

MATRIC NUMBER: 18/ENG06/036

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COURSE CODE: AFE 202

ASSIGNMENT:

QUESTION:

PREPARE A BUSINESS PLAN ON A CHOSEN AGRICULTURAL ENTERPRISE FOLLOWING THE GUIDELINE IN THE NOTE. SPIRAL BIND AND SUBMIT UPON RESUMPTION. MINIMUM OF FIVE PAGES, TIMES NEW ROMAN SIZE 12 WITH DOUBLE LINE SPACING. SEND THE SOFT COPY TO ME TO VIEW.

Why start a poultry farm?

Poultry farming is a viable business anytime any day; and to be sincere, it is a business I have been considering for some time now.

Factors that make poultry farming a profitable business:

- Food is one of the basic needs of man. Regardless of the economic situation, human beings must feed and since domestic birds are consumable; that makes poultry farming feasible.
- My country Nigeria for instance has a population of over 150million and growing; bearing in mind that a huge population means a huge demand for food (egg and meat).
- With the increased awareness on the health implications of red meat; there is an increased demand for white meat and birds are a source of white meat.

Starting a poultry farming business

The poultry industry is a broad niche. There are many sub-sectors in the poultry industry. When poultry farming is mentioned, a lot of people take that to mean chicken rearing or turkey rearing alone but poultry farming is very wide with different aspects. Below are the niches in the poultry business:

- Egg production (layers breeding)
- Meat production (Broilers breeding)
- Chicken breeding (Hatchery)
- Poultry feed production
- Poultry equipment manufacturing
- Egg and meat processing, packaging and marketing.
- Poultry marketing and consultancy

What type of bird will you be focusing on?

Another important factor to consider is the type of birds you wish to rear. There are several types of birds that you can rear. Poultry farming can further be classified into the types of birds:

- Domestic fowl or chicken(Broilers and layers)
- Turkey
- Guinea fowl
- Pigeon
- Duck
- Goose
- Peacock
- Quail

Start- up capital investment

The poultry farming business capital is dependent on the scale, location of one's farm and the type of management technology used. A small scale farm being run behind one's house may require a

capital of between N500, 000- N1,500,000. A medium scale poultry farm may require a start-up capital of N2,000,000- N5,000,000 and a large scale between N10,000,000 and above.

Poultry location

A good location is vital to the success and profitable to a poultry farm. An ideal poultry farm should be sited where there is a large availability of cheap land and the same time; should be closed to areas with high population density. It is not advisable to site one's poultry farm within a residential area because of the offensive odour it produces. While it is smart to start poultry farm in a place where the odour and noise would not disturb other people, one could also consider the security factor.

Housing one's birds

Poultry housing system determines up to 40% of the rate of success one would achieve in poultry farming. A good housing system is very important for one's poultry farm. The housing system commonly used in poultry farming are:-

- **Extensive system:** Range and fold unit;
- **Semi Intensive system:** Standard semi intensive unit and straw yard;
- **Intensive system:** Deep litter (ii) Wire and slated floor (iii) Straw yard (iv) Battery cage

a. Free Range System: Under free range poultry farming system, chickens are allowed to roam around on their own in search for food. This system cannot be used for commercial poultry farming because of the high level of risks involved.

b. Deep Litter System:- This system involves spreading wood shavings or saw dust on a concrete ground with the chickens placed on the floor and the dust serving as a 'cushion' for them. The dust is changed regularly, either by removing and replacing or by layering.

C. Battery Cage System-: As for the battery cage system, metal cages are constructed inside a building to house the birds. The cages are usually split into different compartments to house small groups of birds. The cages also contain feeding and water troughs as well as laying nests.

There is a very long list of equipment and facilities to put in place in order to fully manage a poultry farm. One would need to construct a house for the birds, provide feeders and drinkers, a good waste disposal system, source of water, lightening and heat, egg crates and storage space for keeping feed and eggs.

Therefore, it is advisable to make a list of all the items needed, find out the prices and compare different prices to further give an idea of the costs of setting up the poultry farm.

The following equipment may be needed for poultry farm and their uses:

- Feeders
- Drinkers
- Perches
- Nests
- Crates
- Lighting system
- Waste disposal system
- Incubator
- Heaters or brooders
- Egg tray
- Cages and coops.

Feeding the birds:-

Feeding is a major aspect of poultry farming. In fact, about 70% of one's expenses would go towards poultry feeding. Therefore, it is imperative to figure out the feeding aspects of business before venturing into it. There are two ways to go about feeding in poultry farming. These include:

- Producing feeds by oneself; and
- Buying already-made poultry feeds.

The former is recommended for large commercial poultry farms, because it helps to save a lot of money on feeding costs. One can easily learn how to make poultry feeds, purchase equipment and start producing feeds for one's farm. One can even make some extra income for oneself by selling to others, but it is important that one gets the right feed formula and ingredients that would enhance the growth of the birds.

Poultry Farm Staffing and Manpower:

Operating a poultry farm is not labour intensive if the use of technology is employed. With respect to staffing, the number of manpower needed is also dependent on the size of the farm. It is advisable to have an administrative officer or manager; who will oversee the day to day running of the business. The manager can also double as accountant to cut down costs.

It is also advisable to have personnel who will reside permanently in the farm to monitor and see to the wellbeing of the birds. The need for security personnel that will monitor the inflow and outflow of people around the farm; and most importantly, guard against theft cannot be overemphasized. Aside the aforementioned, one can add more personnel to suit the business needs.

Accounting-: As mentioned earlier, a lot of poultry farmers take the accounting and record keeping aspects of their business for granted. Poultry farming is just like any other commercial business out there; and to track the performance and productivity, adequate records must be kept.

One does not need to have an accounting background or spend hours on record keeping or accounting for one's farm; just purchase a farm management software, install it on the computer, that will go a long way, as one would be able to know how the business is doing and whether it is growing or not.

Health-: Just like human beings need regular health check-up to stay in good shape, the birds in the farm also need regular check-up. They need proper vaccines and medications to prevent diseases and promote growth. There is need to have a consultant, a veterinary doctor who would be in charge of giving vaccinations and providing proper health care for the birds. Chicks need more care after they hatch especially within their first 3 weeks.

Marketing-: Another factor to give consideration to is the marketing aspect of the poultry business. One has to find a way to reach customers and this would be done by employing the right marketing techniques. Therefore, before starting a poultry business, one should really consider the marketing strategies which would be suitable to break into the market.

Projected return on investment

The incubation period of the domestic fowl is 21 days. One can start selling off the birds as early as 8 – 12 weeks, but full maturity is reached between 20 – 24 weeks. The payback period of a poultry farming business is between 3 – 5 years.

Three Challenges of Starting a Poultry Farming Business:

Poultry farming business is one of the most important and profitable aspect of livestock farming business especially in Nigeria. But like every other business, there are risks and challenges involved. Some of the challenges include:

- Poultry farming has a longer payback period;
- It is Labour intensive; and
- Pests such as rats ants, etc. and predators such as hawks, snakes can cause massive loss.