



AGRIBUSINESS PLAN

BUSINESS NAME- JSACS POULTRY FARM



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EXECUTIVE SUMMARY

JSACS Poultry Farm is a newly established poultry farm dedicated to the production of high quality and affordable poultry Meat and Egg as well as other poultry by-products. It is located in Ikorodu, Lagos, Nigeria. JSACS. We also offer processing services that include KILL-CUT-WRAP-FREEZ (KCWR) services. We produce, process and package to meet standard organization of Nigeria and International standard. We are working hard to becoming a leading producer of poultry products in Ikorodu.

The benefits of our products and services are:

- Our excellent customer service
- Our high quality meat and eggs
- Best possible prices
- We offer KCWF services as well as home delivery for customers who want to buy a minimum amount of product.
- Provision of semi-processed broiler meat of different varieties.

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 business 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 in Nigeria, this industry is still grossly untapped and any part of the industrial possess great potential. Specialization and continuous improvement on skills is always paramount.

BUSINESS DESCRIPTION

JSACS Poultry's plan to participate in chicken egg 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 market where they are distributed to customers. The laying birds by the age of 60 to 70 weeks of laying, are sold out as spent layers for meat.

BUSINESS OBJECTIVES

JSACS Poultry's objectives for the first year of operations are:

- Become selected as the best Poultry in the area by the local community: for reasons such as; adequate waste management/environmental sanitation and of course Top class services and products at affordable prices.
- Turn in profits from the first month of operations.
- Maintain a 65% gross.

KEYS TO SUCCESS

The keys to our success will be:

- Marketing strategy aimed to build solid base of loyal customers, as well as maximizing the sale of high-margin products, such as Meat and Egg.

- Ensuring that all customer's needs are met and satisfied with the purchased products.
- Packaging design that would be both visually attractive to customers and designed for fast and efficient operations.
- Employee training to ensure adequate use of equipment.
- Strict financial control.

PRODUCT DESCRIPTION

We offer chicken eggs and chicken meat that will be gotten from layers and broilers to our target market. We plan to take pride in the uncompromising quality of our products. We also offer fertilizer in the form of chicken manure. This is mostly used in vegetable farming and as an ingredient for feed in fish farming. JSACS poultry shall produce high quality, contaminant-free chickens and the freshest eggs to satisfy the taste of our beloved costumers.

FUTURE PRODUCTS

We have big plans for the future. We plan on supplying cracked eggshells for some detergent companies for use. These special detergents are used in washing basins and pots. Another thing we have planned for the future is the sale of processed chicken meat.

VISION

It is JSACS Poultry's vision to become the leading provider of Poultry Meat and Eggs to the food/catering industry. This would be achieved by providing high quality and sizable eggs, broiler chickens, turkey, etc. while exceeding customer's expectations.

MISSION

Our mission is to build a mechanized poultry that would be rewarding and efficient.

COMPANY SUMMARY

JSACS Poultry is a limited liability corpse L.L.C, sells Poultry meat and eggs which are produced on its 3 plots of land located in Idiroko, Ikorodu. Initially the Idea came as a hobby but now we're looking to take it to a commercial level. It is to be set up as an Intensive housing system. The Major sponsors of this company are Mr. James Ajani and his brother Mr. Joseph Ajani. They both own the company equally (50-50).

MANAGEMENT

The enterprise is owned and managed by Mr. James Ajani and Mr. Joseph Ajani, as well as shareholders who are involved in the growth and profitability of the business.

MARKET AND SALES

We target the locality around us i.e. Ikorodu and look to increase our reach throughout the northeast area of Lagos and eventually the rest of Lagos. Caterers, Hotels, Restaurants etc. are our main targets.

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.

COMPETITION ANALYSIS

Competition is not so keen in the markets, however, it still exists. The reasons are;

- Poultry products are not branded products; hence what usually matters is effective positioning and timing.
- Poultry market is not crowded, it's a seller's market. Most poultry products are sold through informal channels.

COMPETITIVE EDGE

Our strength over competitors is firstly based on the fact that we are not entering this business to make much money. We are entering this industry to solve the present problem that our population is facing. We are here to provide quality affordable chicken products. We saw that some of our competitors are seasonal they only produce their chicken at a given period of time. We won't work like but rather we would always be ready to provide chicken and eggs. We know the importance of our services.

QUALITY CONTROL

Biosecurity measures 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.

PROFITABILITY

Factors such as disease, weather, government policy, price of feed, and cost of veterinary services are some of the factors that can affect the profitability of this business. Economic trends such as demand and supply will determine the sustenance and profitability of the business. Also, inflation rates will affect the way we pay our employees and the price of the product.

SWOT ANALYSIS

SWOT stands for *Strengths, Weaknesses, Opportunities and threats*.

➤ Strengths

- Produce high quality eggs enriched with protein.
- Relatively good infrastructure systems.
- Good marketing system.
- Eggs and chicken are not seasonal products and can be eaten any time of the year.
- In this area, the poultry business hasn't been over-exploited.
- Poultry are environmentally friendly.

➤ Weaknesses

- Capital intensive. Starting a poultry business requires a large capital funding.
- Outbreak of disease can ruin entire business in a go.
- The smell can be quite disturbing.

➤ Opportunities

- Expansion into large scale production of by-products(fertilizer and detergent) Export to neighbouring towns
- A large and successful poultry will ensure food security.

➤ Threats

- More competition
- Avian diseases
- High feed ingredients prices
- Threat of import of frozen chicken

GOVERNMENT SUPPORT AND REGULATION

The project will benefit from government intervention fund in the agriculture sector, government policies concerning inspection by the ministry of health and organizations like NAFDAC.

START-UP SUMMARY

The start-up expenses include:

- Legal expenses for obtaining licenses and permits as well as the accounting services at a total of #200,000.
- Marketing promotion expenses for the grand opening in the amount of #100,000 and as well as flyer printing (2,000 flyers at #5 per copy) for the total amount of #10,000.
- Consultancy fees of #20,000 paid to ABC Poultry Services for the help with setting up the poultry.
- Insurance (general liability, workers' compensation and property casualty) coverage at a total premium of #100,000.
- Land expense - #2,500,000.
- Other start-up expenses #500,000.

The required start-up assets of #10,000,000 include:

- Operating capital in the total amount of #3,000,000 which includes employees and owner's salaries of #1,200,000
- Start-up inventory of #3,662,500, which includes:
 - 250 broilers – #1350(unit price), total – #377,500
 - 200 layers – #1350(unit price), total – #270,000
 - 1 year worth of Feed – #3,015,000
 - Cage house construction – #500,000
- Equipment for the total amount of #6,750,000:
 - Incubation Equipment – #2,500,000
 - Egg handling equipment – # 500,000
 - Egg Candler – #2,500(unit price), total – #50,000
 - Brooder equipment – #1,500,000
 - Feeding equipment – #1,000,000
 - Watering Equipment – #500,000
 - Vaccination equipment – #200,000
 - Miscellaneous equipment – #500,000

Funding for the company comes from two major sources--owners' investments and bank loans. Two major owners, Mr. James Ajani and Mr. Joseph Ajani have contributed 45% of the total capital All other investors have contributed 20%, while the other 35% would be from bank loans.