

Business Plan: Livestock and Crop Production for Affordable Meat Supply

Business Name: BEKS HOGS LIMITED (Best producer of the only meat to meet your need)

Location: Vigwaza, Pwani Tanzania

1.0 Executive Summary

Affordable Meat & Crop Farms aims to produce and provide high-quality pork, goat, and sheep meat at affordable prices, catering to Tanzania's growing demand for affordable animal protein. In addition, the farm will grow crops, both for human consumption and to support sustainable livestock farming. The dual focus on livestock and crop production will ensure diverse income streams and enhance food security. Our mission is to supply quality meat products while keeping prices accessible for low- and middle-income consumers.

1.1 Business Objectives:

- 1. Primary Goal:** Produce and sell affordable pork, goat, and sheep meat to local markets, hotels, and butcheries.
- 2. Secondary Goal:** Diversify income with crop production, including maize, beans, and vegetables.
- 3. Sustainability:** Maintain environmentally friendly farming practices and ensure animal welfare.
- 4. Profitability:** Achieve profitability within the first three years of operation.

2.0 Ownership:

Partnership.

1. Management Team:

- Owner/Director: Responsible for overseeing daily farm operations, strategic planning, and managing financial aspects.
- Farm Manager: Oversees livestock and crop production.
- Sales and Marketing Manager: Responsible for market research, sales, customer relations, and distribution.

2. Staffing:

- Farmhands for livestock care and crop management.
- Veterinary consultant to ensure animal health.

Accountant/bookkeeper for managing finances

3.0 Market Analysis

1. Market Overview:

The Tanzanian market for meat products is growing, driven by increased urbanization, population growth, and rising incomes.

Pork is increasingly popular among consumers, while goat and sheep meat are traditionally important proteins in the Tanzanian diet.

The demand for affordable yet quality meat products is significant due to rising food prices, creating an opportunity to cater to low- and middle-income consumers.

2. Target Customers:

Households in both urban and rural areas seeking affordable meat. Local butcheries and meat processors. Hotels and restaurants, especially in tourist areas, looking for a consistent supply of meat. Wholesale buyers for local and regional markets.

3. Competitive Advantage:

Offering competitive prices by using efficient livestock management and integrating crop production. High-quality meat from well-bred animals, including Landrace pigs, goats, and sheep known for their meat quality. The integration of crop farming reduces feed costs and ensures sustainable practices. Business Structure and Management

4. Products and Services

4.1. Livestock Production:

- **Pork:** Produced from high-quality Landrace pigs and other breeds known for meat quality.
- **Goat Meat:** From local and hybrid goats known for their adaptability and quality meat.
- **Sheep Meat:** From local and improved breeds that offer lean, high-quality meat.

4.2. Crop Production:

- **Maize:** For both commercial sale and animal feed.
- **Beans:** Grown as a cash crop and for local markets.
- **Vegetables:** Seasonal vegetables such as tomatoes, onions, and spinach to diversify farm income.

4.3. Sustainable Practices:

Utilize organic manure from livestock for crop production. Use crop residues as feed for animals. Water conservation and rotational grazing to maintain soil health.

4.5. Marketing and Sales Strategy:

1. Pricing:

Competitive pricing to ensure accessibility for low- and middle-income consumers. Pricing will be reviewed periodically to stay competitive while maintaining profitability.

2. Distribution Channels:

- Direct Sales: Selling directly to consumers in local markets and butcheries.
- Wholesale: Supplying larger quantities to restaurants, hotels, and supermarkets.
- Online Sales: Explore e-commerce options for urban consumers, especially in major cities like Dar es Salaam and Arusha.
- Export market: as the production increases to the highest, the company expects to find the markets outside the country as well as all across the continents

3. Promotions:

Use social media platforms (Facebook, WhatsApp) for targeted marketing campaigns. Partner with local influencers and community leaders to promote the affordability and quality of the meat products. Offer promotions for bulk buyers, such as butcheries and hotels.

5.0 Operations Plan

1. Farm Setup:

- Land: The farm will be established on approximately 50 acres, with space for livestock grazing, pig pens, and crop fields.
- Infrastructure: Construction of animal housing, water supply systems, and fencing for livestock security.
- Crop Fields: Rotation of crops to optimize soil fertility and ensure continuous production.

2. Livestock Management:

Implement best practices for livestock breeding, feeding, and veterinary care to ensure healthy animals and high-quality meat production. Regular training for farmhands in animal husbandry and crop management. Integrate livestock waste into the crop production cycle as organic fertilizer.

3. Crop Management:

Adopt modern farming techniques such as drip irrigation for water conservation. Use organic farming practices to reduce chemical inputs and enhance soil fertility.

5.0 Financial Projections:

| | |
|-------------------|------------------------------|
| Land | Tshs. 20,000,000/- |
| Buildings | Tshs. 500,000,000/- |
| Plant/Solar Power | Tshs. 80,000,000/- |
| Vehicles | Tshs. 584,000,000/- |
| Pre – Expenses | Tshs. 60,000,000/- |
| Mixer/Grinde | Tshs. 100,000,000/- |
| Working Capital | Tshs. 186,000,000/- |
| Total | Tshs. 1,350,000,000/- |

5.1 Financial Plan:

Foreign Equity: 49% and Local Equity: 51%

5.2 Financial forecasting.

| Financial Forecast (5 Years) | | | | | |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| REVENUE | | | | | |
| Estimated Product Sales | £350,000,000 | £450,000,000 | £550,000,000 | £600,000,000 | £650,000,000 |
| Less Sales Returns & Discounts | £0 | £0 | £0 | £0 | -£234 |
| Service Revenue | £0 | £0 | £0 | £0 | £0 |
| Other Revenue | £0 | £0 | £0 | £0 | £0 |
| Net Sales | £350,000,000 | £450,000,000 | £550,000,000 | £600,000,000 | £650,000,234 |
| Cost of Goods Sold | £140,000,000 | £180,000,000 | £220,000,000 | £240,000,000 | £260,000,000 |
| Gross Profit | £210,000,000 | £270,000,000 | £330,000,000 | £360,000,000 | £390,000,234 |
| EXPENSES | | | | | |
| Salaries & Wages | £10,200,000 | £15,000,000 | £15,000,000 | £150,000,000 | £150,000,000 |
| Marketing/Advertising | £20,000,000 | £20,000,000 | £20,000,000 | £20,000,000 | £20,000,000 |
| Sales Commissions | £15,000,000 | £15,000,000 | £15,000,000 | £15,000,000 | £15,000,000 |
| Temporary Labor | £5,000,000 | £10,000,000 | £10,000,000 | £10,000,000 | £10,000,000 |
| Total Expenses | £50,200,000 | £60,000,000 | £60,000,000 | £195,000,000 | £195,000,000 |
| Income Before Taxes | £159,800,000 | £210,000,000 | £270,000,000 | £165,000,000 | £195,000,234 |
| Income Tax Expense | £0 | £0 | £0 | £0 | £0 |
| NET INCOME | £159,800,210 | £209,999,610 | £269,999,460 | £165,000,458 | £195,000,145 |

5.3. Break-even Analysis:

Break-even expected within the first two years of operation, as market share increases and productivity improves.

5.4. Risk Management

1. Market Risks: Fluctuating market prices for livestock and crops. The farm will mitigate this by offering competitive pricing and focusing on cost efficiency.
2. Disease Outbreaks: Livestock disease outbreaks could affect production. The farm will implement stringent health and biosecurity measures to prevent diseases.
3. Weather Risks: Unpredictable weather patterns could affect crop yields. The farm will adopt climate-resilient practices such as irrigation and drought-resistant crop varieties.

6.0 Conclusion

Affordable Meat & Crop Farms is well-positioned to succeed in Tanzania by providing affordable, high-quality meat and crops. By focusing on efficiency, sustainability, and customer needs, the business aims to become a trusted supplier in the market while maintaining financial stability and contributing to food security.