

#1. Income Generating Activity Information Sheet

Poultry (Broiler) Farming

Start-up & running costs for 300 broilers per month: UGX2,528,000 (USD682.2)

Profitability per annum: UGX5,664,000 (USD1530.8)

Needed: Capital investment in shelter and equipment : UGX 2,114,000 (USD571.3)

Issues: Disease, fluctuating feed prices, inadequate care and management techniques

Introduction



This is a fast-growing sector that presents great opportunities for both small and large operators to build successful businesses. While there is increased competition, demand for poultry products is also rising. This information sheet provides an overview of broiler farming to potential agripreneurs. *NB: Broiler farming is raising chickens for meat.*

Overview of market conditions

There is significant demand for poultry products in hotels, schools, households, individuals and other bigger organizations across the East African region. Chicken producers are not able to satisfy the market, hence the opportunity for more entrepreneurs in the sector.



Why farm broilers

★ Popular and adaptable meat ★ Source of protein, Iron, vitamin B6 and B12 ★ Generate cash as they mature quickly

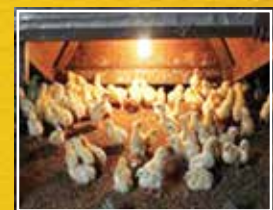
Preparation, stocking, management of broiler chicks



Establish how many chicks you want to stock. Either, build a new structure or use an existing one. The same room can be used to serve as a brooder and a production area. Brooding space should be ready before chicks are introduced. It should be cleaned with a disinfectant at least one week before the chicks arrive to allow it to dry thoroughly. Cover any hole to avoid rodents eating the chicks.

The recommended brooding space is 0.5sq ft/bird while 1sq ft/bird is suitable in the production area. Ensure that the brooding space is curved as chicks in the brooding stage like corners. Before and after arrival of chicks, restrict entry to a few people and provide a footbath with disinfectants. Set the heating, feeding and water in systems. Use coffee husks, old newspaper sheets, heat source and appropriate light. Newspapers help to avoid chicks eating the litter materials. Warm the brooder at least 24 hours before the chicks arrive.

Buy chicks and their feeds from reputable sources. If birds get sick, get proper diagnosis from veterinary personnel. Sanitation is the best prevention measure against disease. Keep the chicken house clean and control entry into it as it is the most effective way to control diseases in your chicken house. For the 1-day old broiler chick, 30°C of temperature is recommended and 24°C on the 3rd day. From the 3rd week, 20-23°C is recommended. Chicks spend up to 2 weeks in the brooder. After, broilers are transited into another space to allow room for preparation for another stock of chicks and provide them with a bigger space for growth.

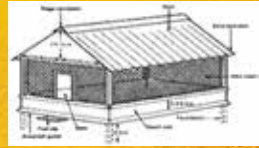


Investment and Equipment Requirements

For successful engagement, a farmer has to consider investment in: chicken house (new building made of wood or bricks/renovation or conversion of old building), drinkers, feeders, wheelbarrow, protective clothing, coffee husks, spade, rake, outside brooms, hoes and gumboots. In addition, investing in knowledge acquisition and enhancement is paramount.

Note:

- The size of the house depends on the expected number of stock and the available budget
- The same house can be divided to accommodate the brooding and production sections
- The house must be well ventilated to allow for constant fresh air supply
- There are many different designs but what matters is the space provided for each bird



Production Process



The daily routine of a broiler farmer includes preparation of the brooding space for arrival of new chicks, on-going purchase of farm inputs (chicks, feeds, additional ingredients etc.), timely feeding and cleaning, checking birds' health, administering medication as needed, sales and marketing and record keeping. Specifically,



maintaining cleanliness of production area, washing and replacing feeders/drinkers, feed/water supply are the early morning activities while refilling water and feeds and observation of the broilers are on-going activities.

Note: Broiler farming is a full-time job especially for the first-time farmer. It requires the farmer's presence especially during the brooding phase.

Broiler feeding and Growth



| Category of feeds | Period | Qty/Chick/Week |
|-------------------|-----------------|----------------|
| Broiler starter | From 1-7 days | 154gms |
| | From 8-14 days | 315gms |
| | From 15-21 days | 500gms |
| | From 22-28 days | 735gms |
| Finisher | From 29-35 days | 910gms |

Chicks need the right quantity and mixture of feeds to ensure uniform growth and profitability. Although their prices are a bit higher than that of broiler mash, pellet feeds are the best option. They come already treated which helps to prevent coccidiosis and provide uniform growth.

Remember:

- Broilers eat for at least 23 hours and have 1 hour to rest.
- Broilers need to be fed constantly and if the consumption is less, check for diseases and for wastage, as feeds might have been spilt.
- Broiler starter feeds are supplied to chicks in the brooding phase while grower and finisher are supplied in the production phase.

Broiler Diseases & Treatment

| Disease | Signs & symptoms | Treatment |
|-------------|---|--|
| Newcastle | Loss of appetite, lot of dizziness, watery stool (whitish or yellowish), stress | 25% tetracycline (2 table spoons in 20 liters of water) |
| Fowl Flue | Loss of appetite/weight, death in 24 hours, chick flesh turns reddish, flue, swollen eyes | 25% tetracycline (2 table spoons in 20 liters of water) |
| Fowl Fever | Loss of appetite, dizziness, chick flesh turns reddish, swollen eyes | 25% tetracycline (2 table spoons in 20 liters of water) |
| Coccidiosis | Stool with blood, the hind intestines can come out, death, loss of weight | Amprolium (2 table spoons in 20 liters of water), replace coffee husks, improve aeration |

Note:

- Always give your chicks glucovit (glucose and vitamin) and dewormers. These increase appetite and rehydration.
- Keep the chicken house and its surroundings hygienically clean
- For details also refer to the link:

<https://www.business.qld.gov.au/industries/farms-fishing-forestry/agriculture/livestock/poultry/diseases-health-management/maintaining-healthy-flock/disease-prevention-management>

Risks and mitigation measures

| Risk | Odds of occurring | Level of Impact | Mitigation measure |
|--|-------------------|-----------------|---|
| Chickens falling sick | High | High | Health check-ups by veterinary expert, on-going use of disinfectants, seeking for veterinary services. |
| Poor early growth and uniformity | Medium | High | Check hatchery practices and hygiene, take veterinary advice, timely feeding and water, quality feeds. |
| Predators | Medium | High | Tight security, regular supervision, secure locks. |
| Theft of birds, assets, inputs | Medium | Medium | Restricted access to chicken house, regular review of asset register, secure locks. |
| Increased running cost | Medium | High | Keep a buffer of capital in case of increased costs, close monitoring of feeds prices, bulk purchases of feed, make clients aware and also increase selling prices. |
| Competition | Medium | High | Continued marketing, following up enquiries; market research and competitor analysis. |
| Poor management of business operations | Low | High | Management training. |

Financial Analysis and Projections

The figures below are an estimate of the costs for a start-up farm that produces 300 broilers per month.

- Figures are in UGX and US Dollars and are estimates based on figures from a Ugandan school farm (Exchange rate UGX/USD, 2018) (Mackay Memorial College, Nateete) that has been practicing broiler farming since 2013.
- Figures are divided into 3 sections: Investment, startup/ running costs and production, profit and loss.
- Your Totals: Use this space for your own calculations.

a). Investment Budget

| Item | Qty | Unit Cost | Total Cost (Ugx) | USD | Your Totals |
|-------------------------------|-----|-----------|------------------|--------------|-------------|
| INVESTMENT | | | | | |
| Shelter (labour inclusive) | 1 | 1,800,000 | 1,800,000 | 486.5 | |
| Feeders | 10 | 5,000 | 50,000 | 13.5 | |
| Water trough | 5 | 6,000 | 30,000 | 8.1 | |
| Heaters | 2 | 15,000 | 30,000 | 8.1 | |
| Gumboots – pairs | 2 | 15,000 | 30,000 | 8.1 | |
| Wheelbarrow | 1 | 150,000 | 150,000 | 40.5 | |
| Coats | 2 | 12,000 | 24,000 | 6.5 | |
| Total Cost Investments | | | 2,114,000 | 571.3 | |

b). Start-up & running costs

| Item | Qty | Unit Cost | Total Cost (Ugx) | USD | Your Totals |
|---|--------|-----------|------------------|--------------|-------------|
| START UP & RUNNING COSTS | | | | | |
| Transport | 1 | 50,000 | 50,000 | 13.5 | |
| Feeds - Broiler starter | 150kgs | 2,220 | 333,000 | 90 | |
| Feeds - Broiler grower | 250kgs | 2,140 | 535,000 | 144.6 | |
| Feeds - Broiler finisher | 300kgs | 2,100 | 630,000 | 170.3 | |
| Vaccination | 300kgs | 200 | 60,000 | 16.2 | |
| Electricity -monthly | 1 | 10,000 | 10,000 | 2.7 | |
| Coffee husks – bags | 5 | 10,000 | 50,000 | 13.5 | |
| Newspapers | 1 | 10,000 | 10,000 | 2.7 | |
| Water – monthly | 1 | 10,000 | 10,000 | 2.7 | |
| Charcoal | 1 | 20,000 | 20,000 | 5.4 | |
| 1 -day old chicks | 300 | 2,500 | 750,000 | 202.7 | |
| Labour | 1 | 70,000 | 70,000 | 18.9 | |
| Total Start Up & Running Costs | | | 2,528,000 | 682.2 | |

Note: • These costs are up to the end of month 1, implying that every month, for the same stock, the farmer is going to spend the same budget lines

c). Production, Profit and Loss projections

| Item | Unit | Freq | Unit Cost (Ugx) | Total (UgX) | Total (USD) | Your Total |
|------------------------|-------------|-------|-----------------|-------------------|---------------|------------|
| Production | | | | | | |
| Broilers | Bird | 12 | 300 | 3,600 | | |
| Sales | | | | | | |
| Broilers | Bird | 3,600 | 10,000 | 36,000,000 | 9729.7 | |
| Income | | | | 36,000,000 | 9729.7 | |
| Running Costs | Month | 12 | 2,528,000 | 30,336,000 | 8198.9 | |
| Net Profit/Loss | Year | | | 5,664,000 | 1530.8 | |

- Note:**
- At the end of every month, a farmer is projected to produce 300 broilers available for sale
 - In 12 months, a farmer is projected to produce and sell 3600 broilers

Keeping your farm records

Record keeping is essential to allow the chicken farmer track the major activities undertaken from the start of the chicken farming business. Keeping simple records of costs and income from sales will allow determination of the profitability of the chicken farming business. Records such as chicken stock, costs, income, deaths, sales, etc. need to be maintained. At the end of the year (and at intermediate periods), the above records will provide information on total value of chicken sold and profit or losses. Keeping simple records of costs and income from sales will allow business analysis and provide evidence to potential investors. Above all, for a farmer to run a legitimate business enterprise, it is important to register with the relevant authorities so as to obtain lawful operational license and as well enable the business to comply with taxes.

Point of Reflection – Think through the following:

- How can you add value to your product? Do you sell live or can you process (butcher, fry, roast) and sell for a higher price?
- Who is your market? Do you sell to wholesalers or can you sell directly to the public?
- How can you grow your brand, what unique selling point can you bring to your brand/product?
- Is there any value to chicken waste, can you process dung and sell quality manure or use to grow your own vegetables?

For more details

- Godrej Brooding Management AV: <https://www.youtube.com/watch?v=hzv63qLaQ>
- How to Starts Broiler Poultry farm: <https://www.youtube.com/watch?v=6FmihFN4Fao>
- Always 4 Ways for Profitable Broiler Production in Jamaica: <https://www.youtube.com/watch?v=pgCUAORTkju>
- Chicken Brooder Size and Space: <https://www.youtube.com/watch?v=QuSeQMj-VOQ>
- Top 5 Diseases of Your Home Chicken Flock: <https://www.youtube.com/watch?v=e6XIYukju8M>
- Treating sick chickens: <https://www.youtube.com/watch?v=MI0Th-mqP98>

Further Information

For further information, please contact Teach A Man To Fish (www.teachamantofish.org.uk;
info@teachamantofish.org.uk) or Agripreneurship Alliance (www.theagripreneur.org)

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