**COURSE: FOOD PRODUCTION AND HEALTH AWARENESS**

**COURSE CODE: AFE 202**

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**ASSIGNMENT TITLE; ASSIGNMENT ON FOOD PRODUCTION AND HEALTH AWARENESS**

**BUSINESS PLAN**

**ON**

**POULTRY FARM**

**BY**

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**1.0** [**EXECUTIVE SUMMARY**](http://www.practicalbusinessideas.com/write-business-plan-executive-summary/)

Table Egg production via the process of raising poultry layer birds from Point Of Lay (POL)  for the purpose of producing table eggs and birds using battery cage. 1,500 POL birds, feeding and medication of the birds and sales of eggs and spent layers produced from them in the first one and half year after construction, increasing the number thereafter 3,000 Birds in the second year utilizing Day Old Chicks, 5, 000 capacity in the third, and 10,000 in the fifth.

In the first year, at peak production, the farm should produce about 30 crates (30 eggs/crates) per day and generate #600, 000 in revenue. Spent layers would be sold at the end of one year of lay and utilized in the purchase of replacement birds.

**1.1 Business Overview**

Egg production is the most popular form of poultry farming because egg consumption cut across wide divide. Poultry production come in different forms ranging from parent stock breeder meat (broiler/production), egg production, Quail production, turkey production, ostrich farming, duck farming, Geese farming and ornamental bird rearing among other.

The [farming business](http://www.practicalbusinessideas.com/agriculture/) could also come in specialization such as brooding, Point of Lay production, liquid egg package, egg trading, cold room marketing, day old chicks, feed milling, birds transportation or egg deport business.

Because of the vastness of this industry, entrepreneurs focus will be on an aspect and with time add other aspect either for vertical or horizontal integration, this industry is still grossly untapped and any part of the industrial possess great potential.  Specialization and continuous improvement on skills is always paramount.

Poultry industry is a multi billion dollars industry:  The major hindrances to the growth of the industry ranges from absence of credit, high interest rate, high cost of maize, unavailable electricity which is important for cold rooms, incubators and operation of automated cages.  Because of the fallow nature of the industry, the prospect is high.

Right now the demand for egg, broiler meat, day old chicks, day old poultry etc remains overwhelmingly high.

**1.2 Description of Business**

Participation in poultry farm business is quite lucrative; especially, the area of eggs production.  The business entails keeping of chicken from (Day old to) fourteen weeks when the growers will be transfer to cages.  The caged birds at the age of 19 – 22 weeks start to lay eggs.  The eggs are packed in crates of 30 packs, transported to the city where they are distributed to customers.

The laying birds by the age of 60 to 75 weeks of laying, are sold out as spent layers for meat.

**1.3 Vision and Mission**

**Vision** - to produce eggs, create employment, and wealth.

**Mission -** build a mechanized poultry farm that is efficient and rewarding.

**1.4 Value Proposition**

Poultry Production for wealth creation and distribution

**1.5 Critical Success factors of the business**

**A. Finance:** Fund will be available as when needed according to plan to avoid creating stress factors which would cost so much in revenue loss. However, personal saving and loan will be cultivated.  
 **B. Expertise:**  The poultry industry is knowledge-based home employment of expertise is imperative.  We shall apply foe consultancy services as it is paramount.  Training and retraining of staff is essential no matter how small the level and acquisition of knowledge of modern trend is a factor to growth.

**C. Housing:** Proper ventilation and spacing is a critical success  factor.  Position your house to give the birds maximum ventilation and reduce heat.  
**D. Biosecurity:**  Disease entrance and spread are as a result of any  form of breach in biosecurity. Foot bath, car bath, prohibition of unauthorized persons etc.  
**E. Water:** Watering and water source is of great importance.  Foul water source or water getting contaminated in poultry house signifies that the farm will fail.  Water should be managed to ensure that clear and clean water is available for bird ad libitum.

**F. Nutrients:** Most farms fail because they wanted to reduce cost of  feed  by compounding farms should only venture into self  compounding on  ground with available experiment.  All nutrients must be readily available in the market to prevent malnutrition.

**G. Sales:** Egg produced must be sold.  Proper marketing with vigorous advertisement will ensure the product is made available to the target market.  
  
**H. Management:** Pilfering shrinkages, indulgence, misappropriation  are few of the several epidemic that constantly plaque poultry in USA, Canada, Australia, the Netherlands and other countries of the world.  Workers steal eggs, birds, feed, money and even drugs if they are not properly monitored. Sales agents and drivers could sell at different prices and report differently. Effective management of this ends are critical factor.

**I. Administration:** At full capacity, Management is separated from administration, when the owner is not directly involved in day to day management.  Absentee farming is hazardous.  Someone with stake in the venture should give quality time to it to survive.

**2.0 BUDGET FOR START UP WITH 1,500 BIRDS**

|  |  |  |
| --- | --- | --- |
| S/N | ITEMS DESCRIPTION | COST |
| 1. | Land | 300, 000 |
| 2. | Poultry House | 500, 000 |
| 3. | Bore hole | 130, 000 |
| 4. | 20 units of Battery cages | 1, 000, 000 |
| 5. | Feed to Laying Birds & Drugs | 380, 000 |
| 6. | Point of Lay Birds | 630, 000 |
| 7. | Utility | 15, 000 |
| 8. | Delivery Van | - |
|  | ***GRAND TOTAL*** | ***2, 955, 000*** |

**2.1 CITY FACILITY REQUIREMENT**

A shop within the town shall serve as the warehouse for feed and as depot for the produced eggs.  Feeds from the company will be truck load.  Sales to other farmers will generate additional income and provide the farm with reduce cost.  When buyers buy from the farm egg outlet, it reduces visitation to farm which has attendant risk of break of security and biosecurity.

Following the completion of physical structures, Semi-automatic battery cages of premium quality will be purchased and installed in for 750 capacity pen. 12 units of 75 birds per unit capacity cages will be utilised to hold at least 1,500 birds.

**3.0      PRODUCTION PROGRAMME**

The Stocking plan involves the purchase of 1,500 Birds as POL which will be placed in the first year. The birds will be purchased at 14 weeks age and hence will take 6 weeks to come to lay. They should peak by age week 30 when they are 17 weeks in the farm and spent by week 70 weeks and thereafter sold as Old Layers.

Within one month, the Spent Layers should have been sold out.  5 to 10% mortality room is allowed

**4.0      QUALITY CONTROL**

Biosecurity measure will be put in place to prevent disease outbreak. Foot bath for visitors and workers will be put in place at the entrances. Every vehicle coming into the facility will also pass through a bath and get sprayed. All quality control standards will be adhered to strictly so as to produce a world class standard.

Animals and materials will be kept away from the poultry pens. Biosecurity training will be mandatory given to attendants and other staff

**4.1    INPUT REQUIREMENT**

The major material inputs required for the success of this proposed project are Point Of Lay, Feed (Grower mash, and Layer mash), various types of medications when needed and vaccinations according to schedules. The current prices and sources of these inputs as stated below are safe, dependable and readily available.

Plan to utilize Vital Feed from UAC plc. With the consumption of 4.5 tons per month of Feed which is the expected requirement for 1,500-capacity poultry, Poultry will be qualified for 9% discount on prices of Feeds from UAC.

**5.0**[**POULTRY MARKETING PLAN**](http://www.practicalbusinessideas.com/poultry-farming-marketing-plan/)

We shall employ a Marketer at full capacity. He would be employed to sell the eggs from one egg deport to another/ through the marketing activities, many clientele base shall be created. These customers will be allocated dates.

They either pick up the eggs from the farm on their dates or have it delivered with the farm van at a price. All customers shall only be given allocation with a confirmation of a bank payment. To expand the clientele base, advert will be placed on different fora online.

**6.0      PROJECTED REVENUE**

The projected revenue from the project is mentioned in the summary. The revenue projection for the first year in lay is in the figure of 3 to 12.million from the sales of eggs and spent layers.

**6.1      CASH FLOW PROJECTION**

The projected cash flow for the Farm could be presented on request. Positive net cash balances are realized at the end of second laying year. From the projection, the farm shows profitability.

**6.2    PROJECTED PROFIT AND LOSS**

There is no reasonable profit visible in the first year of the project due to huge investment cost but subsequent recorded reasonable profits.

**CONCLUSION**

Caramel Poultry Farms shall be a success. Poultry Farming is a highly developed industry. Its efficacy and productivity is a product of bringing together of all the available industrial facilities, this can never be provided enough by just one individual or company, hence, we shall plan to collaborate with investors and experts.

The industry will work effectively as a network with different specialization, bringing in diverse inputs. Also, to avoid overcrowding of ideas and thinning of the limited resources, focus will be on egg production for a long time under the supervision of an experienced consulting firm.