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MATRIC NO: 18/LAW01/119

COURSE TITLE: FOOD PRODUCTION AND HEALTH AWARENESS

COURSE CODE: AFE 202

QUESTION: PREPARE A BUSINESS PLAN ON A CHOSEN AGRICLTURAL ENTERPRISE FOLLOWING THE GUIDELINE IN THE NOTE.

The Nigerian poultry industry is estimated at ₦80 billion ($600 million) and is comprised of approximately 165 million birds, which produced 650,000 MT of eggs and 290,000 MT of poultry meat in 2013 and in, it has grown tremendously. From a market size perspective, Nigeria’s egg production is the largest in Africa (South Africa is the next largest at 540,000 MT of eggs) and it has the 2nd largest chicken population after South Africa’s 200 million birds.

It is a fact that Nigeria presently consumes 1.5 million MT of frozen chicken annually. As at 2014, the locally produced chicken was estimated at 300,000MT, a capacity utilisation of 46 percent in an industry that currently boasts of a 650,000MT installed capacity. In the same year, 1.2 million MT of frozen chicken, valued at N660 billion (equivalent to $2.75 billion) was imported.

Looking at this statistics, it shows that the demand for poultry product is so high and we are unable to meet demand locally. With the ban on importation of poultry products into the country, a huge market has been created for smart entrepreneurs to tap from this. Due to popular demand from young and aspiring entrepreneurs that have been seriously looking for funds and were asked to submit a business plan, I have decided to create a standard poultry farming business plan that covers rearing and selling of chickens, eggs and poultry waste/fertilizer.

In the poultry business plan, I cover:

1) Table of Contents

2) Executive Summary: The summary includes introduction, products and services description, marketing and sales among others

3) Company Overview: this includes

a. Mission Statement

b. History and Current Status

c. Markets and Products

d. Objectives

e. Keys to success

4) Product or Service description: Where I describe the different poultry products which include chicken, eggs and waste.

5) Industry and Market Analysis

a. Introduction

b. Industry analysis

c. Market analysis

d. Customer analysis

e. Competitor analysis

f. SWOT Analysis

6) Marketing Strategy

a. Target Market Strategy

b. Product/Service Strategy

c. Pricing Strategy

d. Distribution Strategy

e. Advertising and Promotion Strategy

f. Sales Strategy

g. Marketing and saleS Forecasts

7) Operations

a. Operations Strategy

b. Scope of Operations

c. Operating Expenses

8) Development

a. Development Strategy

b. Development Timeline

c. Development Expenses

9) Management

a. Company Organization

b. Management Team

c. Administrative Expenses

10) Summary of Financials

a. Financial Assumptions

b. Financial Forecasts

i. Projected Cash Flow

ii. Income statement

iii. Balance sheet

iv. Profit and loss

v. Profit Margin, chart etc

c. Financial Risks

11) Appendices

Support for Product/Service Description (e.g., diagrams, pictures, etc.)

Financial Statements

· Income Statement [3 years]

· Balance Sheets [3 years]

· Cash Flow Statements [3 years]

· Ratio Analysis [3 years]

· Other supporting financial statement

**EXECUTIVE** **SUMMARY**

Feasibility Study on the establishment of a poultry form is based on the survey made by IJEOMA JOY, and the business with by wholly owned by him. The name of the poultry farm will be name JOY’S FARMSVENTURE and will concentrate on sales of eggs and table meat bird .boilers will supply birds and eggs to different sizes and service restaurant in southwest & Nigeria and our vision is to be one of the known poultry farm product supplier in Nigeria with a mission to raise healthy birds at a very portable venture .From the research that was carried out it was discovered that the demand for eggs and bird meat is not fully satisfied around some areas of (ages, though they are already )existing poultry farms operating around borders of (ages and Ogun state environment, the poultry farm will be sited at (local government area in Ogun state a neighbouring environment to (ago, there are high demand in some part of lfo, Sango and some part of lagos. These legal requirements for the establishment of this venture such as local government revenue) per month and security payment vigilante! per month have been inquired and will be carefully complied with. The venture will help in providence employment to the locals meeting the demand of eggs and making the price affordable in future,

JOY’S FARMSVENTURE intends to develop into other livestock farming structures such , duck, guinea fowl.

**COMPANY** **OVERVIEW**

STRATEMENT AND IMPLEMENTATION SUMMARY OBJECTIVE

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To increase number of our client by 1000 within 3 years of existence

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To evaluate our strategic marketing by every three months

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To keep and maintain hygienic farms for healthy eggs and birds

TACTICS AND STRATEY IMPACTSVONE FARMS

products will be priced at affordable rate. then a mark-up is placed on any of our products, customers will be willing to pay because of the affordable price. The venture to be established is a poultry farm that will concentrate on the production of eggs and sales of broilers, birds because of the fund required the venture will start as a small scale business having the population of three (local government area of (lagos, which are /limosho, gege, are target market. The farm site will be a permanent land and will need necessary equipment for its operation as it is entirely new 'rim to start from the scratch.

OPERATIONAL PLAN

The rim will be a commercial poultry farm2 therefore it will require a full time labour and geared towards productivity on a scale for the sales of egg and sales of broiler birds. For egg production, birds usually start to lay at 345 weeks of age and continue to lay for Twelve months 6weeks on average laying fewer egg as the new mounting period. The typical production cycles last about 37 months 7weeks and involves three district phases as follows8

PHASE 1: Pullets or broilers.

This phrase last from 4 weeks during which small chick’s pullets are raised separately from broilers.

PHASE 2 (GROWERS):

This period concerned is between 8-21 weeks of age. rowers are the future laying birds and the way they grow up will largely determine how well they do in the laying house. Therefore, management during the growing period is very important.

PHASE 3 (LAYERS):

The laying period is taken to have started when the birds reach 5% egg production on a daily basis. The laying period continues until the birds are sold at the end of a laying period of normal length or are force mounted: housing time starts with the beginning of the laying period. The number of birds housed is the number of pullet in the laying house when egg production starts.

MARKET ANALYSIS

Most meals in Nigeria is not complete without poultry output live egg or meat. Nigeria has over 37million growing population that demand for meat or egg on a daily basis. With increasing awareness on health implication of red meat, they are ever increasing demand for white meat and livestock are source of white meat.

MARKETING STRATEY

As we mentioned earlier, resident and families of three local government of Lagos being our target market awareness will be made by means of advertisement. The advertisement will be made on flyers, handbills, and one on one marketing will be done to eateries, restaurants and companies that demand for our product. Our ma1or market aggression will be supplied to local markets makers of Cream, (local restaurants and hotels

**MARKETING**

marketing activities include among other grading $quality, promotions, packaging and value adding these activities are essentials as they will lead to large volume of sales of product $quickly as possible resulting to increase of income

**GRADING**

Eggs should be graded by size and labelled according to it weight. During selection and grading, care must be applied to ensure that weight is uniformed to avoid reflection from customers

BUSINESS EVALUATION OF FARM/FINANCE

This evaluation is based on birds i.e. layers and broilers layers are those birds that lay eggs while broilers don’t lay egg. This evaluation will be based on 6- normal loss i.e. at the process of taking care of the day old chic%s2 it is possible to lose 6- of the birds to sickness. Therefore, if we start with 1000 birds, it is possible for us to lose 50 birds at the process of rearing them. While broilers if we start with 400 birds it is possible for us to loss 20birds to diseases at the process of rearing them.

**LAYERS**

If layers are being rear, it takes 34 weeks to start laying egg, if we start with 1000 birds and we loss 5% of it so we have 950 surviving layer with proper management of feeding and other maintenance of the bird it Is possible to get 90%egg production that is 855 per day and 5989 pieces of egg every week. If we loss 1%of the egg that is 60 pieces every week so we have 5925pieces per weeks. 197 crates of eggs every week and crate of egg is old accordingly to its size. Small size500; medium 600 Big size &700.Assuming we use medium size, that is 600 which result 1855sales of egg every week. After laying eggs for 52 weeks(12months) we dispose the layer and it will be sold at the rate of 700 per layers Therefore, before changing the stock we might have made n6,162,00 from sales of eggs and n665,00from the disposal of old layers making a sum total of n6,827,00for the period of 52weeks (one year)

**BROILERS**

broilers do not lay eggs but grows to table size when they are from 8 weeks old upward. We are to provide for 400 birds of broilers and if we have 380 surviving birds sold at the rate of 1500each, making a total sales of 570,000 for the period of rearing the broilers. ; making it total sales of570,000 x3)1,710,000 for period of 12 months Total Sales expected for 12months.

Layers (6,162,00)

Broilers (1,710,00)

( 7,872,000)

CAPITAL EXPENSES

2plots of land 150,00 300,000

Block2000pcs 110 200,000

Cement 60bags 1800 108,00

Cement carriage 3,000

Woods 151,700

Roofing sheet 126,00

Roofing slate 25,000

Ceiling slate 15,000

Nails 12,000

Net 15 bundles@ 4000 N60,000

Iron door 43,000

= 1,071,200

**SANDS**

Stone Big 2 tipper@25,000 N50,000

Sharp sand (MAYANS) 20,000

Soft Sand 22,000

= **92,000**

**TOOLS**

Day old feeders 30pcs@120 N3,600

Day old drinker 36pcs @200 N3,000

Feeders@ 60PCS N550 N33,000

Drinkers@12PCS N 2500 N30,000

3Shovel Head pan N2,000

Thermometer (digital) N8,000

Scale digital N10,000

geepee Tan 1500litres N23,000

Geepee Tan 500 litres N13,000

Nylon 7 pcs @700 4,900

**WORKMANSHIP**

Carpenter N65,000

bricklayer N80,000

miscellaneous N130,00

= **N275,00**

Business Registration 20,000

**PRODUCTION**

1000pullets @140 N140,000

400 broilers@130 N52,000

= **N192,00 0**

**OPERATIONAL EXPENSES**

Feeds, Vaccines AND upkeeps N1,330,000

Salaries and stationery N240,000

**N1,570,000**

**SUMMARY**

Capital expenses N1,781,700

Operational expenses N1,570,000

TOTAL EXPENSES =  **3,351,700**

**TOTAL SALES FOR PERIOD OF 12 MONTHS**

Layers N6,162,000

Broilers 1,710,000

= N7,872,000

**PROFIT = SALES =EXPENSES**

For layers during egg production, the expenses are half of sales of egg will go in for feeds and other operational expenses. i.e. 6,162,000 divide by 2,

N6,162,000 = N3,081,000

2

For broiler the cost of production till the birds reaches table size before disposition is between N900 to 1000. So therefore let put the bench mark to 1000. If 1140 broiler is sold at the rate of N1500

1,710,000-N 1140,000 =57,000

The profit of layers for the period of 12 months N3,081,000

The profit of broilers for the period of 12 months N 570,000

TOTAL PROFIT = N3,081,000 FOR LAYER

N571,000 FOR BROILERS

= **N3,651,000**

REFERENCES

www. Academia.edu

www. Profitableventure,com