**FEASIBILITY REPORT/BUSINESS PLAN**

**FOR**

**THE DEVELOPMENT OF A FIVE PLOT POULTRY FARM WITH A CAPACITY OF 20,000 LAYER BIRDS AT DEBBY FARMS,EGBEDA,LAGOS STATE NIGERIA.**

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**STATEMENT OF PROBLEMS**

We have foreseen some possible risks/problems that our business may face and have carefully provided matching solutions to the risks and problems. They include;

* Personal risks/problems
* Production risks/problems
* Financial risks/problems
1. **Personal Risks**

 Personal risks arise from events affecting the personal lives of the farmer and or his partners which may in turn affect the operation of the business. In this instance, we predict some personal risks such as fire, flood or death. It can also include variation of goals and objectives between partners.

**Control & Management**

* In the first instance of fire, flood and death, the business organization has planned to register all its works to the insurance services, in order to minimize some risks that might be faced in that regard.
* Establishing a common understanding of the business goals among the partners.
1. **Production Risks**

Many factors from both inside & outside of the business environment are likely to put the company and the whole of its productions in risk. Weather, climatic & environmental conditions affect the productivity of poultry farms, they include sunlight, temperature, rainfall, pests & diseases etc.

**Control & Management**

* We intend to raise/breed disease resistant varieties of poultry that can absorb and sustain the shock of infections.
* We intend to implement preventive & control measures of predators and pilferers such as employing security guards.
1. **Financial Risks**

 Most risks that are related to finance result from inadequate cash flow to meet obligations which may in turn cause shutdown of the business. It is also the most important problem which affects more than 80% of farmers globally.

**Control & Management**

* We at DEBBY farms plan to involve ourselves with the different niches of poultry production
* We also plan to only buy the implements that are important & needed.

**EXECUTIVE SUMMARY**

DEBBY farms is focused on both egg and meat production that provides for a large market range. It also produces manure as a by-product. It is based in Lagos city, Egbeda. The founders have noticed the health implications of red meat and are creating a business to meet the increased demand for white meat and eggs. Chickens happen to be a great source of white meat and are also known for egg production.

The persons who have come together to start this business are Alivide Deborah, Opia Sandra, Oloniyo Simi, Inyang Godwin, Sulieman Ayeesha and Babagbemi Dami. Not only are the founders interested in meeting the demand of customers, we also plan to create utmost satisfaction for them. We also want to use this business as a means of creating employment within the community it is based in and to contribute to the economy. We plan on providing products with quality and maintain supply efficiency. Not only do we supply products but we offer services as well. We plan on providing home delivery services to customers who order a certain amount of products, this offer will mostly be geared towards the section of our target market that uses eggs in large quantities like schools, bakeries, restaurants, hotels, catering services and supermarkets.

Investment in this business shall be allocated to the following purposes: buying chickens, buying cage houses, stocking pellets, hiring workers, construction workers, experts and other miscellaneous tasks. Fifty percent gross margin should be expected in the first six months of operations, withholding the chances of any accidental or unexpected incidences and we hope to obtain the breakeven point within two years. We have carefully considered the financial, health and technological risks and have decided to go forward with the risks.

DEBBY farms will measure its success by its ability to achieve the following;

* Becoming the best and most hygienic poultry farm in the town, complying by the National Agency for food & Drugs Administration (NAFDAC).
* Turn in profits from the first six months of operations.
* Maintain 50% gross margin ratio.
* Winning the hearts and tastes of our beloved customers and establishing a brand image of the company through heavy marketing campaigns.

DEBBY farms mission;

 Producing quality products and services are our top priority, to provide investors with opportunities to receive a nice return on investments and high-quality growth. Also to provide customers with quality, fresh and valuable products, to respect all employees and enable everyone to have a say in company affairs

**COMPANY SUMMARY**

**Company Ownership:**

DEBBY farms is owned through a partnership of six people, namely; Alivide Deborah, Opia Sandra, Oloniyo Simi, Inyang Godwin, Sulieman Ayeesha and Babagbemi Dami. It is a partnership in which each person has an equal share in the business and are also equally liable for any business debts and claims.

**Location and facilities:**

At this point in the business, we don’t have an exact point yet but we have narrowed the location down to Egbeda, Lagos State. We are trading from this spot because it is a great place to reach our target market. We think the population base is large enough for our business and it has a stable economic base that promotes a healthy environment for the poultry. Our facilities will include a broiler grow out facility, a layer grow out facility, a hatchery unit and table eggs production unit. The hatchery unit is where the fertile eggs will be incubated to produce day old chicks. The incubation will be done manually. The production cycle will be made up of 50% broilers and 50% layers. It will include the setter incubator and the hatchers incubator. The broilers grow out facility will be a deep litter system and the layer grow out facility will be a battery cage system. Both systems require adequate housing, feeding and drinking equipment. The eggs produced in the table eggs production unit are infertile and the amount produced depends on the layer chickens.

**Contact Information:**

We can be contacted through our email address. We also have a website where we can reach our customers and see their complaints, feedback and recommendations. The website will also be a forum for customers to familiarize themselves with the poultry. All these and the phone numbers of the management team will be distributed in flyers and in other means we market our business.

**STARTUP SUMMARY**

Startup expenses for DEBBY farms include initial insurance payments covering both general liability and product liability, prelaunch marketing to cover flyers, a direct mail campaign and advertisements in local papers, the development of a website for customer interaction, and the normal legal expenses for consultation and permitting. Other current assets include office and store furniture, shelving, computers, communication systems and tools. Long term assets include the computers, printers, delivery van etc.

**UNIQUE SELLING POINTS**

**Project Description**

We offer chicken eggs and chicken meat that will be gotten from layers and broilers to our target market. We take pride in the uncompromising quality of our products. We also offer fertilizer in form of chicken droppings. This is mostly used in vegetable farming and as an ingredient for feed in fish farming. DEBBY farms shall produce high quality, contaminant-free chickens and the freshest eggs to satisfy the taste of our beloved costumers. The products shall be distributed into a number of distributors, supermarkets, public markets, bakeries, restaurants and in the company’s own retail space for easy access for marketing agents and consumers. In brief our products are:

**Main products:**

* Eggs
* Live chickens

**Byproducts:**

* Poultry droppings

**Future products**

We have big plans for the future; we plan on supplying cracked egg shells for some detergent companies for use. These special detergents are used in washing basins and pots. Another thing we have planned for the future is the sale of processed chicken meat.

**Service Description**

We plan on servicing our customers by providing home delivery for customers who are willing to buy at least a certain amount of our products.

**Future services**

In the future we plan on creating a restaurant that has eggs as its main menu. It will be like a breakfast restaurant. In the future, if this business gets large enough, we would also like to build our own bakery. A major ingredient in most baked goods is eggs and we will be funding that through the poultry.

**OPERATIONAL PLAN**

**Production plan**

In our poultry, we are planning to Keep 10,000 chickens for meat and 10,000 chickens for eggs. For the egg production by the 10,000 chickens, each is expected to lay at least one egg per day. For the whole day, 10,000 eggs will be produced. Our production target is to reduce cost of production by at least 20% in the next 3 years.

**MANAGEMENT SUMMARY**

The management team simply consists of the partners of this business. They are; Alivide Deborah, Opia Sandra, Oloniyo Simi, Inyang Godwin, Suliman Ayeesha and Babagbemi Dami.

**ORGANISATIONAL STRUCTURE**

1. Alivide Deborah, Chief executive officer; as the top manager, the CEO, she is typically responsible for the entire operations of the poultry. It is her responsibility to implement decisions and initiatives and to maintain the smooth operation of the poultry, with the assistance of the management team.
2. Opia Sandra, Chief operational officer; as the COO, she looks after issues related to marketing, sales, production and personnel. More hands-on than the CEO, the COO looks after day-to-day activities while providing feedback to the CEO.
3. Oloniyo Simi, Chief Financial officer; also reporting directly to the CEO, she is responsible for analyzing and reviewing financial data, reporting financial performance, preparing budgets and monitoring expenditures and costs. The CFO routinely checks the corporation’s financial health and integrity.
4. Inyang Godwin, Chief Information officer; he reports directly to the CEO and is a more internally oriented person focused on technology needed for running the poultry. He is also in charge of the web designs of the poultry.
5. Sulieman Ayeesha, Chief revenue officer; she is responsible for all revenue generation processes in the organization, and is ultimately responsible for driving better integration between all revenue-related areas.
6. Babagemi Dami, Chief visionary officer; as the CVO, she decides on the general direction of the company, and has a broad and comprehensive knowledge of all matters related to the business of the organization and the vision required to steer its course into the future. The CVO is generally in charge of defining corporate strategies, working plans and often product ideas.

**MARKETING STRATEGY**

DEBBY farms plan to maintain intensive management techniques. A few ideas we plan on setting in motion include:

**Promotional Objectives**

* We plan to implement a regional technique with the business regional newspaper which includes ads and testimonial advertising.
* We plan to increase our reach by developing a website, which will include all information including contact and business enquiries.

**Promotional Strategies**

We plan on using a variety of selling techniques that will allow the poultry to easily focus on buyers within the focus audience. These techniques consist of traditional print ads and ads placed on the internet. Below is information on how the organization plans to promote its solution to the community. DEBBY farms will also use social media techniques. This is very important as many people nowadays are usually online and it is now quite easy to market the company on different platforms such as Whatsapp, Instagram, Twitter, Facebook, etc. We also plan to create awareness by making billboard ads, posters, flyers etc. With time, these avenues will reach far and wide and bring in more clients and customers from far and wide, even on a global scale.

**FINANCIAL PROJECTION**

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| --- | --- | --- | --- |
| **S/N** | **ITEMS** | **NUMBER OF ITEMS** | **ESTIMATED COST IN NAIRA**  |
| **1** | **Land** | **5 Plots** | **2,000,000** |
| **2** | **Building and fencing** | **-** | **1,500,000** |
| **3** | **Water systems** | **1 borehole** | **400,000** |
| **4** | **Lighting systems** | **-** | **300,000** |
| **5** | **Waste disposal systems** | **-** | **200,000** |
| **6** | **Cleaning equipment & tools** | **-** | **200,000** |
| **7** | **Wheel barrows** | **Five** | **50,000** |

|  |  |  |  |
| --- | --- | --- | --- |
| **8** | **Cages, coops, perches & nets** | **-** | **1,500,000** |
| **9** | **Feeders** | **500** | **1,000,000** |
| **10** | **Crates/egg trays** | **-** | **200,000** |
| **11** | **Heaters/Incubators** | **-** | **1,500,000** |
| **12** | **Broiler starters (chicks)** | **1500** | **400,000** |
| **13** | **Starter layers** | **1500** | **500,000** |
| **14** | **Cockerels** | **750** | **300,000** |
| **15** | **Medicine/feed** | **-** | **500,000** |

|  |  |  |  |
| --- | --- | --- | --- |
| **16** | **Workers payment** | **-** | **2,500,000** |
| **17** | **Transport vehicle** | **-** | **2,000,000** |
| **18** | **Maintenance** | **-** | **1,000,000** |
| **19** | **Other expenditure** | **-** | **500,000** |
| **20** | **Miscellaneous** | **-** | **1,000,000** |
| **21** | **Grand Total** | **-** | **17,350,000** |

**CONCLUSION**

From the above business plan, it is clear that investment into DEBBY farms is very viable and feasible. Investment in this business will yield wonderful returns for our investors which will further improve and grow the business into a wider range.