from other farmers to hear where they buy their chicks from, as they will usually have experience with various hatcheries. When we have purchased the day old chicks, we need transport them carefully to avoid mortality, as the day old chicks are tender and must be handled with care. The costs of the chicks should be properly accounted for in the broiler chicken business plan.

FEED AND NUTRITION

To be profitable in the poultry farming business, you have to minimize the costs and the mortality rate, as well as optimize the target weight of the broiler chickens. Broiler chicken stock feeds are formulated to provide the protein, energy, vitamins and other nutrients essential for health and efficient growth of the birds. Just like with day old chicks, the type of broiler poultry feeds we choose will have a great impact on the profitability of your poultry farming business.

Most broiler chickens are sold to the market when they are six weeks old. Each bird will consume about 4 Kg of feed from 0 to 6 weeks. At this age, they will have an average of 2.2 KG to 2.5 KG. The broiler chickens are given a specific type of feed depending on the stage of production. There are 3 types of broiler poultry feeds, which are Starter feeds, Grower feeds, and Finisher feeds. The chickens also require enough water for efficient growth. We will also need a broiler stress pack/vitamin supplements which can be used to promote growth of commercial broilers and chicks, and also to combat stress during periods of high temperature, after vaccination and as an aid in recovery from disease to boost performance of the stock. All the feed costs would be included in the poultry farming business plan.

MANAGEMENT AND LABOUR FOR BROILER POULTRY BUSINESS

The number of farm workers we need will depend on the size of the poultry farming business project. If we are running a small poultry farm business e.g. 100 birds/cycle, you and your family may be enough to take care of the birds, if we are rearing 2000 birds per cycle, we will need full time employees to manage the poultry farm. There is need for good technical knowledge of broiler poultry farming rearing techniques for success in the business, and good management skills. We plan on rearing 500 birds per cycle.

CAPITAL FOR BROILER POULTRY FARMING BUSINESS

The amount of capital required for the broiler poultry business depends on the scale of the project. We can get a loan from the bank, or funding from investors, to use as capital to start your poultry farming business. If you plan to raise capital from investors and a loan from the bank, you need a good poultry farming business plan. If you don't have access to investors and bank loan, you can use your personal savings and start small, and grow your business overtime. Broiler chickens are very profitable, so if we reinvest the profits we get, we can quickly grow.

MARKET FOR BROILER CHICKENS

The market for broiler chickens is very huge and is ever increasing. The annual global demand of broiler chickens is 90 million tonnes. That's a lot! We can supply the broiler chickens to individual households, butchers, schools, restaurants, companies, supermarkets, organizations, events, abattoirs etc. We can sell the broilers as live birds or we can slaughter and freeze them and sell them as dressed chicken.

USES OF THE BROILER CHICKEN FARMING BUSINESS PLAN

The broiler poultry farming business plan can be used for many purposes including:

- Raising capital from investors/friends/relatives
- Applying for a bank loan
- Start-up guide to launch your broiler production business

- As a project/business proposal
- Assessing profitability of the broiler chicken business
- Finding a business partner
- Assessing the initial start-up costs so that you know how much to save
- Manual for current business owners to help in business and strategy formulation

Financial Potentials of Poultry farm business

- Profit in poultry farm business: Following negotiations, a day old chick will be purchased at N200. In a period of two years, the layer is expected to produce eggs, the company expects to collect an average of 730 eggs from a single layer and would later sell the layer at N900 and the eggs sold at N20 per egg. Hence the company would make a total of N15, 500 from the single layer.
- The company plans to start with 1000 layer chicks and 500 broiler chicks. The broiler will later be sold after four months at N2000 each upon maturity. The company intends to sell all the broilers within a month after maturity and to restock with another 500 day old broiler chick. Therefore after two years the company would have sold about 3500 broilers and to realize a total of N 7,000,000 from broilers only and a total of N15,500,000 from layers. The company expects about 10% lost due to death, hence the company would realize a collective total of N17 ,550,000 after two years of operations with proper management procedure.
- The company is currently seeking for N 2,860,000 to cover the cost of day-old- chicks, materials, equipment and initial working capital of the company .
- The longest lead item is the renting of a warehouse for two years and the equipping of the poultry house since the company intends to practice the industrial systems of production. In essence, operation is expected to start within 20 days of availability of funds.

RECORD KEEPING

Daily records should be kept. These should include space to record mortality, age, feed consumption, water use, vaccination and medication done, daily egg production,

and records of any management or disease problems. These records are very valuable in planning for future poultry projects, disease control programs, and making estimations and forecasts

MEDICATIONS, VACCINATIONS AND BIOSECURITY

There are routine medications and vaccinations that ensure the wellness of the birds to keep them safe from viruses, bacterial infections, pathogens and just in case, they catch an infectious disease. We critically need the advice and consultation of a very good vet doctor.

HOUSING SYSTEM AND POULTRY FARM EQUIPMENT

There are different things you need to consider when building pens for your poultry. These things will inform the kind of housing system you will adopt for raising your healthy chickens. House systems are grouped as an intensive, semi-intensive or extensive system. For new farmers, we have to select a rearing system that suits our purpose/capital available. The extensive and semi-intensive system is majorly adopted by backyard farmers or farmers with access to large acres of lands where the birds can graze freely with good access to forage and sunlight. Poaching is a major disadvantage to this system and large scale farmers cannot win with this method.

In the intensive system, birds are confined to battery cages or deep littered houses where ventilation and illumination must be factored into the construction of the housing system.

The equipment used for rearing poultry is relative to the rearing and housing system adopted. Common equipment used are feeders, drinkers, heaters, brooders, cages, crates, et al with diverse types, brands and specifications all dependent on factors such as capital available, housing and rearing system.

FEEDING AND WATER

This is what is called “the Pareto principle of farming” – 80% of all efforts, resources and time must go into this. We have done all that is necessary to come this far, and this now will become our daily work. We have to ensure your birds always have access to clean water on a daily basis. If they do not see water for an extended period of time their egg production would suffer for a long time which impacts the profitability.

The same goes with feeding, we have to ensure your birds get good access to well-balanced ration feed that suits their production levels

FARM LOCATION

The location says everything about the success of the poultry. Poultry farms are best situated in rural settlements where the cost of land and labour is relatively cheap. However, keep in mind there must be a good transport/road network and access to water. It must also be easily accessible for owners or the poultry farm manager (in other words, the farm should not be too far from whosoever will manage the daily affairs of the poultry. It should be your home away from home.

Guidelines for starting a poultry business

- Learn poultry farming from the nearest poultry farm
- Decide the chicken products to focus on
- Set the location of your poultry farm
- Set up a poultry cage for the birds
- Procure equipment for the poultry farm
- Buy starter chicks from a trusted supplier
- Workers for the poultry
- Feed the chicks properly
- Maintain a proper poultry health management program
- Market and sell your poultry harvests