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COURSE TILE: ENTERPRENEURSHIP

BUSINESS PLAN

Why Start a Poultry Farm?

Poultry farming is usually the business i recommend for retirees and individuals who are passionate about livestock farming. In the past, people were nonchallant about breeding birds or cultivating crops for profits. But with the recent global burst in population and a worldwide demand for food, people are now beginning to realize the potential of providing the most important basic need of man.

There are a lot of factors that make poultry farming business a profitable one but I will be highlighting only three major factors:

* 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; bear it 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's an increased demand for white meat and birds are a source of white meat.

Select your Poultry Niche

The poultry industry is a broad niche. There are many sub-sectors in the poultry industry which you can tap into. When poultry farming is mentioned, a lot of people take that to mean chicken

rearing or turkey rearing alone but poultry farming is a very wide business with different aspects.

Below are 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

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

You also have to decide on whether you want to rear layers or broilers. Layers are usually raised mainly for laying eggs so if egg production is your area of specialization, you would need to stock your farm with layers but if you prefer to opt for meat production instead, then you would need broilers instead because broilers have the ability to grow very fat and gives more return on investment because they weigh a lot more than other breeds. But for this article, I will be focusing on poultry breeding for egg and meat purposes with respect to the domestic fowl.

START UP A CAPITAL INVESTMENT

The poultry farming business is capital intensive; depending on the scale, location of your farm and the type of management technology used.

POULTRY LOCATION

A good location is vital to the success and profitability of your poultry farm. An ideal poultry farm should be sited where there's a large availability of cheap land and at the same time; should be close to areas with high population density. It's not advisable to site your poultry farm within a residential area because of the offensive odour it produces.

HOUSING THE BIRD

Another important factor to consider is the poultry housing system and fencing options. Poultry housing system determines up to 40% of the rater of success you would achieve in poultry farming. A good housing system is very important for your 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**: i. Deep litter, ii. Wire and slated floor, iii. Straw yard, iv. Battery cage

POULTRY EQUIPMENT AND APPLIANCES

There is a very long list of equipment and facilities to put in place in order to fully manage a poultry farm. You 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, you should make a list of all the items you would need, find out the prices and compare different prices to further give you an idea of the costs of setting up the poultry farm.The following equipment may be needed for your 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 your expenses would go towards poultry feeding. Therefore, it is imperative to figure out the feeding aspects of business before you go into it. There are two ways to go about feeding in poultry farming:

- Producing your feeds by yourself

- Buying already-made poultry feeds

MANPOWER

Operating a poultry farm is not labor intensive if the use of technology is employed. With respect to staffing, the number of manpower needed is also dependent on the size of your farm. But some must haves should be admin officer or manager; who will oversee the day to day running of your business. Your manager can also double as your accountant to cut down cost.

ACCOUNTING

Poultry farming is just like any other commercial business out there and for you to track your performance and productivity, adequate records must be kept.

HEALTH

Just like you need regular health check-up to stay in good shape, the birds in your farm also need regular check-up. They need proper vaccines and medications to prevent diseases and promote growth. You should 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 their hatching in their first 3weeks.

FACTORS THAT AFFECTS POULTRY FARMING BUSINESS

- Poultry farming has a longer pay back period
- It is Labor intensive
- Pests such as rats, ants, etc and predators such as hawks, snakes can cause massive loss

- **Lack of support from the government**

- **Outbreak of diseases**

- **Non availability and affordability of vaccines**

- **Adulteration and high cost of poultry food**

Cycle 1st Cycle

Item Unit Quantity Total

cost Cost

Broiler Chicks 1.20 500 603.45 Feeb Broiler starts (0-3 wks) 50kg 27.58 15 413.79 bags

Feed broiler(4-8 wks) 50kg bags 27.58 25 689.65 Plastic Drinkers 6.03 16 96.55 Feeding Troughs 4.13 33 142.24 Drugs/biosecurity(lump sum) 68.96 Brooding Materials(lump sum) 34.48 Labour-month 51.73 2 103.45 Slaughtering/processing/packaging 0.10 490 50.68

2nd cycle

Unit Quantity Total

Cost Cost

1.20 500 603.45 27.58 15 413.79

27.58 25 689.65

68.96

17.24 51.73 2 103.45

0.10 490 50.68 8|Page

Marketing Cost

Total Cost

Revenue

Sale of Broilers

Sale of Offals

Sale of organic manure Total Revenue

4.13 490

17.24 2,220.50

2,112.06 4.13 490 103.45

137.93

2.353.45

132.93

17.24 1,964.48

2,112.06 103.45 137.93 2,353.45 388.96

Item

1 Layer Chicks

2 Feed Starter (0-8 wks) 50kg Bags

3 Mortality rate (1.2%)

4 Number of birds (1-3)

5 Feed Grower (9-18 wks) 50kg Bags

6 Mortality rate (0.8%)

7 Number of birds (3-6)

8 Feed layer mash (19-80 wks) 50kg bags

9 Plastic drinkers (5 liters)

10 Feeding Troughs (1m lengths)

11 Drugs/Biosecurity (lump sum)

12 Debeaking

13 Brooding materials (lump sum)

14 Nest Boxes (lump sum)

15 Labour 18 months

16 Egg trays

17 Marketing Cost (lump sum)

18 Total Cost

19 Mortality during laying period (3%)

20 Number of birds (6- 19)

21 Revenue

22 Eggs

23 Spent Layers

Unit Price Quantity Total Cost

1.55 500 775.86 27.58 23 634.48

6

494

27.58 34 937.93

4

490

24.14 356 8,593.10

6.89 16 110.34 6.89 30 206.89 241.38

86.20 34.48 68.96

51.73 18 827.58 0.05 4275 147.41 172.41

12,837.06 15 25,674.13

475

0.14 128,250 17,689.65 4.13 475 2,047.41

24 Organic Manure

25 Total Revenue

26 Gross Margin (25-18)

Source: value chain analysis of the poultry industry in The Gambia 2010

Investment Opportunities in the Poultry Value Chain

344.83 20,081.89