

NAME; FAJANA OREOLUWA FUNMILAYO

DEPARTMENT; NURSING

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A BUSINESS PLAN ON POULRTY PRODUCTION

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INDUSTRY OVERVIEW

The agricultural industry of which poultry farming and egg production is a subset of no doubt among the leading industry in most countries of the world; it is the industry that produces eggs and chicken for the populace.

Because of the significant role the agriculture sector plays, the government of most of countries ensures that they go all the way to subsidize seedlings, fertilizers, and farming implements and machinery for farmers and also encourage entrepreneurs to go into commercial farming (poultry farming inclusive). Poultry farming is a highly thriving and profitable business venture. Aside from the fact that people consume birds and chickens, supply of eggs is also a major source of revenue generation for poultry farmers.

One thing is certain about starting a poultry farming and egg production business, if you are able to conduct your market research and feasibility studies, you are more likely not going to struggle to sell your eggs and chickens because there are always food processing companies and consumers who are ready to buy from you.

EXECUTIVE SUMMARY

BIRDS NEST poultry farm project, will be known for the best poultry products and services. We will provide high quality poultry meat and poultry eggs of different varieties. Birds nest project was set up to promote creation of jobs, women and youth empowerment, economic development and poverty alleviation. It features key stakeholders such as women and children, members and workers of the project, customers, suppliers and the wider community. This project will specialize in the production and sale of eggs and meat. This business plan examines feasibility study on a wide range of poultry products and have carefully studied different business models for this agribusiness, in view of this we have only adapted the best model for not juts our project but also to enable us serve other industries as well. Our handpicked business strategies adequately address the issues of quality as it relates to the genetic makeup of different bird species and hatchery technologies to make sure that only the best and finest bird products are out from our farm.

The identified key segments for the project include, individual and corporate consumer market segments. In terms of similarities, both individual and corporate clients seek the health and taste benefits of eggs. They regard egg as an excellent source of protein, which is at times an alternative to red meat. As for the differences, the quantities required and purchased by corporate clients supersedes that of individuals.

The members of the project have realized that there is great demand for eggs and meat by hotels, restaurants, guest houses, bed and breakfast providers, and other related entities. Birds nest project wishes to exploit the opportunities presented by engaging in the production and sales of eggs and meat. This will be by means of purchasing ready to lay pullets, which shall be kept and nourished on our given land during the productive stage of their lifespan. Also, broilers and cockerels will be red and raised for meat production and the eggs produced by the pullets will be collected, sorted, packaged and thereafter sold and distributed to the target market of the project-which primarily encompasses, small to medium sized hospitality related entities.

The market is composed of both direct and indirect competitors such as farms at close proximity to the project farm and also other poultry farms that supplies to our target market. And in terms of the competitive advantages, the project will focus on having a thorough understanding of the needs of the customers. We will strive to ensure that it has a better understanding of the customer's needs as compared to its direct and indirect competitors. Meeting the expectations of the customers will be a key priority, efficient and effective marketing will be important to drive sales and profits of Birds nest poultry farm project.

It is imperative to note that we cannot achieve such a feat without highly trained and qualified hands on deck.

The proposed project will help provide healthy dieting for our consumers and ultimately create women participatory self-sustaining development at local levels. The project will be a key player in tackling the problem of global food security.

SPONSORSHIP

The project is sponsored by Eliezer investments limited, a limited liability company well versed in land preservation and poultry production.

MANAGEMENT

The company is made up of a strong management team of three committed and dedicated women whose various roles and responsibilities in the marketing, organization and so on. The three members will represent the ownership of the project but specific management functions will be given to each member. The MD/CEO will be in charge of the everyday management of the cooperative business, other members will act like a board

TECHNICAL ASSISTANCE

The company is in conjunction with Farmer's aid and they help with record keeping, provision of equipment and supplies needed, land access and marketing.

MARKET AND SCALES

Generally, the potential market segments for the poultry farming business are as listed below;

Formal market sector;

- Grading and packaging entities
- Wholesalers
- Retailers
- Franchise store
- Processing entities
- Export

Informal market sector

- Hawkers
- Spazas
- Spot hen depot

COMPETITION ANALYSIS

We are fully aware that there are competitions when it comes to selling commercial farm produce all over the globe, which is why we have carried out thorough market research so as to know how to take advantage of the available market in Nigeria and in other parts of the world.

Our competitive advantages are effective and reliable poultry farming and egg production processes that can help us sell our products at competitive prices, good network and excellent relationship management. Another competitive advantage that we are bringing in is the fact that we have healthy relationships with loads of major agricultural merchants in the industry. Lastly, all our members will be taken care of, and their welfare packages will be among the best within

our category, this will enable them to be more than willing to remain in the project and help deliver our set goals and achieve all our business aims and objectives.

TARIFF AND IMPORT RESTRICTION

Forex restriction on eggs and meat importation will favor the project under consideration.

MARKET POTENTIAL

The selection of a lucrative market is imperative to the success of Birds nest poultry farm. Key factors were considered prior to selecting a lucrative market for the project. Naturally, the target market of those who are the end consumer of commercial poultry farm produce and also those who benefits from the business value chain of the poultry farming and egg production is all encompassing.

Every household consumes produce from commercial poultry farms be it chicken or egg. So also almost all hotels and fast restaurants sell chicken and eggs. In essence, a commercial poultry farmer should be able to sell his/her meat and eggs to as many people as possible.

In view of this, we plan to attract consumers of chicken and eggs and this project will strive to secure contracts to supply eggs to our target market on a regular basis.

PROFITABILITY

Poultry farming is a highly thriving and profitable business venture. Aside from the fact that people consume birds and chickens, supply of eggs is a major source of revenue generation for a poultry farmer. Temperature, ventilation rate, genetic strain, lack of proper management, feed, water, disease problem, poor housing and other factors can affect the profitability of poultry

farming. This project will however, employ every possible solution, preventions and corrections to ensure continuous and daily yield of produce.

TECHNICAL FEASIBILITY

The projects (eggs and meat production) are technically feasible. The new developments in technology for poultry farming presents lucrative opportunities for the business to enhance productivity and expand its horizons. The current technologies in poultry industry mostly concern specialized poultry equipment which includes the latest designs from abroad and a small percentage of some locally developed designs. This project is open to benefit from advanced technology in key areas such as production/operations, distribution, marketing and back office support.

Operations can also be simplified and made efficient as a result of advanced technologies on the market; for example, activities such as feeding of the layers/pullets, ventilation, lighting, and room temperature control can be aided by the use of automated technologies.

The project can also render significant improvements to its marketing efforts by making use of technology. This can be by means of having a static or dynamic ecommerce website for the business that could provide marketing literature to clients and also possibly facilitate enquiries and orders for the project.

Environmental impact assessment(EIA)- It will be imperative for an EIA to be conducted. The use of chemicals to prevent and control diseases associated with poultry could impose a negative impact on the environment. The project will take all necessary precautions to ensure that the environment is protected.

Pollution of underground water is a key concern. This project will need to take underground water into consideration by ensuring that all waste resulting from the poultry house is well managed.

GOVERNMENT SUPPORT AND REGULATION

This project conforms with the economic diversification objective of the government. It also supports foreign exchange and import reduction conservation of the government. It creates market access and supports food security objective of government. This project will benefit from government intervention fund in the agricultural sector. Restriction of forex for all food products will also widen market opportunity. The project will help cultivate a working environment that provides a human, sustainable approach to earning a living, and living in our world, for our partners, employees and for our clients.

PROJECT TIMELINE

The project will be completed within 4-6 months, preferably between April and September/November, 2020 because the average egg-laying age is between 4 to 6 weeks. Also, raining season is an advantage for poultry farming.

ESTIMATED PROJECT COSTS AND REVENUE

- *Total fee for incorporating the business-\$750
- * The amount needed to acquire a farm land-\$50,00
- * The amount required for preparing the farm land (poultry fencing) -\$30,300
- * The amount required for the purchase of the first set of chickens-\$10,000
- * The cost for acquiring the required working tools and equipment/machines-\$6,000

* The cost of launching an official website-\$600

* The additional expenditure (business cards and more)-\$2,000

Currency conversion rate; #360.00 to 1USD

FINANCIAL PROJECTION/FUNDING MECHANISM

Eliezer investments LTD will provide 400hectres of farmland for the project. A loan of \$10,000 will be granted by the farmer's savings bank which is in corporation with Eliezer investments.

The project will also try to generate yields. Below are the sources we intend to explore to generate income for Birds nest poultry farm project;

- Raising, processing and marketing chickens on a commercial level
- Table eggs produced by battery chickens
- Hatching eggs
- Specialty eggs
- Table eggs produced by free-range chickens.

CONCLUSION

This project is technically feasible and therefore recommended for funding.

