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DEPARTMENT: NURSING SCIENCE

COURSE CODE: AFE 202

COURSE TITLE: FOOD PRODUCTION AND HEALTH AWARENESS

A BUSINESS PLAN/ FEASIBILITY REPORT FOR CATTLE REARING INVOLVING 1000 COWS (400 MALE AND 600 FEMALE) ACHIEVING AT LEAST 500 – 600 CALVES AFTER 41 WEEKS AT MATTS FARM DELTA STATE, NIGERIA BY MENDEL LIVESTOCK CONSULTANCY FIRM.

CONFIDENTIALITY AGREEMENT

It is agreed to and understood that the below identified discloser of confidential information may provide certain information that is and must be kept confidential. For protection of such information, and preservation of any confidentiality necessary under parent and/or trade secret laws, it is agreed that:

1. The confidential information to be disclosed includes invention descriptions, technical and business information relating to proprietary ideas and inventions, trade secret, ideas, existing and contemplated products and services, research and development, production, cost, profit, finances, and financial projection, customers, marketing, clients, and current or future business plans regardless of whether such information is designated as “Confidential Information” at the time of disclosure.
2. The recipient agrees not to disclose the confidential information obtained from the discloser to anyone unless required to do so by the law.
3. This agreement states the entire agreement between the parties concerning the disclosure of confined information. Any addition or modification of this agreement must be made in writing and signed by the parties.
4. If any of the provisions of this agreement are found to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provisions shall be deemed modified to the limited extent required to permit enforcement of the agreement as a whole.

WHEREFORE, the parties acknowledge that they have read and understood this agreement and voluntarily accept the duties and obligation set forth herein.

Recipient of confidential information:

Name (Print or Type):

Signature:

Date:

Discloser of confidential information:

Name (Print or Type):

Signature:

Date:

 **CONTENTS OF THE BUSINESS PLAN**

1. Executive summary/ brief description of the project
2. Sponsorship, management and technical assistance
3. Market and sales
4. Technical feasibility, resources and environment
5. Government support and regulation
6. Timelines of project
7. Estimated project cost and revenue
8. Funding mechanism
9. Conclusion

**EXECUTIVE SUMMARY/ PROJECT DESCRIPTION**

This business plan examines the feasibility and economic viability of the department of livestock farming involving one thousand cows (400 males and 600 females) achieving 500 – 600 cows in 41weeks.

Matt’s farm is a startup livestock farm that will be involved in supply of quality beef and production of good beef products like corn beef, etc. and its skin for the manufacture of quality leather bags, shoes, belts, etc. Matt’s fam will be established as a limited liability company owned by Matthew Precious, Fegor Martins, Williams Victory and other investors. The farm will be managed and directed by Matthew Precious a veteran in the agricultural industry with 15years work experience.

**SPONSORSHIP**

This project is sponsored by Abugo Matthew, a business tycoon and an engineer at MABSON Company Limited.

**MANAGEMENT**

The management through a democratically elected board of directors at the apex of the organization structure include:

1. Matthew Precious
2. Fegor Martins
3. Helen Matthew
4. Williams Victory
5. Andrew Uzezi

President

Director

Director

Secretary

Director

They are members of the co-operative who have stake in the growth, survival and profitability if the business as well as distinguished agribusiness professionals of proven integrity and vast experience in the project area. The prime objective of the board will be to give strategic directions and policies that will ensure long term success of the organization. The board will ensure the organization comply with all standard set by regulatory authorities. Managing director/ president shall be responsible for the co-ordination of the day-to-day management of the co-operative business. She is accountable to the Board of Directors, she will mobilize organization resources to achieve set goals. She will manage business risk and focus on more funds.

**TECHNICAL ASSISTANCE**

MABSON is a mechanical company that deals with all forms of merchandise including those needed for agribusiness. Matt farm also has a working relationship with Bank of Agriculture (B.O.A). B.O.A has agreed to finance agricultural production in which livestock farming is a major sector, through a loan of 9% interest rate (anchor borrowers’ scheme) giving to the small and medium scale enterprise.

**MARKET AND SALES**

Livestock is a commercial business which helps to maintain part of the economy. It involves beef and leather production. Also, market and sales are important for the business to grow. Market and sales involve selling, advertising and delivering products to people. The following will be used to achieve this:

1. Selling products to traders at the local market.
2. Delivering products to retailers i.e. products sales to supermarkets and restaurants.
3. Products to be marketed and sold to other co-operatives.
4. Other industrial uses:
* Leather: For production of shoes, belts, bags and other leather accessories.

**COMPETITION ANALYSES**

Rearing of cows in the south is very rare and as such, competition in terms of livestock production is very low, meanwhile availability of cow feed will be easily sourced r here in the south.

**TARRIFF AND IMPORT RESTRICTIONS**

Forex restriction on food importation and zero duty on imported agricultural equipment will favor the project under consideration.

**MARKET POTENTIAL**

There is strong demand for livestock produce in the southern region of Nigeria, thereby making it very viable. The state of infrastructure though not perfect still support production and trade within Nigeria.

**PROFITABILITY**

Weather, biological, chemical, physical and environmental factors such as temperature, sunlight, water, air, pests, diseases, price fluctuation could affect yield and profitability. However, technical, scientific and financial based solutions will be employed to hedge against risks and safeguard profit. Vaccination option will be factored in to ensure high productivity.

**TECHNICAL FEASIBILITY**

The project is technically feasible in terms of technology, which involves the use of censors (environmental, acoustic, movement and health status detector), image technology and other mechanical equipment, the process is simple and an experienced agricultural technologist with more than 10years experience is part of our team. The needed equipment for livestock production is readily available and our experts have hand on experience in the usage and maintenance equipment.

On livestock production, we have specialists in cattle nutrition, assisting, quality control, cattle health, sale/marketing, food science, pharmaceutical, genetics, life production management and accounting as a part of our management team.

**GOVERNMENT SUPPORT AND REGULATION**

The project conforms to the production of local agricultural products which is an objective of the government. It also supports foreign exchange and import reduction conservation of government. It creates economic opportunities, market access, improved income for farmers and support food security objective of government. The project will benefit from government intervention fund in the agriculture sector and from the favorable policy of zero duty for agricultural and equipment import. Restriction of forex for all food products will also widen market opportunity.

**PROJECT TIMELINE**

The project will be completed within 2years preferably within August 2020 and August 2022.

**ESTIMATED PROJECT COST AND REVENUE**

 **FIXED COST**

|  |  |  |  |
| --- | --- | --- | --- |
| **ACTIVITY** | **QTY** | **₦** | **K** |
| Land purchase | 20 plots | 500,000,000 | 00 |
| Construction cost  |  | 150,000,000 | 00 |
| Farm equipment  |  | 20,000,000 | 00 |
| Vehicles (trucks and delivery vans) | 3 trucks and 3 vans | 10,000,000 | 00 |
| **Sub total**  |  | 680,000,000 | 00 |

OPERATING COST

|  |  |  |
| --- | --- | --- |
| **WORKING CAPITAL** | **₦** | **K** |
| Cow feeds | 3,000,000 | 00 |
| Cow medication  | 3,000,000 | 00 |
| Phone and utilities (water, gas and electricity) | 900,000 | 00 |
| Cost of insurance | 1,500,000 | 00 |
| Marketing / promotion cost  | 500,000 | 00 |
| Legal licensing | 1,000,000 | 00 |
| Cost of cows | 200,000,000 | 00 |
| Cost of stationary / CCTV installation | 1,500,000 | 00 |
| Wages/ salary (first 3 months) | 3,000,000 | 00 |
| Cost of opening party | 400,000 | 00 |
| Logos and fliers | 25,000 | 00 |
| Cost of hiring business consultants | 150,000 | 00 |
| Miscellaneous | 800,000 | 00 |
| **Sub total** | **215,775,000** | 00 |
| **Total** | **895,775,000** | 00 |

**REVENUE**

|  |  |
| --- | --- |
| **PER SALE****1 cow @ 250,000****1 cow when butchered @ 260,000** |  |
|  |  **₦ K** |
| **Cow revenue per sale after 10 months** | **2,500,000,000 : 00** |
| **Revenue Generated** | **2,500,000,000 : 00** |

**FUNDS MECHANISM**

|  |  |
| --- | --- |
|  |  **₦ K** |
| **Funds from MABSON** | **300,000,000 : 00** |
| **Funds from Helen Matthew** | **250,000,000 : 00** |
| **Cash at hand** | **400,000,000 : 00** |
| **Total**  | **900,000,000 : 00** |

**CONCLUSION**

The project is technically feasible and commercially viable, adds to economic growth, provides job opportunities, and lots more.