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AMANI DAIRY FARM

Amani dairy farm is an upcoming farm dedicated or focused on producing dairy products to production companies. It will be formed on a L.L.C - limited liability based on the outskirts of sangida Kano Nigeria

Industry Overview

There are several business opportunities available in the agricultural industry and dairy farming is one of them. One good thing about the agriculture industry is that there is market for all the produce from the industry. A dairy farm is of course a thriving and profitable business because of usefulness of beef and milk. People eat beef, drink their milk, and use their fur and skin. With cattle milk, cheese can be made, along with other dairy products.

Companies in the dairy farms industry primarily raise cattle for milk. Although this industry basically engage in the sale of raw milk and excludes the production of drinkable fluid milk and processed dairy products like butter, cheese and powdered milk, some dairy farms can still go ahead to accommodate other related business within the industry as long as they have the capacity to do so.

The Dairy Farms Industry is indeed a large industry and pretty much active in countries such as United States of America, Israel, Argentina, Holland, Egypt, China, Germany, Turkey and Nigeria et al. There is no single dairy farm company that has dominate market share in the industry hence smaller dairy farms business can successfully make

profits.

Executive Summary

Amani Dairy Farms, LLC is a registered and world class dairy farms company that will be based in the outskirts of Sangida, Kano – Nigeria. We have done our detailed market research and feasibility studies and we were able to secure a hundred acres of land to build our dairy farming business.

Our dairy farms business is a going to be standard one hence will be involved in commercial breeding of cows, oxen, bulls, bullocks, steers, heifers and calf et al for the main aim of producing raw milk in commercial quantities. We will also be involved in boarding services, breeding services, dairy support services, livestock health services, farrier services, and shearing services etc.

We are in the dairy farms business because we want to leverage on the vast opportunities available in the dairy farms industry, to contribute our quota in growing the Nigerian economy, in national food (raw milk) production, meat, raw materials production for industries, to export agriculture produce from Nigeria to other countries and over and above to make profit.

At Amani Dairy Farms, LLC our customer's best interest will always come first, and everything we do will be guided by our values and professional ethics. We will ensure that we hold ourselves accountable to the highest standards by meeting our client's needs precisely and completely.

Our Product Offerings

Amani Dairy Farms, LLC is a licensed dairy farms business that is committed to producing raw milk in commercial quantities for both the Nigerian market and the global market. We are in the dairy farms industry for the purpose of generating profits and we are going to do all that is permitted by the laws in Nigeria to achieve our business goals.

These are the areas we will concentrate on in our dairy farms business. If need arises we will definitely add more related animal breeding services to our list;

- Milking dairy cattle
- Dairy support services
- Dairy cattle farming
- Farrier services
- Sale and export of cotton wool and other dairy products
- Sale of Cattle and milk
- Sale of processed meat (beef) / can – beef (Processed Dairy foods, and can beef etc)
- Shearing services
- Dairy farming related consultancy and advisory services

Our Business Structure

Amani Dairy Farms, LLC is a dairy farms company that intend starting small in Sangida – Kano, but hope to grow big in order to compete favorably with leading dairy farms in the industry both in Nigeria and on a global stage.

We are aware of the importance of building a solid business structure that can support the picture of the kind of world class business we want to own. This is why we are committed to only hire the best hands in and around Sangida – Kano.

At Amani Dairy Farms, LLC, we will ensure that we hire people that are qualified, hardworking, dedicated, customer centric and are ready to work to help us build a prosperous business that will benefit all the stake holders (the owners, workforce, and customers).

As a matter of fact, profit-sharing arrangement will be made available to all our senior management staff and it will be based on their performance for a period of five years or more as agreed by the management of the dairy farms. In view of the above, we have decided to hire qualified and competent hands to occupy the following positions. Below is the business structure of Amani Farms, LLC;

- Chief Operating Officer
- General Dairy Farm Manager

- Administrator / Accountant
- Sales and Marketing Executive
- Farm / Field Employees
- Front Desk Officer

Roles and Responsibilities

Chief Operating Officer

- Creates, communicates, and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.
- Responsible for signing checks and documents on behalf of the company
- Evaluates the success of the organization
- Responsible for providing direction for the business

General Dairy Farm Manager

- Responsible for the planning, management and coordinating all farm activities across the various sections on behalf of the organization
- Supervise other section manager
- Ensures compliance during project executions
- Provides advice on the management of farming activities across all section
- Responsible for carrying out risk assessment
- Uses IT systems and software to keep track of people and progress of the growth of cattle

Administrator / Accountant

- Responsible for financial forecasting and risks analysis.
- Responsible for developing and managing financial systems and policies
- Responsible for administering payrolls
- Ensures compliance with taxation legislation
- Handles all financial transactions for the farms

- Serves as internal auditor for the farms

Sales and Marketing Officer

- Identifies, prioritizes, and reaches out to new partners, and business opportunities et al
- Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of new business
- Writes winning proposal documents, negotiate fees and rates in line with company policy
- Responsible for handling business research, market surveys and feasibility studies for clients
- Responsible for supervising implementation, advocate for the customer's needs, and

Field Workers / Contract Staff

- Responsible for milking cattle as instructed by the general dairy farms manager
- Responsible for feeding cattle and other livestock as instructed by the supervisor
- Responsible for cleaning the cattle ranch
- Change the water in the water trough / trench as instructed by the supervisor on a regular basis
- Handles farm implements and machines as instructed by the section manager / supervisor
- Assist in handling the breeding of cattle

Client Service Executive / Front Desk Officer

- Welcomes guests and clients by greeting them in person or on the telephone; answering or directing inquiries.
- Ensures that all contacts with clients (e-mail, walk-In center, SMS or phone) provides the client with a personalized customer service experience of the highest level

- Through interaction with clients on the phone, uses every opportunity to build client's interest in the company's products and services
- Manages administrative duties assigned by the cattle ranch manager in an effective and timely manner

SWOT Analysis

Amani Dairy Farms, LLC do not intend to launch out a business on a trial and error platform hence the need to conduct a proper SWOT analysis. We know that if we get it right from the onset, we would have succeeded in creating the foundation that will help us build a standard dairy farms business that will favorably compete with leading dairy farms in the Nigeria and in the rest part of the world.

As a standard dairy farms business, we look forward to maximizing our strength and opportunities and also to work around our weaknesses and threats. Here is a summary from the result of the SWOT analysis that was conducted on behalf of Amani Dairy Farms, LLC;

- **Strength:**

Our strength as a cattle rearing business is the fact that we have healthy relationships with loads of major players (agriculture merchants) in the dairy farms industry; both suppliers and buyers of raw milk in commercial quantity within and outside of Nigeria.

- **Weakness:**

Our weakness could be that we are a new dairy farms business in Nigeria and we may not have the required cash to pump into the publicity of our business. We are aware of this and from our projection will overcome this weakness with time and turn it to a major advantage for the business.

- **Opportunities:**

The opportunities that are available to us cannot be quantified. The fact that almost everybody in the world drinks milk and dairy farms products makes the business highly marketable. We know that there are loads of homeowners, businesses and industries that will source for raw milk and other dairy products both in Nigeria and other parts of the world. We are well positioned to take advantage of these opportunities as they come our way.

- **Threat:**

Some of the threats and challenges that we are likely going to face when we start our own dairy farms are global economic downturn that can impact negatively on household spending, bad weather cum natural disasters (draughts, epidemics), unfavorable government policies and the arrival of a competitor (a dairy farm or even cattle rearing farm that are also into production of raw milk) within same location.

MARKET ANALYSIS

- **Market Trends**

A close study of the dairy farming industry shows that most dairy farms that has the capacity do not just concentrate in the commercial production of raw milk for households and businesses that are involved in the production of fluid milk products, cheese, dry, condensed and evaporated milk, creamery butter and yogurt et al.

They go as far as establishing a standard milk and beef processing company in line with their core business. It is a means of maximizing profits and increasing source of revenue generation.

Our Target Market

As expected, the target market of those who are the end consumer of dairy farms produce and also those who benefits from the business value chain of the agriculture industry is all encompassing; it is far – reaching. Every household consumes produce from livestock farms be it meat, milk, and the skin (leather) used for bags, belts and shoes production etc.

Our Competitive Advantage

From experience, entrepreneurs are known to flock towards an industry that is known to generate consistent income which is why there are more dairy farms in the United States of America and of course in most parts of the world.

As a matter of fact, entrepreneurs are encouraged by the government to embrace commercial farming / dairy farming. This is so because part of the success of any nation is her ability to cultivate her own food and also export foods to other nations of the world.

Amani Dairy Farms, LLC is fully aware that there are competitions when it comes to selling raw milk and other dairy products all over the globe, which is why we decided to carry out thorough market research and feasibility studies so as to know how to take advantage of the available market in Nigeria and in other parts of the world.

Sources of Income

Amani Dairy Farms, LLC is in the dairy farms industry for the purpose of maximizing profits hence we have decided to explore all the available opportunities within the industry to achieve our corporate goals and objectives.

In essence we are not going to rely only on the sale of raw milk and other dairy products to generate income for the business. Below are the sources we intend exploring to generate income for Amani Dairy Farms, LLC;

- Milking dairy cattle
- Dairy support services
- Dairy cattle farming
- Farrier services
- Sale and export of cotton wool and other dairy products
- Sale of Cattle and milk
- Sale of processed meat (beef) / can – beef (Processed Dairy foods, and can beef etc)
- Shearing services

- Dairy farming related consultancy and advisory services

Financial Projections and Costing

When it comes to calculating the cost of starting a dairy farm, there are some key factors that should serve as a guide. The capacity of the raw milk to be produced per time and other related dairy products will determine the total cost of setting up the business.

Besides, in setting up any business, the amount or cost will depend on the approach and scale you want to undertake. If you intend to go big by renting / leasing a big facility, then you would need a good amount of capital as you would need to ensure that your employees are well taken care of, and that your facility is conducive enough for workers to be creative and productive.

This means that the start-up can either be low or high depending on your goals, vision and aspirations for your business. The tools and equipment that will be used are nearly the same cost everywhere, and any difference in prices would be minimal and can be overlooked.

As for the detailed cost analysis for starting a dairy farms business; it might differ in other countries due to the value of their money. Below are some of the basic areas we will spend our start – up capital in setting up our dairy farms;

- The Total Fee for incorporating the Business (dairy farm) in Nigeria – N 28500
- The amount needed to acquire / lease a dairy farm land – N 1000000
- The amount required for preparing the farm land (cattle ranch / dairy farm) – N 500000
- Legal expenses for obtaining licenses and permits as well as the accounting services (software, P.O.S machines and other software) – N 33000.
- Marketing promotion expenses for the grand opening of Columbus & Sons Dairy Farms, LLC in the amount of N 3500 and as well as flyer printing (2,000 flyers at N5.00 per copy) for the total amount of N 17500.
- The total cost for hiring Business Consultant – N 25000.

- The total cost for payment of insurance policy covers (general liability, workers' compensation and property casualty) coverage at a total premium – N94000
- The amount required for the purchase of the first set of cattle – N10000
- The cost for acquiring the required working tools and equipment and milking machines etc. – N500000
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – N 600000
- The Cost of Launching an official Website – N228000
- Additional Expenditure (Business cards, Signage, Adverts and Promotions et al) – N760000

Going by the report from detailed research and feasibility studies conducted, we will need an average of N 1922800 to start a standard dairy farms business in Nigeria.