**A Feasibility Study Business Plan on Poultry Farm**

 **Presented by Nduba Jessica.**

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**Course Code: Afe 202**

**Course Title: Food Production and Health Awareness**

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 **Executive Summary/ Project Description**

Feasibility study on the establishments of a poultry farm made by Jessica Evelyn Nduba and the business would be wholly owned by me. The name of the poultry farm will be happy farms and will be concentrating on the sale of eggs and table meat. We will be primarily focused on the poultry production, specifically the broiler meat production which requires about 45 days. We intend to produce 3,000 chickens per 6months. We will also focus on raising the best broilers, producing the healthiest eggs, meat and it’s by products such as intestine, gizzard, liver, feet, and head, with its superior quality, taste and texture.

Due to population and high demand, poultry farming has been popular lucrative business. It requires knowledge and skill in order to succeed. Thus, we take interest, capital, skill and knowledge into consideration. Asides the production of meat and eggs to markets, households and supermarkets, this business will also provide job opportunities for locals.

 **Financial Aspect/** **Funding/ Management**

This business will be funded by my business partner Mrs. Ciarra Nduba and me. It will also be managed by us, with the help of other workers which include sales representative, cashier, farm attendant and other farm workers. We have pulled our resources together to enable that this business develops to our satisfaction.

 **Marketing Aspect**

Happy farms will raise 45 days old broilers chickens with 14lb target weight of 1.8kg each. They become full grown broilers in 45 days. We will produce fresh meat that are cut, cleaned and dressed and also chicken by products.

 We primarily want to supply business such as restaurants, meat shops, food stalls, markets, supermarkets in the Federal Capital Territory.

 **Pricing Strategy**

In order to be competitive and affordable, the products will be sold based on market price in the Federal Capital Territory. The regular and peak season of dressed chicken is 12 months a year due to high demand and population in the Federal Capital Territory of Abuja.

Below is a price list of broiler chicken per kilo:

|  |  |  |
| --- | --- | --- |
|  **Product**  | **Price per kilo regular season** | **Price per kilo peak season** |
| Chicken  | 1,000 | 1,000 |
| Intestines  | 1,300 | 1,300 |
| Liver  | 1,200 | 1,200 |
| Feet  | 800 | 800 |
| Head  | 800 | 800 |
| Neck  | 800 | 800 |
| Gizzard  | 1,500 | 1,500 |

 **Distribution Strategy**

The product will be distributed through delivery. The high demand of chicken meat and its by products in the F.C.T will make the delivery of meat and by products to markets, supermarkets, stalls, restaurants, and meat shops daily affair. There would also be walk in customers who prefer to come and buy directly from the farm by their selves.

Cost of delivery is shown below; this cost is fixed for all districts in the Federal Capital Territory.

 Table 2: cost of delivery

|  |  |
| --- | --- |
|  **Delivery**  |  **Amount** |
| During the week  | 1,000 |
| During weekends  | 1,200 |
| Urgent  | 2,000 |

 **Promotional strategy**

The promotional strategies to be adapted in happy farms are the use of words of mouth, placement of posters, distribution of fliers, television advert placement on selected networks and channels, newspaper advert segment. The fliers will be distributed in each distant and Local government area of the Federal Capital Territory especially public markets, restaurants. Meat shops, supermarkets as well as passersby.

 **Competition Analysis and Market Potential**

Due to the high demand in healthy white meat and protein. There are a lot of poultry farms in Abuja, Federal Capital Territory, and its surrounding states. However, the quality of meat produced by a poultry farm is what keeps it in business. The poultry business is generally very competitive, happy farms, intends to bridge and overcome the competitiveness by producing high quality, healthy meat for the Federal Capital Territory and its surroundings states. The high demand for protein/meat also gives poultry business a strong market potential.

 **Profitability**

Weather, biological, physical and environmental factors such as temperature, water, disease, price fluctuations and other risks can affect profitability. However, technical and scientific solutions will be used to prevent these issues and protect and maximize profit to sustain and maintain the business.

 **Technical Aspect**

Happy farms grows and produces broiler chickens, chickens will be sold in whole while prices will be placed for it’s by products (see pricing strategy in page 3).

We will focus on selling the best dressed chicken and it’s by products with superior taste and texture.

|  |  |
| --- | --- |
|  **Products** |   **Description**  |
| Dressed chicken  | It is a processed chicken. |
| Intestine  | Long tube in the body of a chicken. |
| Liver  | This is the largest organ of the chicken. Internal organ of the chicken. |
| Gizzard  | It is the dark brown, hard part of the chicken. |
| Neck  | The part between the head and the body of the chicken. |
| Feet  | Eaten mostly for its skin and cartilage since it hardly contains meal. |
| Head  | The upper body mostly grilled or boiled. |

 **Location of the Business**

Happy farmsis located at Dawaki, Bwari area council Federal Capital territory, Abuja. Our site has easy access to transportation, electricity. We have a built in water supply system in our farm which helps us maintain cleanliness. We also have enough space in our poultry farm which helps in ventilation for the broilers. We also have good fencing and security system which helps to protect the chicken from harm or theft. We have good lighting, flooring/bedding for our chickens to avoid crack, break or loss of eggs. Our farm is also easy to clean, maintain. We also have good waste disposal unit on our farm to avoid cluttering, piling and awful disposal of dirt and waste product on our farm. We have a standard veterinary unit.

  **Operational Purposes**

The operational processes in our farms are; daily rearing, dressing, and distribution and sale of dressed broiler chickens and its byproducts.

**Rearing;** Involves the growing of broilers from a day old to 45 days. After this period, broilers lay eggs which will be hatched in the hatching unit. Rearing also requires proper vaccination of our broilers, feeding them 3 times a day, giving them water, proper ventilation and care.

**Dressing;** this involves fasting of chicken for six hours, weighing of chicken, bleeding the broiler, scalding under controlled heat of 60Oc, removal of internal organs if necessary, washing and cleaning of products and finally refrigeration.

**Distribution/sale;** this is the aspect of distributing whole chickens or its byproducts to customers or to restaurants, meat shops, supermarkets, grocery stores or homes by means of delivery after an order has been made. A customer can only receive an order after a payment has been made and receipt issued.

Other technical aspects include;

**Temperature;** the broilers temperature is 36.6Oc in 7days. The coop temperature must be 31Oc-35Oc in the first day and lowered by 3Oc at the end of the first week. After, temperature can be maintained at 21Oc-24Oc.

**Vaccination;** the broiler chicken will be vaccinated to prevent them from disease and infection such as New castle. The vaccine is administered on the 7th and 17th day of the chick. The cost of this vaccination per head at the 7th day is 100 naira. Cost of vaccination per head at the 17th day is 100 naira.

**Light;** usually, in the first 3 days the chicks will be given at least 22 hours of light and one hour of darkness each day to allow them adjust to the surroundings after the first 3 days, light is controlled depending on the target weight of the broilers.

**Feeding schedule;** this involves the types of feed given to the broilers at each stage of their growth. Usually, we have suppliers who supply us with;

Chick boosters [0-14days]

Broiler starters [15-28days]

Broiler finishers [29-45days]

Our suppliers are; Konnet Mills Limited, Portharcot.

**Drinking water;** thanks to our inbuilt water supply system. We provide the broilers water numerous times due to hot weather and thirstiness.

**Land, delivery vehicle, building structure;** the owner has an available land and 3 delivery vehicles to be used for the business. The land also has an inbuilt coop division for the broilers at their different ages, in built dressing and cleaning department, meal storage room, waste disposal unit, operating and management office, refrigerating department, the cost of land and building will be discussed later in the plan.

**Equipment and furniture/fixtures;** these include weighing scale, egg crates, hanging feeder, feeder trough, bell drinkers for floor reared broilers, heater, egg handling nests, incubator, coops and cages, knives, shovel spade, chopping boards or slabs, freezers, wheelbarrow, buckets, tub/basin, generator, calculator, stapler, books, pens, computer and receipt machine, CCTV camera.

 **Socio-economic Aspect and Government Regulation**

Our business, happy farms, will always obey all government laws regarding food and its management. Our farm will also promote socio-economic growth by providing jobs and job services to people in our community. We are happy and ready to serve.

 **Financial Aspect, Mainly Cost of Production**

**Capital Expenses (for farm, farm house and farm office environment)**

1 Plot of land at - 500,000

7000 blocks - 300 000

500 bags 0f Cement bags at 2,600 naira each - 1, 300, 000

Woods - 400,000

Nails - 35,000

10 window panes - 50 000

12 doors at 8,000 each - 96, 000

2 toilet seats and sinks - 50 000

Fans and air conditioner for offices - 150 000

Chairs and tables - 85 000

15 nets bundles at 4,000 each - 60,000

4 tipper of sand at 50,000 each - 200,000

Built in water supply system at - 500 000

Miscellaneous - 200 000

Total = 3, 926, 000

  **Feeding Expenses for chicks and broilers**

|  |  |  |
| --- | --- | --- |
|  **Type of feed** |  **Amount per serving** |  **Amount per 800 heads** |
| 12 sacks of chick booster feed per 800 heads. | 3,000 | 36,000 |
| 12 sacks of broiler starters per 800 heads. | 4,000 | 48,000 |
| 12 sacks of broiler finishers per 800 heads. | 4,000 | 48,000 |
|  **Total = 132,000**  |

 **Equipment Expenses**

1 Incubator (300 eggs) - 210,000

 3 freezers - 450, 000

2 Tanks, 23,000 each -86,000

800 pieces of feeders - 80,000

800 pieces of water drinkers -80,000

800 pieces egg crates, 50 naira each - 25,000

800 pieces freezer crates, 50 naira each -25,000

De-feathering machine - 170,000

5 three tire battery cage - 380,000

2 weighing scale at 10,000 each -20,000

Shovels and head pans - 10,000

Nylon bags - 7,000

Computer and receipt machine -400,000

Bowls and basins/ buckets - 30,000

3 thermometers each at 10,000 - 30,000

Total = 2, 003, 000

 **Workmanship for farm house**

Carpenters - 150,000

Engineer - 100,000

Bricklayer - 100,000

0ffice and farm house designers -150 000

Miscellaneous - 100,000

Total = 600,000

 **Production**

Buying a day old chicks at 200 each - 160,000

Business registration - 10, 000

Total = 170, 000

 **Vehicles and Delivery**

1 delivery truck - 2, 500, 000

2 delivery bikes - 700,000

Total = 3, 200, 000

 **Operational Expenses**

Vaccines and upkeeps - 200,000

Repairs - 50,000

Salaries and stationaries - 300,000

Other miscellaneous - 200,000

**Total expenses 750, 000**

**Total expenses involved in startup Happy farms Nigeria = 10, 781, 000 naira**

 **Sales for a Period of 6 months**

Chicken per kilo - 3, 500, 000

Liver - 2, 700, 000

Gizzard - 3, 000, 000

Feet, head, neck - 1, 000, 000

Intestines - 1, 000, 000

**Total = 11, 200,000**

**Profit = sales – expenses**

**11, 200, 000 – 10, 781, 000 = 419 000**

**Profit increases after the first six months. The first six months are the startup phase, usually much profit shouldn’t be expected since we would have to recover most of our expenses. However, after the first six months the farm finances start to expand positively and profitable due to turn over and lesser expenses in farm management.**

**Conclusion**

Even with the many number of poultry business in Abuja. There’s still not enough to satisfy the high demand of white meat and healthy meat. Happy farms is here to create more healthy meat availability and to create more job opportunities, thereby promoting healthy/good living for everyone.