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**QUESTION**

**PREPARE A BUSINESS PLAN ON A CHOSEN AGRICULTURAL ENTERPRISE.**

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**CHAPTER ONE**

**2.1 EXECUTIVE SUMMARY**

**TAMMY’S POULTRY FARM** is a world class and licensed poultry farm and egg production company that is based on the outskirt of River State, Port-Harcourt; Nigeria. We have done our detailed market research and survey and have been able to secure about eight plots of land to start up our poultry farm and egg production business. Our poultry farm is going to be a standard commercial poultry farm therefore, we will be involved in marketing chicken, eggs and livestock feeds. The poultry farming business is wide. People majorly assume the market is all about growing chickens, turkeys, and guinea fowls. Poultry farming covers a lot from: meat production, to egg production, to feed production, to medicinal production, to chicken raising, to equipment production and a lot more

**TAMMY’S POULTRY** is a private registered commercial poultry farm, egg Production Company and sales of livestock feeds. It is single headedly owned by a renowned Mechanical engineer and Agriculturist (Miss) MISS GOODHEAD TAMUNOR IBIGOMIE ISAAC. She is well experienced and qualified to run this type of business.

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

**Objectives**

1. Maintain 100% of existing customer base by consistent customer service.
2. Expand our customer base through direct referrals and agressive direct sales.
3. Expand our product line gradually, based on customer requests.
4. Expand our custom feed mill to meet the growing sales market.
5. Expand the types of services offered to our customers, as their desires are identified.

**2.2 MISSION/VISION**

Our mission is to be pioneers in the poultry industry through the continued development of the level of production and quality by adopting highest levels of quality standards in order to get both our customers satisfaction as well as our employees.

**TAMMY’S POULTRY FARM** would be a registered commercial poultry farm and egg Production Company that is committed to raising chicken, producing eggs and selling livestock feeds for both the Nigeria market as well as the global market.

**Our vision**

* Is to become one of the leading commercial poultry farm and egg production brands all over the globe.
* We want our chickens, eggs, livestock feeds to flood over Nigeria.
* Product freshness and quality.
* Variety and price.
* Constant research of industry to keep knowledgeable of market needs.
* Management: products delivered on time, professional customer service, managing budgets.
* Constant evaluation of strengths and weaknesses with adjustments made as warranted.

**2.3 PURPOSE**

Our purpose is to breed the best chickens which will produce the finest eggs as well as produce the best feeds for livestock. Also to gain fame over the country with our poultry farm thereby attracting customers from every nook and crannies of the country.

**CHAPTER TWO**

**2.1 BUSINESS NAME**

**TAMMY’S POULTRY FARM**. OUR SERVICES INCLUDE:

SALES OF LIVE CHICKENS (OLD LAYER AND BROILERS), TURKEY, PIGEON AND DUCKS.

LIVESTOCK FEEDS.

EGGS (WHOLESALE ONLY).

FROZEN CHICKEN.

Everyone must feed to stay alive, but a majority of individuals value poultry products above other types of meals. Poultry animals like chickens, turkeys, and more feed millions of homes every day. Their importance in meals mostly insinuate that people can’t do without them Poultry farming is a branch of agricultural farming in Nigeria. Chicken production is a serious business in Nigeria and all over the world. More people are becoming conscious of the need to consume lean, rather than meat for health reasons.

Poultry farming is the second most considered sector which is under animal husbandry in the agricultural sector. It is easy to run, it requires less expertise as well as less capital to run. Poultry farming is one of the most lucrative agriculture businesses in Nigeria. Thousands of tons of poultry products are consumed everyday yet, the demand remains unsatisfiable. A large quantity of Nigeria’s poultry products are imported into the country. But with this aggressive imports happening, not enough poultry products are available to meet the local market demand.

About 160 million Nigerians consume a lot of poultry products, ranging from chickens, turkeys, eggs, and a lot more. This shows that the opportunities surrounding poultry farming are exponential in highly profitable ways. While a lot of people supply frozen poultry products to restaurants, events, and more, many others supply mostly eggs, and the rest supply poultry feeds. The market opportunity existing in poultry farming is extremely wide and lucrative if executed right.

**2.2 TARGET MARKET AND DEMOGRAPHICS**

It takes 28 weeks for an average chicken to be fully grown and ready for market. It also takes 21 days for a chicken’s eggs to hatch. But with the use of incubators, it takes a lot lesser for chicken eggs to hatch. Poultry animals in general like turkeys, chickens, guinea fowls, and more have a fast reproduction and growth rate. Before setting up our poultry farm, we at TAMMY’S POULTRY FARM considered who our customers will be, who our business will attract and whom we can supply to. We have positioned our business to attract consumers of chicken and eggs not just in Nigeria alone but other parts of the world. We have conducted our market research and we will ensure that we meet and surpass the needs of our customers as well as well as the expectations we set for the business.

Below is a list of people and business that we will market our chickens and eggs to:

* Households
* Hotels
* Individuals
* Agricultural merchants

- Eateries, Restaurants etc.

**2.3 PRICING**

Pricing is one factor that will help a poultry farmer sell his farm produce. That a poultry farmer makes profit is dependent on their strategy while some of the factors are beyond their control. Example: If the climatic condition is unfavourable and if there is natural disaster at the location where we have our poultry farm, then it will affect the prices of your chickens and eggs. To get the right pricing for your farm produce, then ensure to pick a good location for commercial poultry, choose a good breed that will guarantee bountiful harvest, cut the cost of running your poultry farm to the barest minimum and try to attract buyers to your poultry farm to avoid taking them to the market to source for buyers.

**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;

Transport vehicle

Buildings (Store,offices)

cages

**Analysis of Equipment, Assets and Management**

|  |  |  |  |
| --- | --- | --- | --- |
| S/N | ITEMS | NO. OF ITEMS | ESTIMATED COST IN N/PER ANNUM |
| 1 | land | Half to 2plots | 1,500,000 |
| 2 | Wheel barrows | 3 | 27,000 |
| 3 | Lighting system | - | 300,000 |
| 4 | Waste disposal system | - | 200,000 |
| 5 | Cleaning equipment & tools | - | 100,000 |
| 6 | Cages, coops, perches & nets | - | 1,500,000 |
| 7 | Feeders | 500 | 120,000 |
| 8 | Crates/egg trays | 500/50 | 170,000 |
| 9 | Heaters/incubators | 50/30 | 600,000 |
| 10 | Broiler starters (chicks) | 1000 | 250,000 |
| 11 | Starter layer | 1000 | 250,000 |
| 12 | Cockerels | 500 | 100,000 |
| 13 | Medicine/feed | - | 350,000 |
| 14 | Workers payment | - | 1,500,000 |
| 15 | Maintenance | - | 500,000 |
| 16 | Transportation(used truck) | - | 700,000 |
| 17 | TOTAL | - | 7,342,000 |

**Poultry House, Equipment’s & Facilities:**

The poultry housing system is critical to the success of our poultry farm. The type of poultry housing system we focus on will affect how our birds are placed, identifying productive & unproductive birds, and their overall health. There are three types of poultry housing systems. These are:

A). Free Roam:

This is a system where chicks are bought and allowed to roam about feeding themselves. This system is not right for anyone who wants aggressive production for wide scale commercial use because the birds could go missing or worse.

b). Battery Cage:

This is a system where the birds are kept in cages and fed on a regular basis. This system is a highly organized and effective poultry housing system used in poultry farming. Here, the birds have access to feed and water through troughs and laying nests. The cages are separated into various compartments and also creates a perfect environment for laying eggs.

c). Deep Litter:

In this system, saw dust is usually poured on the ground over a wide area so the birds can be comfortable. This makes it relatively easy for cleaning. The major disadvantage with this method is that it’s difficult for disease outbreak to be managed.

Asides the poultry housing, many facilities and equipment’s that will make our poultry farm successful are: Egg trays, feeders, drinkers, lighting systems, nests, crates, incubators, heaters, waste disposal systems, and a lot more. If the facilities are thorough, adequate, and of top quality, the farm would grow favorably.

- Poultry Feeds:

The bird feeds are the most important things to their survival. Without food, none of them will survive. Feeding, been important to poultry farming, accounts for over 70% of all the total expenditure we will incur in the business. We can either manufacture poultry feeds, or we can purchase poultry feeds. Manufacturing the feeds are perfect for very large poultry farms because it saves them a lot of money. If the poultry farm is still small scale, buying feeds is the best option for us because, it takes a lot of money to fully setup a feed manufacturing plant.

- Bird Health:

The general wellbeing of the birds are very important. We would have to spend periodically on vaccines and medications to ensure the birds stay healthy. Healthy birds grow strong and would generate a lot of revenue. This poultry farming business plan template is important to starting and running a successful poultry farming business. With the right attitude and approach, the poultry farm would be highly successful and could positively contribute to the country’s GDP.

**PROFIT**

Poultry farming is a profitable business, for example, if a poultry farmer starts his poultry farm with about five hundred chickens (hens and cocks) and they are allowed to mate, at the end of about three months, the farmer can have about one thousand chickens and over hundred crates of eggs which can be sold at eight hundred naira per crate depending on the size.

An average layer lays one egg every two days. A farm with 1000 layers would produce at least 800 eggs a day. The market value for the eggs are extremely profitable with 1000 layers capable of producing 400,000 Naira in sales every month. A larger portion of this birds would mean an explosive revenue rate.

Considering this hypothetical situation this is an estimated profit ratio for the next decade of this business. 400,000 Naira per month after the the business expenseses have been subtracted wewould be left with about 150 to 200 thousand. This is 2.4 million naira per year, and 24 million naira in the next 10 years not considering other possible factors.The price of poultry products have been on the rise for years. With an average sized chicken costing at least 2,500 Naira, the profit margin accrued never stops growing. Selling 10,000 chickens in a month would amount to 25,000,000 in revenues generated.

**CHAPTER THREE**

**3.1 TARGET MARKET**

Naturally, the target market of those who are the end consumer of commercial poultry farm produce and also those who benefits from the business value chain is all encompassing. Every household consumes produce from poultry farms. Almost all restaurants and eateries sells chicken or eggs. In essence, a commercial poultry farmer should be able to sell his/her products be it chicken or egg to as many people as possible.

In view of that, we have positioned our business to attract consumers both in Nigeria and other neighbouring countries. We are hoping to reach and surpass the expectations we set for the business.

**Capital Investment:**

As with other businesses, starting and running a poultry farm in Nigeria is capital intensive. Depending on the location and how large we want our poultry farm to be, it can take us between 100,000 Naira to 15,000,000 Naira to start up the poultry farm. The capital requirements is dependent on a single basic factor which is the scale of the business. The smaller scale business wouldn't require a lot infact if there is some space in the yard we can always construct a little pen housing at most 10 to 15 chickens, the larger scale business has a lot more to consider:

* The land : These animals have to roam around as it is part of thier life style so a considerable space land space is required I would say from about half to 2 plots of land costing 500,000 to 1.5 million naira depending on the area of site.
* The labourers or workers: First of all a professional on the breeding of poultry birds must be hired as he or she will oversee all activities on the farm, then about 5 to 8 hand workers on the farm to help out on feeding, maintenance and cleaning.This professional depending on his experience and knowledge would request about 50,000 per month while the workers about 30,000 per month
* Infrastructure: For 500 birds the standard cage houses about 100 birds which will coat 250,000, then the pen house construction 400,000
* Feeding:There are several feeding packages delivered by different companies but an estimate feeding package per year would be 1,440,000million for 500 birds
* Distribution of product:A driver would be hired to transport the products to the market say about 30,000 per month
* Security:A single fence round the land and atleast 4 guards taking shifts on watch. The wall fence and a gate shouldn't coat more than 150,000 and the guards earning minimum wage.

All these costs as a capital requirement for the first year is coming down to about 7,342,000 naira depending on the agreed choices we’ll make.

**3.2 COMPETITORS**

We are fully aware that there are competitions when it comes to selling commercial farm produce all over the globe, which is why we decided to carry out thorough research so as to know how to take advantage of the available market in Nigeria and other countries. As a matter of fact, entrepreneurs are encouraged by the government to embrace agricultural production business. This is so because, part of the success of any nation is her ability to cultivate her own food and export to other countries.

Within the feed and farm supply industry, businesses compete on price, quality, customer service, and delivery. Customer service can include things like ability to produce a range of quantities, and custom-feed options. Customers must also trust the supplier for regular, reliable service and consistent quality, since sudden changes in feed can really disrupt their animals' digestion and health. Our existing customers have pretty routine buying patterns. The same customers come at the same time of the week or every other week. Their deliveries are scheduled for the same time, with the same volumes each time Solid customer relationships, a friendly atmosphere and being available to provide quality products at a good price all add to a successful bottom line.We strongly believe that by offering delivery services, we will gain a substantial number of new customers, both through the advantages of the new service, and with the new advertising (signs on our truck). We will gain the recognition of new customers through our focused marketing plan

**RISKS**

**Personal risks:**

Personal risks arise from events affecting personal lives of the farmers 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

**Diseases and parasites is a great poultry farming system problem**

Diseases and parasites can cause losses in egg production. Some breeds of birds are resistance to certain diseases which make them superior to those that are easily infected by many diseases.  
More over if you want your laying birds for maximum production, do all you could to prevent them against any kind of diseases. In case of any outbreak of diseases treat them immediately so that their production will not be tampered with. In addition, you would never want to breed an ill chicken they could pass the illnesses down to future generations and you would have a constant battle in your hands.  
Always raised the healthiest chickens together the more generations and that have healthy chickens the more resistance they build up to diseases.

**Solution**: Here we need to be observant, we might not be able to identify any symptoms in the poultry farm. Not every disease gives symptoms, but in case we see strange sign in our farm we will ensure to invite the veterinary doctor at once. By so doing, the right drugs will be prescribed, and a periodical check up by the vet should be assured. Meanwhile, an isolation facility would be put in place to avoid spread of disease.

**Access to right birds reduces poultry farming problem**

Many poultry farmers are victim of this problem, not every company that sell day old birds are the right place to get our birds. Once you are victim, no way out, we are going to spend a lot on drugs and many a time we lose many of our birds. So many companies are facing one problem or the other, meanwhile proper investigation allows us to get best company that sell quality birds. Therefore we need to be careful of where we get our birds from as this determines what might be the result at the end.

**Solution:**  we will consult our veterinary doctor before we get our birds, either a day old or at any point at all, so this prevent the poultry farm from problem of such.

**Feed related problem poultry farming system**

Feeding related problem is another problem we need to consider as this determines the growth of rate of our birds. Feeding is more than just given the birds feeds, they need balanced diets if we want them to do well. Some producers mix complete feeds with cheaper scratch grains, but doing so dilutes the levels of nutrients the chickens are receiving, and nutrient deficiencies can occur. Nutrient deficiencies can adversely affect the growth of pullets and the level of production of hens. The level of feed a bird will eats depend on it sizes, ages and rate of egg production, energy level of the feed and temperature of the house i.e. laying house. Amount of feed consumed also depend on the breed of birds. Take for example, A Leghorn chicken eats about 1/4 pound of feed per day. Brown-egg layers are slightly larger and require more food, therefore need more feeds. Quality of eggs is affected by the feed they eat, the quality of egg shell is determined by the level (amount) and the presence of vitamin D, Calcium and other minerals in the feed. Pigment in the feed determine the yolk color of the eggs, to achieve the maximum egg size in production, the level of protein in the feed come in place and fatty acid. Since more is known about the nutritional requirements of the chicken than of any other domestic animals, it is not surprising that rations are scientifically balanced to assure layer health along with optimum quality eggs at least cost. In short words, feed quality is required in profitable laying birds.

**Water related Problem in poultry farming system**

This problem should not be underrated, the quality of water available is very important, the acidity of the water must be checked and balanced before we give to the birds. Acidic water will imply negative effect to the life of the birds as this will affect them in many ways.

**Solution**: Periodical testing of the water supply, installed water purification system and cleaning of storage tanks.

**Drugs related problem poultry farming system**

This is a big threat to poultry farmers, not all drugs requires are available in the market, some time those available are not effective, meaning they are fake. When some are prolong in used, they build resistance to its effect ie they will not be effective when they are administered. The available drugs are not effective like the former one, so this cause a lot of problem for us farmers. Aside this, we should consult veterinary doctors for proper prescription of drugs we must administered

**Possible solution**:  We would ensure to consult the veterinary doctor for the right drugs for the right problem.

**Management related problem in poultry farming system**

This refers to the general hygiene of the entire farming system, if we apply the above listed solution and we are not properly taken care of the birds. We would end up spending big money that will not materialize. We would maintain 100% hygiene for the best performer of our birds, clean their house, and wash their drinkers and feeders, Remove grasses to prevent predators that might want to affect them.

**3.3 HUMAN RESOURCES**

They are responsible for training, evaluation as well as assessment of employees. The human resource team oversees the smooth running of the daily office. They enhance department and organization reputation by accepting ownership for accomplishing new and different requests, exploring opportunities to add value to job accomplishments. They also carry our staff induction for new team members.Therefore as the CEO we hand pick credible individuals to represent our business.

**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;

1. Poultry farm manager (CEO)
2. Assistant farm manager
3. Poultry stock man
4. Poultry finance/account manager
5. Executive marketing and sales manager
6. Production manager
7. 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 fromcontacting 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. The will be also individuals, who have experience because they may have been engaged in the business several time before they have experience of how to run the business and prevent the farm from uncontrollable factor which may do harm and affect the progress of the business.

**Farm manager/CEO**

**Ass. Farm manager**

**Production manager**

**Part-time workers**

**Finance/account manager**

**Stock man**

**Laborers**

**Executive marketing/sales manager**

**Cleaners**

**CHAPTER FOUR**

**4.1 VENDORS/SUPPLIERS**

They are responsible for the daily collection of the eggs, for feeding chickens and other birds as instructed by the supervisor. They are responsible for the sales of the farm produce and as well supply to hotels or other industries that are in need of their services. They are responsible for cleaning the poultry and the entire environment. They also assist in handling the chickens and other birds.

**4.2 MARKETING PLAN/STRATEGY**

We are aware that why some commercial poultry farmers hardly make good profits is their inability to sell off their chickens and eggs when they are due. In summary, we would adopt the following strategies in selling out our farm produce:

* Advertise our business in agriculture and food related magazines and websites.
* Leverage on the internet to promote our business.
* Engage in direct marketing.
* Encourage the use of mouth marketing (referrals).
* List our commercial poultry farms and egg production business on yellow pages ads.
* Introduce our business by sending introductory letters alongside brochure to stakeholders in the agriculture industry, households, hotels and restaurants as well as agriculture produce merchants.

**TAMMY’S POULTRY FARM** will implement the following Marketing Strategies upon the business transfer in the following order:

**Website Marketing Strategy**

Our website will be promoted through the use of sponsor listings and affiliate memberships [confidential and proprietary information removed]. Our site will be registered with all of the major search engines. We will

also share links with our distributors and manufacturers.

* Direct Marketing: we will personally market (sell face to face) our products to various feed stores, stables, boarding facilities, farms, clubs and race tracks.
* Customer Referral: we will provide customer incentives for direct referrals, in the form of price discounts.
* Website Marketing: we will implement our web plan and review the outcome to determine the efficiency it has on our customer base.
* Event Marketing: we will visit area livestock events to hand out flyers, business cards, and product catalogues, and to meet potential customers face to face.

**4.3 FINANCIAL PROJECTORS**

When it comes to calculating the cost starting a commercial poultry farm, there are some key factors that should serve as a guide. The different type of birds to be raised in a commercial poultry determines the total cost of setting up the business. Under financial projectors there are some major factors to be considered while raising a commercial poultry farm and egg production company.

* Sources of income.
* Sales forecast.
* Sustainability and expansion strategy.
* Check list and milestone.

In conclusion every business has it's risks but if we follow thus business plan those risks will be evaded and our profits will roll in, the ability to take risk is what makes a good business man/woman.