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BUSINESS PLAN FOR NWONYE POULTRY FARM COMPANY LTD

OUTLINE:

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EXECUTIVE SUMMARY

NWONYE poultry farm is a farm dedicated to the production of poultry meat and eggs. NWONYE Farms will be located outside Abayi in the Eastern region. NWONYE Poultry Farm would work hard to become a leading producer of the local poultry meat and eggs in Nigeria and the West-African countries to naturally supplement the poultry industry to achieve the aim of eradicating hunger in the African continent as well as non-African countries. By well thought our business plan executed by a skilled management team, NWONYE will generate over $250,000 in three year sales.

Keys to success

NWONYE Poultry Farm has identified three keys that will be instrumental in their success. The first key is the implementation of strict financial controls. By having the proper controls, production efficiency will be maximized. The second key will be the never ending pursuit for the industry’s highest concentration levels of the local poultry product. The third key is the recognition and implementation of the philosophy that absolute customer satisfaction is required in order to ensure a profitable business.

Vision statement

 The vision statement of NWONYE Poultry Farm is to ensure the production of good and nutritional eggs, create employment opportunities and create wealth for investors. We also aim to become a leading supplier of poultry, eggs and poultry products in Nigeria and West-African countries, to reach the point of sustainable profitability and to work more efficiently while making a good living.

Mission statement

The mission of this farming business is to build an efficient mechanizes poultry farm that is rewarding at the same time. We are looking at a successful poultry farm that is highly developed and maintained.

It is expected that in the first year of production, the farm should be able to produce about 60 crates of eggs daily and generate more than 1 million as revenue. Spent layers should be sold at the end of the year of laying and the money should be used in getting replacement birds. The business has decided to collaborate with experts and investors because the business involves bringing together all available industrial facilities that a single business might not be able to provide.

GENERAL COMPANY DESCRIPTION

NWONYE Farms, which would be located in Abayi near Osisioma Ngwa, Nigeria, so as to be closer to market centre and to have enough scale of land to establish the farm, is an agro-industrial complex with a highly integrated network of production units. NWONYE Farms which will be in operation coming November, 2020 would have company facilities stretch over 1200 acres on 8 different sites. At the initial stage, NWONYE would operate at Abayi and extend its bounds to other and parts of the country in subsequent years.

PRODUCTS AND SERVICES

NWONYE Poultry Farm would be a 10 acre farm at five different sites with each site constituting about two acres of land that would concentrate on the production of high quality local (indigenous) poultry birds and eggs ( also their meat and other poultry products which would commence at the second phase operation). NWONYE Farm will provide local species of poultry birds that have significant market demand, viability for farming in Nigeria and better taste as well than exotic ones. NWONYE will feature these local poultry birds: chicken, ducks, turkeys and guinea fowls purposely for sale, egg and meat production (and meat products and feather production as well). NWONYE will also serve as a consultancy body that offers technological and technical guidance to local poultry farmers.

Services

NWONYE would offer a range of services to the poultry industry; from consulting advice for those new to the industry, experienced producers upgrading their operation through to advice on free range and organic standards and equipment requirements.

Consultancy

With our team who have the expertise and over twenty years experience in farm management, production strategies, techniques and establishment. NWONYE would be capable to save local companies’ time and money and help set up a profitable enterprise for local farmers. Our experts would offer professional advice to any entrepreneur or any group of people who are looking forward to establishing or expanding a poultry farm, broiler, breeder, organic or free range operation.

Poultry house design

NWONYE would partner some full time poultry farm companies both in Europe and America to be their representative in Nigeria and West-Africa and as a result equipment required for free range and organic operations and would advice you on the best ways to set up your operations for maximum return while adhering to all free range and organic standards. NWONYE would render the services which can help you design the poultry shed that you require to reach your goals. This service includes shed layout with specifications for ventilation systems, feeders, drinkers, controllers, heating and cooling.

MARKETING STRATEGY

NWONYE Poultry Farm will as a marketing strategy employ a marketer at full capacity, the marketer will be employed to sell the eggs produced in the farm from one egg depot to another. Through this marketing activity, many clientele bases will be created. To make the marketing easier and more efficient, we will allocate a date for all our customers so that each customer will be supplied eggs either by picking up the eggs or have it delivered to them at a price. Also, adverts will be placed on several online media which will also serve as a form of marketing.

Competition

There are two types of competitors that NWONYE faces;

Supermarkets/ cold stores: these stores sell all sorts of poultry products to consumers. The advantage of the supermarket is convenience. There are many supermarkets and cold stores around the city and they are open many hours of the day. Also, these poultry products being sold in these stores are mostly imported ones and as result may stand at better pricing scheme than ours but not in terms of quality and health. Their disadvantage is the price and quality. If a cold store or supermarket embarks on selling local poultry meat and eggs, the cost is higher, usually 15% percent more. The quality is somewhat low to the offerings of NWONYE and other similar local farms.

Similar local farmers: these are very similar operations to NWONYE Poultry Farm limited, sometimes larger or smaller. There appears to be room in the market for multiple farmers as most of the farmers sell out their products each day.

BUSINESS REQUIREMENTS

The poultry business will be needing several equipment and tools for the smooth management of the business and they include:

* A shop in town will be needed to serve as the warehouse and egg depot, this helps in reducing the number of people who goes to the farm which in turn reduces the risk of a break of security and bio-security.
* Semi-automatic battery cages of good quality will be purchased and installed for the birds.
* Other equipment needed for the business are feed (grower mash and layer mash), point of lay, different medications and vaccinations.

CASH FLOW ANALYSIS

The market has been surveyed to determine the cash flow level of the industry. This helps in knowing if the poultry business is worthwhile or not. Analysis has shown that positive net cash balances are realized at the end of the second year the chicken farm started and indicates profitability in the industry. Also, it may not be possible to generate a net return in the first year of production due to the large capital requirements but subsequently, the farm would break even, generating significant profit.

FINANCIAL PLAN

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| --- | --- | --- | --- |
| Projected profit and loss | For year 2020 | For year 2021 | For year 2022 |
| revenue | N117.6M | N180.6M | N180.6M |
| Direct costs | N55,440,000 | N56,016,000 | N57,381,660 |
| Operating expenses | N26,553,100 | N27,390,750 | N27,395,000 |
| Operating income | N95,618,900 | N97,208,250 | N96,549,000 |
| Total expenses | N295,2M | N300.2M | N298.7M |
| Net profit | N50,740,852 | N51,821,610 | N51,373,728 |
| Net profit % | 29% | 29% | 28% |