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**BUSINESS IDEA**

Poultry farming

**PROPOSED BUSINESS NAME**

Sta & co Poultry Farm. (Chicken Meat, Eggs and Chicken Production).

**PROPOSED BUSINESS LOCATION**

Rumubekwe L.G.A Rivers state, Nigeria.

**DATE**

1<sup>st</sup> May, 2020

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## **EXECUTIVE SUMMARY/INTRODUCTION**

Poultry farming in Nigeria is probably one of the most lucrative in the world especially when it is set up and managed properly. This aspect of livestock farming present one of the finest opportunity for us as entrepreneurs to make good money in Nigeria within the shortest period of time possible due to the quick maturity of chickens.

Also the important fact we consider in this business is that food is basic human need and a necessity for human life. In Nigeria we have over 160 million people which you will probably find 100 million consumers in the country who buy poultry product on daily basis.

After conducting an effective external environment evaluation in Rumubekwe and Rivers state, we found out that there are not many poultry farm in the state as supposed to. This increases the cost of sales. Sometimes they find it difficult to meet the consumer's need because of low or poor maturity in the live stocks.

Considering all these factors, this makes our idea viable and feasible. In the same vain, the multifaceted business (poultry production and sell) prepare plans, strategies and financial estimation that shielded the activities of the business from any risk or threat. The business is set to involve the capital investment of about ₦12, 495,000 including the assets, expenditure and other expenses involved in running the business.

## **DESCRIPTION OF THE BUSINESS**

This enterprise is designed to produce poultry products; chicken meat, eggs and other subsidiary products which include; incubation/hatchery, fertilizers for farmers and brooding, young chickens for sale etc. However, the broilers comprise of both fast-grower broilers and cockerels which provide white meat with low fat content which coincide with the high growing need of low-fat white meat as a result of doctor's prescriptions and proscriptions.

### **The Uniqueness of the Product**

Though, the existing poultry product in market do prevail, the products of this industry will be an excellent choice of the consumers due to it;

- i. Un –epileptic, continuous and regular provision which may not be the same with the far away industries that provide the product in a black and white manner i.e. availability of a product today and not the next day
- ii. Maintaining a hygienic ethic ology; the products being flushed now are surely unhygienic and prone to contamination of diseases. But ours will be different in neatness, hygiene and covers all what will be required for public health and hygiene.
- iii. Pricing; the price of our product despite our cost of production will maintain a favorable and simple price to both customers/consumers and the business organization itself.

### **Opportunities;**

The main igniting and fueling element behind the establishment of the competent and prestigious business organization to be are the lucrative opportunities that do prevail in the area, which include;

1. High demands of poultry products; the immediate community and other surrounding communities have a very pressing need of chicken meats and eggs and the existing poultry product supply fail to meet their needs.
2. Land availability and suitable climate; the cost of land in the area is favorable and the condition of moderate rain fall during the rainy season and moderate cold during the winter favors the activities of poultry farming.

3. Rapid growth of population; continually increasing number of teachers (lecturers), student, and all other officials and non-official personnel is a great opportunity that serve as a targeted market that can support the business even in the future.
4. Increased awareness of health implication of real meat; there is high demand of especially white meat due to some health problem pertaining red meat and birds (poultry) are of the sources.

### **Nature of the Industry**

The business we plan; is a type of business that is designed to satisfy the poultry products need of the whole country. But for the early development it will encompasses;

1. The immediate Rumubekwe community; at the initial stage, the focus of this business will center on the meeting the needs of the surrounding population of Rumubekwe and its provinces.
2. Rivers state; after early operation of the business, the whole River state will be next target where the products will be distributed to all corner and cranny of River state, within 3-5 years of establishment.
3. Nigeria; at the tertiary level of development. The enterprise is planned to extend its distributaries to all part of Nigeria and this as planned will be in 5-10 years of establishment.

### **List of Product to be produced**

#### **First Segment Products**

At the first level the business will start by products that include;

- a. Chicken meat
- b. Eggs
- c. Breeding incubated chicken.

After 18 months of commencement, the business will extend its wing to engage in

- a. Eggs and meats processing, packaging and marketing.
- b. Poultry feed production
- c. Poultry equipment manufacturing.

## **Objectives, Target and Goals**

The objectives, targets and goals of this business are;

- i. Income generation and self-reliance for economic independency.
- ii. Provision for decent and healthy poultry products to promote public hygiene.
- iii. To reduce the economic expenditure of the consumers thereby producing poultry products of affordable and favorable price.

## **Vision Statement**

Vision is to be one of the known poultry farm product supplier in Nigeria by capturing the Rumubekwe area first, the Rivers state and extending the distribution of the products to all parts of Nigeria

## **Mission Statement and Purpose**

To establish the ultimate and nationwide poultry farming industry that can solve problem of poultry production meet the need of the society and bring about sustainable development of creating employment opportunities.

## **Equipment and Appliances Involved In the Business**

- i. Feeders
- ii. Drinkers
- iii. Crates
- iv. Lighting system
- v. Brooders
- vi. Cages, coops, perches, nests
- vii. Egg trays
- viii. Buckets
- ix. Brooms
- x. Wheel barrows
- xi. Incubators or hatching boxes.

## **Assets Involved;**

- i. Land
- ii. Fencing material
- iii. Transport vehicle
- iv. Buildings
- v. MD. Office
- vi. Marketing office
- vii. Store.

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#### **MARKET CONSIDERATION**

Any production industry, be it a small or large scale is finally fed-up with the market. Market is a medium that allows the buyers and sellers to interact in order to facilitate exchange, is the target point of any producer.

Our poultry farming is not an exception. Some factors we take into consideration in regard to where we intend to sell our products. The proximity of market, in relation to other factors of production was put in place. The following are factors we consider in relation to the market of our products. Thus;

- i. The location of the business: the business main unit will be located in Rumubekwe. The location significantly makes the business near its first target market. More also, in the future development, the good road network that linked Rumubekwe with other towns and even the state capital will be a good opportunity to be used to reach the second target market and likewise the target/consumers.
- ii. Current and potential demand: the residents of Rumubekwe are in high demand of poultry product especially eggs and meat. In addition the existing restaurants, student centers, tea and bread vendors and drinking joints are also demanding and consuming our products. Furthermore, the rapid increase in the people of the community is a gift that will support the future development of the business.
- iii. Societal characteristics or culture: the religions, the beliefs, the norms and all ethical phenomena of the immediate community, secondary community and the tertiary



community do not prohibit or exempt people from eating poultry products, rather it even encourage-our products to be consumed by all and sundry.

- iv. External economy benefit: since the base of our business is in Agrarian society of Rumubekwe, the excreta of the poultry will serve as a fertilizer to farmers which will generate extra income for the industry, and in reverse the farm produce from farmers can also be used by Sta & co. for the manufacturing of poultry feed.

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### **MANAGEMENT TEAM**

Management team is a team of individuals at highest level of organization management who have the day- to- day responsibilities of managing an industry, company or cooperation. These poultry farm management teams are individuals who are responsible for day- to- day running of the farm which include monitoring the welfare of feeding them and ensuring they are in good health.

The key management team are as follows;

- i. Poultry farm manager (CEO)
- ii. Assistant farm manager
- iii. Poultry stock man
- iv. Poultry finance/account manager
- v. Executive marketing and sales manager
- vi. Production manager
- vii. Part timer workers/cleaners.

### **Responsibilities and Others**

**Poultry farm manager/CEO;** the farm manager is responsible for planning, organizing and managing the activities of the farm.

### **Duties;**

- Planning finance and production to maintain farm process against budgets and parameters.
- Planning activities for trainee staff, mentoring and monitoring them.

**Assistant farm manager;** the assistant farm manager will responsible for the management of the poultry farm. This will means responsibility for health, welfare and the performance of the poultry unit.

**Poultry stock man;** stock man is responsible for supporting the husbandry of the farm's birds. This will include insuring they are fed, watered and locked after feeding in other to meet health and welfare requirement as well as growth targets for birds bred for meat, or egg production for layers.

It is the duty of stock man to ensure the health status of the chickens in other to enhance a good a product.

**Finance/accounting manager;** the account manager; manage the key account head office, on farm and steering communities were required. He develops and implements sales and marketing plans and meet sales target, handle negotiation at higher level with head office and technical nutritionist. The account manager identifies and develops business opportunities in existing channel patents, increase sales in a manner consistent with company policy and goals.

**Executive marketing and sales manager;** the marketing and sales managers manage and assign territory of product line to maximize sales revenue and meet cooperate objectives, review sales progress, develop specific plans activities to ensure revenue growth.

Some duties of the sales manager include

- He is in charge of calling customers.
- Maintenance and extension of sales territory.
- Increasing sales line, image, and building and developing product knowledge.

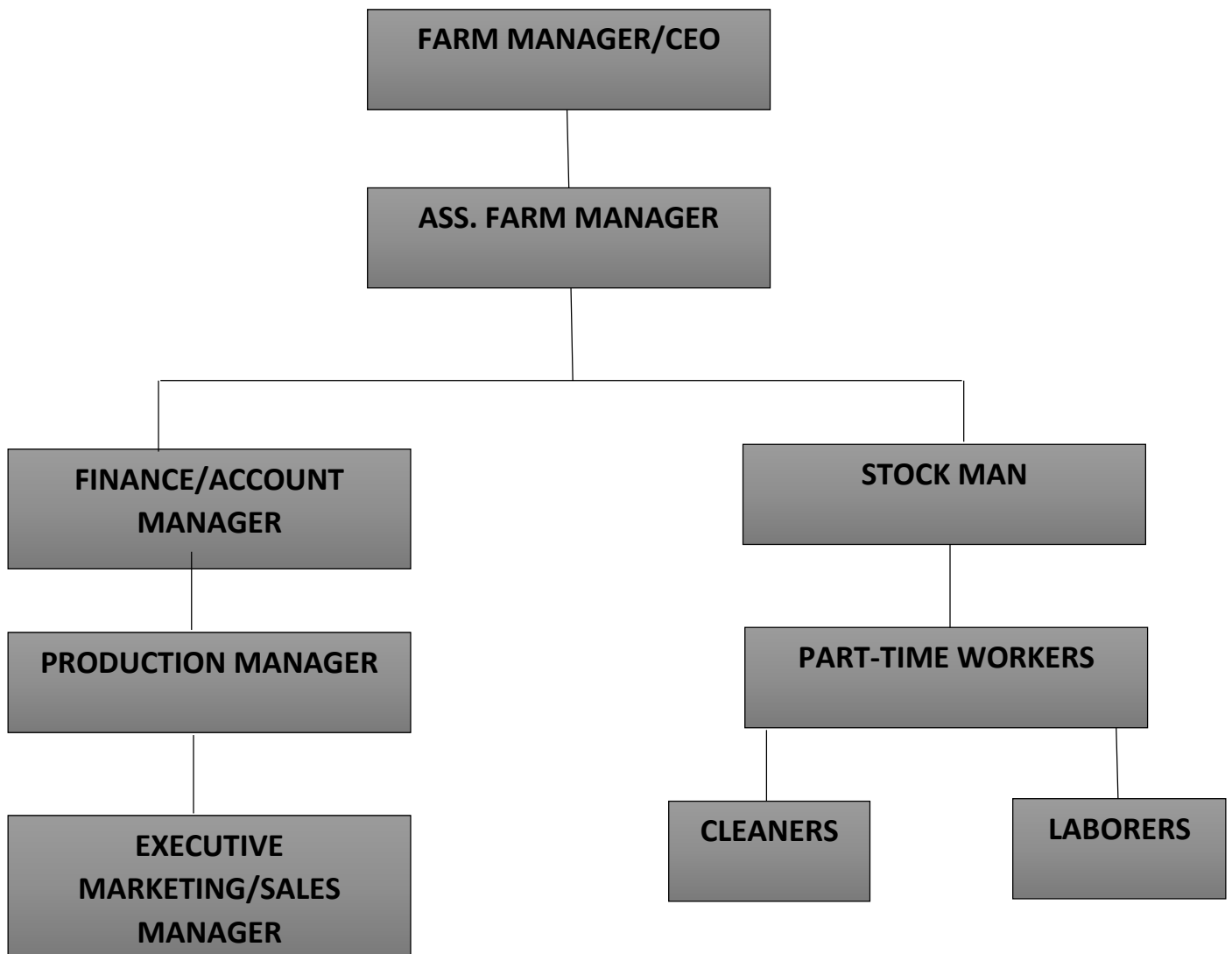
**Production manager;** the production manager is responsible for managing the production, operating to ensure that the achievement of production target within the specialized quality, environmental standard and budget.

- It is his duty to manage the production team.
- Adherence to plan.
- Adherence to site and business protocols.

**Part-time workers/cleaners;** part-time workers are workers who work time to time not regularly. They also take part in cleaning to ensure that the farm is clean and to prevent and check farm products from contacting diseases.

### **Skills and Experience of the Management Team**

The management team will be individuals of high skills due to undergoing training on how to handle the business, to ensure the progress of the business by minimizing cost and maximizing profit. They will be also individuals, who have experience because they may have been engaged in the business several times before they have experience of how to run the business and prevent the farm from uncontrollable factors which may do harm and affect the progress of the business.



## TECHINCAL SPECIFICATIONS AND EXPERIENCES

Poultry farming industry is covered by hazards; risk and disease outbreak which if not handled properly brings dangers and threats to not only the laborers in the industry but to the whole community.

With the high growing danger of bird flu epidemic condition, all over the world and global concern about food related diseases of humans, it is a must to establish a decent poultry farm that will be free from any intimidation to health.

Sta & co. poultry farm has designed some pre-causative strategies that will serve as a shield that prevents or set the farm under the reliable protection against any threat of public health. The key points competently planned are as follows;

- 1) Employing specialized skilled employees
- 2) Good management
- 3) Checking The poultry health status properly and timely
- 4) Proper supply of vaccines and medicines

**Employing Specialized Employees:** The labor force of any business, industry/organization has a great impact on the operations of that very business and it is one of the factors that occur within the organization internal controllable factors.

This great poultry farming industry and business organization has set a plan in which specialized and skilled managers and other workers will be employed.

One of them is Mrs Ruth Fasipe who is a degree holder and studied BSc. Agriculture in RSUST, Choba. Mrs Ruth specifically specialized in poultry farming. Mr Stanley is planned to be head of management team.

Other employees and their specialization details are outlined below;

Mr. Stanley Ginigeme-----degree in veterinary

Mr. Emmanuel David---degree in agricultural management

Mrs Funke Fasipe ----degree in agricultural science (domestic live stock

Miss Cynthia Okafor-----N.C.E

Each of the above including Mrs. Ruth has 2-3 years of cognitive working experience. And they all agreed and accept our invitation to and pledge to work faithfully and excellently.

**Good Management:** Mrs. Ruth can be able to manage or lead the management team to manage the farm well. Because he possessed the skills, knowledge and the working experience of 3 years.

**Checking the Poultry's Health Statuses and Condition properly and timely:** the management team will be inspecting the health status of the poultry at all times since good health of the birds means more profit and fewer losses.

**Proper Supply of Vaccine and Medicine:** vaccine is a preventive medicine which stimulates the feathers and other body parts of an animal (bird specifically) which can promote the immune and resistance system to protect against a particular disease or parasite.

In this business, lives vaccine –usually given in the drinking water. By aerosol spray or injection and inactivated vaccines-usually giving by uninterrupted given to the birds by the specialized workers in charge.

Other antibiotics or synthetic chemicals are given in water or feed. Medicines will be administered accordingly if it happens to be an outbreak of disease.

The order of the vaccines and medicines will be in anticipation to be catastrophe.

Moreover, the medicines to be ordered must come with detailed manufacturers instruction and how to use them.

Extensive test will be performed to make sure that no harmful residues' of the medicine remain in the poultry meat or eggs-Mel-maximum residue limit must be calculated in order to guarantee the withdrawal period for each product.

In the slaughter house, the inspectors will examine all chickens intended for human consumption for evidence of disease or injury.

## MARKETING PLAN

The poultry farms average client will be a slaughterhouse, farmers market, or chicken distributor in the business' focus audience.

### **Marketing Promotion Plan**

The poultry village plans to maintain intensive technique. Below is an overview of the marketing techniques and goals of the company.

### **Promotion Objectives**

We plan to establish connections with vets, regional plants and chicken supplies throughout the focus audience.

- ✓ Implement a regional technique with the business regional newspaper ads, and testimonials advertising.
- ✓ Develop an online business by developing a website and placing the business name and get in touch with details with online directories.

### **Promotion Strategies**

We plan on using a variety of selling techniques that will allow the poultry village to easily focus on buyers within the focus audience. These techniques consist of traditional print ads and ads placed on Google on the internet. Below is information on how the organization plans to promote its solution to the community. The poultry village will also use online techniques. This is very important as many people looking for regional solutions such as chicken plants for the internet to conduct their initial searches. We will register the poultry village with online portals so that prospective client can easily reach the organization. The company will also create its own website show casing, the service, it inventory of poultry, initial costs details, and get in touch with details. Finally we will create ongoing recommendation connections with vets that regularly work with owners of farmers of poultry. As time advance, these of recommendation connections will become a valuable source of income for the organization.

## **RISK MANAGEMENT AND CONTROL**

Poultry farming is surrounded by risks all over which affect both small and large scale operators.

Along this line, we have foreseen, forecast and predict some possibly occurring risk that our business and or industry may face and we carefully provide matching solutions to the risks and dangers.

The risks might include:

- 1) Personal risks.
- 2) Production risk.
- 3) Financial risk.

### **PERSONAL RISKS:**

Personal risks arise from events affecting the personal lives of the farmer and or his partners which may in turn affect the operation of the business.

In this instance we predict some personal risks (catastrophic events) such as fire, flood or death. It can also include variation of goals and objectives between the high desk and the low desk.

### **Control and Management**

- ✓ In the first instance of fire, flood and death the business organization has planned to register all its works to the insurance services, in order to minimize or even obliterate some risks that might be faced in that regard.
- ✓ Establishing a common understanding of the business goals among the partners.

### **PRODUCTION RISK:**

Many factor from outside of the business environment and from inside as in (1) above are likely to put the industry and the whole of its productions in risk. Poultry farming has sensitive risks to weather conditions that are in the farming environment e.g. sunlight, rainfall, humidity, temperature and others can include insects' diseases and pests.

### **Control and Management**

- ✓ We intend to grow disease resistant varieties of poultry that can absorb and sustain the shock of infections

- ✓ We intend to use preventive means of insect and predators control such as nets to protect the chickens.

### **FINANCIAL RISK:**

Most risk that are related to finance result from inadequate cash flow to meet obligations which may in turn cause shut-down of the business. It may be caused by high or mortgage payments and assets or as a result of personal or production problems.

### **Control and Management**

In order not to fall in trap of financial risk, Sta & co. plan the following ways:

- ✓ Diversification of the business: we planned to engage in different niche of poultry farming so as to escape the misfortune. When someone have two niche involve, when one collapsed 50% of the business fail, but if you have ten niche involved and one happen to have problem, it will be only 10% that will be affected.
- ✓ Acquiring tools and equipment of simple cost: due to expensiveness of some equipment, the business will center on hiring, renting or even with neighboring farms (if exist)  
Nevertheless, we planned not to tie our capital on equipment that will have a low of usage.
- ✓ We plan not to buy things until when the need arise.
- ✓ Saving in the bank: since keeping money at home or in business place is so risky we plan to equipped our business with banking (e-banking in particular). So also, the profit earned will be saved in the bank where, the interest will be an add-up benefit to our activities.



## FINANCIAL AND ECONOMIC PLAN

### Sources of Capital;

The business will source its capital through;

- i. Bank loan; the loan will be pursued in the First Bank where the 81% of the capital involved will be secured.
- ii. Contribution from partners; since the business is a group entrepreneurship oriented business; the partners will contribute about 1% of the capital involved.

### Equipment and Assets Management

In order to minimize the risk of damaging and vandalizing the organization owned assets, skills workers are employed and the following measures will be taken;

1. Washing the equipment and other tools regularly especially after use.
2. Storing them in a shady and dry place.
3. Immediate repairing of the spoiled and shaping them worn ones.

### Fiscal Analysis of Equipment, Assets and Management

S/N	ITEMS	NO. OF ITEMS	ESTIMATED COST IN ₦
1	Land	2 plots	1,000,000
2	Building and fencing	-	1,500,000
3	Water sources	1 borehole	350,000
4	Wheel barrows	Five	45,000
5	Lighting system	-	300,000
6	Waste disposal system	-	200,000
7	Cleaning equipment & tools	-	200,00

8	Cages, coops, perches & nets	-	1,500,000
9	Feeders	500	120,000
10	Crates/egg trays	500/50	170,000
11	Heaters/incubators	50/30	600,000
12	Broiler starters (chicks)	1500	375,000
13	Starter layer	1500	375,000
14	Cockerels	750	150,000
15	Medicine/feed	-	350,000
16	Workers payment	-	2,500,000
17	Transport vehicle	-	1,000,000
18	Maintenance	-	1,000,000
19	Other expenditures	-	500,000
20	Risk anticipatory (insurance)	-	260,000
21	Grand Total	-	12, 495,000

## **CONCLUSION**

From the above business plan it is clear that poultry farming is viable and feasible in Rumubekwe, Rivers and even Nigeria at large and it is also beneficial to the whole world at large

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