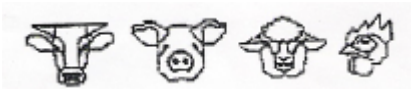
ASSED Extension Services Ltd Business Plan

Strictly private and confidential

Mr. Allen Mutalemwa

ASSED EXTENSION SERVICES LIMITED



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1. EXECUTIVE SUMMARY

1. 1 Location: OLMOTI MATEVEZI ARUSHA

1.2 Business Name: ASSED EXTENSION SERVICES LTD:

1.3 Sponsor: Allen Mutalemwa

1.4 Project Descriptions:

ASSED EXTENSION SERVICES LTD in agro manufacturing sector with a business proposal for compounding chicken and animal feeds and animalfeeds supplents and veterinary drugs. The manufacturing sector has been experiencing a steady annual growth of about 8% in year 2005 and year 2024. Economic survey www.Tanzania.go.tz .All feeds will be mixed with innovative natural feed additives, organic selenium to promote health production on the bird and animal side and avail a health nutritive and safe high quality animal protein food for human end-user. ASSESED EXTENSION SERVICES LTD will be producing a total of 1000 tones of feed in the first year. And 1300 tones in the second year.

1.5 Marketing: The market will initially be in Arusha,Kilimanjaro,Manyara,Shinyanga,Singida,Morogoro,Katavi and Dar e salaam regions before involving the other parts of Tanzania.

1.6 Proposed financial structure:

Proposed financial structure of the project is as tabulated below:

Cost category	Year 1	Year 2	Year 3	Year 4
Fixed assets: Machinery	5,810,832*1	6,682,456	7,684,824	8,837,548
Raw materials	315,363,400*2	362,667,910	417,068,096	479,628,310
Manpower:Salary/wages	10,150,000*3	11,672,500	13,423,375	15,436,881
Storage & distribution	10,005,000*4	11,505,750	13,231,612	15,216,354
Others: electricity/water	1,024,222	1,177,855	1,354,533	1,557,713
Total	333,218,454	393,706,471	452,762,442	520,676806

1.7 Term loan payment:

The proposed medium term loan is projected to be repaid at 17% interest rate per annum in four years.

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1. BUSINESS / COMPANY DESCRIPTION

1.1 Industry overview:

The manufacturing sector in Tanzania has been experiencing a steady annual growth of about 8% in 2005and 2024. Source of information economic survey 2006, *www.tanzania.tz*

ASSESD EXRENSION SERVICES LTD will be operating in the manufacturing sector specifically agribusiness industry. Tanzania shows a steady growth, registering an average annual growth of over 4%. The sectors contribution to the GDP has averaged 8% over the last decade.

Tanzania is an agricultural dependant country endowed with abundant arable land; large inland water bodies many seasonal and permanent rivers and long sea boundary. Agriculture contributes over 50% to the GDP and more than 90% of its export earnings. The sector averaged a growth of about 4.6% over the past three years. The livestock sub sector has been averaging a growth of about 3.4% over three years. But most of the agricultural products exported are in raw form. This country has many opportunities and potentials for value adding and agro processing industry investments.

The history of feed milling dates back after independence when National Milling was involved in producing animal feeds in Dare salaam and Arusha.later TANZANIA ANIMAL FEED COMPANY (TAFCO) was found with zonal plants in Dar es alaam,Moshi and Mwanza but it did not last long. Later Tanzania Rural Development Bank (TRDB) now (CRDB) made an initiative to revive the animal feed industry by importing small vertical mixers ranging from 250 kg to 1000kg mixing capacity. Some local engineering companies made photocopies of the machineries and now make the base of feed mixing gears.

The animal feed industry attracted opportunists who had capital as many of the professionals were not able to raise money to buy this machinery.

The National Livestock Policy aims at stimulating redevelopment in livestock industry in order to exploit the available resources with due concern for the conservation of environment. The policy emphasizes the importance of competitive markets: commercialized livestock industry, addition of value of livestock products and sustainable livestock development. The policy is amongst many initiatives that invites and opens doors to private sector investment. Source of information extracted from paper presented in the Arusha Region Investment Forum December, 2008.

Feed alone constitute about 70% of the total production cost thus it needs most attention for a remunerative return. The factors accounting for feed efficiency have to be adjusted from the feed milling process for economic profitability to all multiple stake holders and the impact on the environment in this whole food chain.ASSED EXTENSION SERVICES LTD is technologically tuned to allow this agribusiness to penetrate this market.

2.2 BUSINESS DESCRIPTION

2.2.1 Vision:

The vision of this business is "to become the top animal feed processing industry in Tanzania"

2.2.2 The mission statement:

The mission of ASSED extension services ltd is to contribute to the development of livestock sector; participate fully in creation of self employment based of livestock and agriculture and to contribute for sustainable development in the livestock sector to increase production improve better standard if living.

2.2.3 Objectives:

To produce quality protein to feed the critical mass or poor groups.

To create or attract production of new non conventional crops as economic crops creating employment in the Agricultural sector.

To stimulate regional and inter states trade in animal feeds and products.

To promote livestock production as an economic entity.

2.3 Descriptions of products:

The founder Mr. ALLEN MUTALEMWA of ASSED EXRENSION SERVICES LTD brings to you his 19 years experience in animal feed and poultry industry. Using Technological approaches aiming at environmental protection by using additives in feed production which decrease greatly shedding of nitrogen or minerals into the soil.

The following poultry and animal feeds will be produced in line with Tanzania bureau of standards:

Broiler Starter Feed to be used to start chicks of meat type chicken from day 1 to day 14.

Broiler Grower Feed to continue the growth of meat birds from day15 to day 32

Broiler Finisher Feed Low energy to finish the meat type bird from day 33 to day 42 to attain the live weight of 2 to 2.2kgs.

Broiler Finisher High energy to finish the meat type of feed from day 33 to day 42 for special market needs for processing i.e. broad breast and low fat content.

Layer Chick Mash to start the chick of chicken type for egg production to be used for the first 8weeks.

Layer Grower Mash to take the growing phase of layer chicks from 9 weeks to 16 weeks.

Layer mash to be used to start up the process of egg production in layer chicken from 17 weeks to peak egg production of 85%-90% and there after up to the end of production.

Layer breeders mash for production of fertilized eggs for chick hatching of layer type from 17 weeks to start up egg production to peak there after up to the end of production.

Broiler Breeder mash for production of fertilized eggs for chick hatching of meat type from 18 weeks to peak of production on wards up to the end of production.

Pig Sow feed mash to be used to feed pig both male and female of breeding type for production of piglets.

Pig Starter Feed Mash for feeding of pigs for fattening from weaning at 15 kilogram to 45 kilograms live weight.

Pig finisher for fattening pigs from 45 kilograms to attain 90 kilograms live weight.

Innovative organic natural feed additives will be applied to all types of feeds, to promote healthy production on the bird and animal side and obtain a healthy nutritive, safe high quality animal protein and products.

2.4. Business/Company positioning.

2.4.1 Business position:

Competitor are advertising price cheapness of their feeds but that alone does not matter in animal production what is important is the science of balancing the nutrients required by carefully manipulating of different feed ingredients to get a least cost formulations

There is a market need demanding good quality feed to meet high productivity challenges of livestock intensification and ensure profitable returns. The technological component involved in balancing the nutrients from different ingredients will ensure superior performance with reduced mortalities and reduced feed usage thus slightly higher cost of our feed will be compensated by high growth. The unique features about our products is that it shortens the

growing cycle, reduces disease challenges and increase production, ensuring a high profit returns after selling an affordable products by our clients..

2.4.2 Pricing strategy.

Raw materials cost will determine the price used which are chosen depending on seasonality, price competitiveness which varies from time to time depending on the price but not affecting the quality of the end product. Other costs will be included namely; production costs, delivery costs and adding a reasonable profit mark up.

During the launching of its products ASSED EXTENSION SERVICES LTD main object will be to acquire large market share will have to retail below major competitors. Although this may produce little profit at the beginning the business long term goals will be to raise the profit through bargaining and contract purchases and raise the price after achieving market acceptance.

3. PRODUCTION PLAN/ SERVICE DESCRIPTION

3.1 Production and operation processes

Development status:

Variety of least cost formulations have been made using both conventional and non conventional feed ingredients and tested for performance evaluation. A least cost computer formulation program package has been acquired which would assist quick formulation changes when raw material prices changes.

Keeping inventory of raw materials is the determinant of profit making in the feed production.

The procurement of raw materials will be done during the harvesting time when prices are reasonable. By products will be procured on contract bases to ensure price stability.

3.1.1 Block Charts and Flow Diagrams:

In the production of compound animal/poultry feeds operations with emphasis on small scale operations, there are four functions which will be performed.

Collecting of raw materials including operations of transporting, receiving, cleaning, drying and storage of row material.

Modifying of raw material to allow proper mixing and to improve digestibility. This includes grinding in the hammer mill.

Blending and mixing of ingredients to obtain the formulation, this includes weighing or volumetric dosing, and mixing.

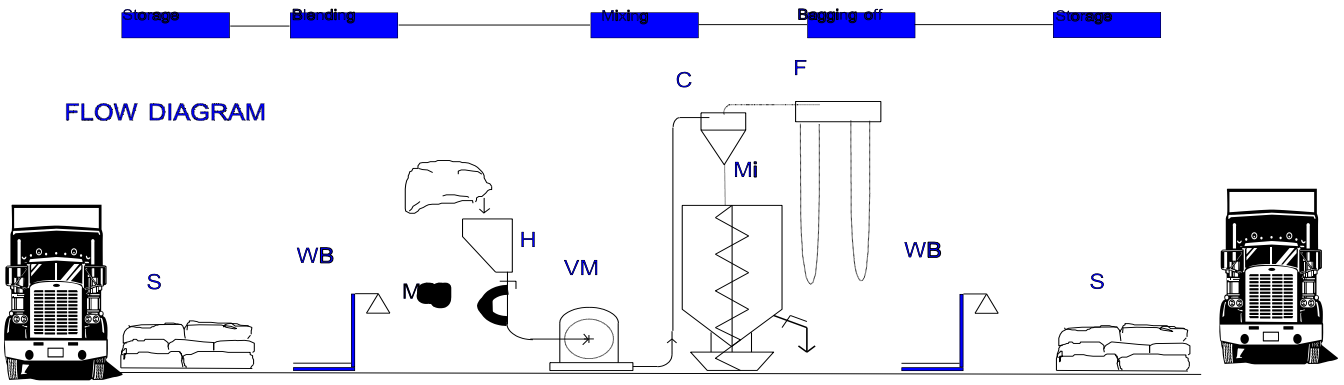
Delivering the compound feeds produced. This will include operations of weighing, bagging, storage and transportation to farms.

In the feed mill the four essential functions will be performed by executing combination of operations in certain sequence.

An outline of a combination of operations and order in which they are executed is given by a

Block Flow- Chart figure 1:

FLOW CHART



3.1.2. Transport and Reception:

Transportation of raw materials of farm origin (e.g. grains, oilseeds) and industrial by-products are transported in bags by trucks. When they arrive at our factory quality control will be made on weight and condition of the in coming raw materials, and samples taken for laboratory analysis, where possible. And there after manhandled to the raw material warehouse for storage. The reception of raw materials will include, unloading from the transport/ truck, weighing on platform scale to check the incoming weight, sampling to check the conditions and conveying the materials to the storage.

The raw materials will be brought in bags and stored in bags too the unloading will be completely manually this will be requiring a considerable labour input (approx. 1500kg./ person/hr.)This is where casuals will be employed on peace work. Wheel barrows/ wheel carts figure 4 will be used to make work lighter.

3.1.3 Storage of Raw Materials:

After receiving our raw materials our second major operation in our feed mill will be storage of raw materials this will be done in such a way that there will be no losses in quality and quantity. This requires good storage facility and maintaining proper storage condition of temperature and humidity.

The ware house will be of proper construction which will protect the materials against rain, excessive temperatures and as much as possible against rodents rain and birds. Site will be above possible flood level during wet season, walls, floors will be smooth and water proof, roof will be reflecting solar radiations and having a top ventilation openings ,the building will be oriented with the short wall facing east/ west to reduce solar heating during the day ,the roof will be having a sufficient awning to shade the walls, the building will have controllable

ventilation and large door opposite each other, be rodent and bird- proof by having grills on windows to ensure no wild bird get in contact with feed ingredients as preventive measure against avian flue and to be surrounded by drain ditches.

3.1.4 Blending:

In our compound feed production, blending will mean and involve measuring out and assembling of the required quantities of raw materials to obtain the batch of desired composition of the feeds. In formulating the desired composition the quantities which are expressed in percentages will be converted in to units of weight of 1000kgs batch. For those materials that need to be reduced in particle size, blending will take place before grinding, while the already fine raw materials will be added after grinding. The complete batch will subsequently be mixed.

3.1.5 Grinding:

The raw materials to be used in our compound feed production will partly originate from arable farming ,partly they will be by- products from agro-industrial processes(e.g. oil seed cakes, meat- and bone meal).They will need to be modified by size reduction (grinding) before they can be included in animal feeds. Size reduction by grinding will aim at improving digestibility of the ingredient by increasing the surface area of the particles and improvement of mixing. When particles to be mixed differ much in size (and mass) it will be difficult to obtain a homogeneous mixture. Homogeneity of the feed mix is important because the animal to be fed must obtain all ingredients in the proper proportions in each meal offered. Moreover, when particles in a mixed feed (in meal form) differ much in size, segregation may occur during transport of the feed from feed mill to farm.

The materials to be grounded are usually first blended and then grounded before mixing we call this blended grinding.

The type of grinding machine to be employed in our feed mill will be the hummer mill, also known as impact grinder. The capacity of the motor will be of 22 (kW) capacities this is able to mill about. 3000 kg of feed using sieve of 8 millimeters this will help very much in capacity increase in feed production antispected.

3.1.5 Mixing:

Mixing will combine different components into a more or less homogeneous mass that can not easily be separated again and ensure that the animals are offered the different nutrients in the desired proportions.

Our mixer will be a vertical mixer, with horizontal bins in which a revolving screw or set of paddles mix the solid until an even mix is obtained. The mixer is considered as the heart of the

feed mill as this machine effects the essential compounding of feeds. The mixing capacity in volume will be 1000 kg mixing time will be of 15 minutes. Initially on mixer will be used an additional mixer will be added in year tree to carter for increased volume in market and utilization of the milling capacity.

3.1.6 Bagging of Mixed Feed storage and Delivery of Finished feeds

Bagging of mixed feed by filling into bags will be done directly from the mixer into bags of 25 and 50kgs respectively. Then they will be weighed closed by sewing and stored on pallets before actual transportation to deliver them to customers.

In order to guarantee regular good product quality samplers of the ready feed will be taken for laboratory analysis before delivery.

3.2.2 Labour requirements:

The sponsor is the manager will also be the head of the production department. Being competent in milling operations. He will also do labour training and feed formulations operations. Other labours needed will be one Feed mill supervisor and two milling assistants.

3.3 Expense and capital requirements:

3.3.1 Operating expenses:

Salaries and wages (Administration)…… 5,400,000

NSSF 10%.....540,000

Payroll 6%.....324,000

Staff welfare (meals)…….…… 1,848,000

Uniform……...……. 140,000

Advertisements …….…….175, 0200

Insurance building 1%..... 180,000

Insurance machinery 1% ……..……240,000

Insurance vehicle……...… 1,750,000

Business license…… 150,000

Traveling and transport……....6,000,000

18,322,200

3.3.2 Capital requirements:

Machinery and material shed……...18,000,000

Depreciation 4%.....720,000

Machinery.....24,000,000

Depreciation 12.5%.....3,000,000

Vehicle……..14,000,000

Depreciation 12.5%.....1,750,000

61,470,000

3.3.3 Cost of goods:

Cost of raw materials…….. 373,489,026

Utility costs…….3, 960,000

Packing material……. 8, 400,000

Production wages……... 9,600,000

NSSF 10%..... 960,000

Pay roll levy 6%..... 567,600

Transport in---------- 4,000,000

400,976,626

.Step 4: Distribution to sales points / agents / customers **(Basis for calculation of costs of every step)**

4 THE MARKET & COMPETITION

4.1 Customers

Target customers are those who are quality minded for performance geared products. Commercial poultry producers in urban and peri-urban area with functional characteristics who weigh the cost against the effect the feed will have on their birds.

4.2 Market size and trend:

4.2.1 Animal Feed Demand:

The demand for animal feeds is directly linked to demand for meat based products namely chicken meat, beef, dairy milk, mutton and pork. Therefore, according to the following table which summarizes the production trends of livestock over the past three years, the average growth rate of animal feed can be estimated at 3% the livestock sector grow by 4% in year 2024.

Production of Livestock and Poultry Products from year 2021 to year 2024:

Production	Measure	2021	2022	2023	2024	Change
Beef	Tons	182,500	184,000	204,500	210,370	02.86
Lamb	Tons	74,500	75,000	78,093	78,579	00.62
Pork	Tons	23,000	26,000	27,000	29,000	10.83
Chicken	Tons	61,500	63,000	68,896	69,420	00.76
Milk	Liters (000)	381,800	366,300	466,400	470,971	00.90
Eggs	Number (000)	790,000	910,000	1,386,400	1,386,400	01.90

Source of information ministry of livestock development.

4.3 Competitions:

Our competitors have been in the market for some time hence have high capital investments in the industry, but most of them are opportunists and are not competitive in the animal nutrition technology to be able to maneuver and look for appropriate alternative feed ingredients in price fluctuating environment of animal feed industry to produce quality feeds at affordable price.

In 1993 there where more than 60 animal feed plant most of them which were small scale producer more entrants have come and gone out too. According to a feasibility carried out by Peter Richards Associates Limited in 1997, the industry has a high potential for new entrants. However the same report identified that the same industry is characterized by a high failure rate due to lack of working capital, lack of qualified technical personnel, and of modern technology. In order to counter this, the report recommended that, in order to guard against competition posed by potential new entrants is to produce high quality animal feeds.

No clear substitute for animal feeds for intensive reared animals but end products like beef and poultry products may substitute each other if price differ much.

Survey indicates that customers do not exert a strong influence on price of animal feed; however they tend to find lesser quality feed if prices rise too high.

Feed mill raw material supplier has high bargaining power over their customers. Price of maize varies greatly with season due to competition with humans for food. Fish meal is expensive in Arusha due to logistical cost, competition with humans and exports.

4.4 Estimated Sales:

Livestock and or poultry feed market are concentrated in the urban and peri- urban area where intensive and semi intensive livestock production are cried out. It is seasonal influenced by both tourist and weather seasons.

Projected feed sales /month/year:

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1	900	1200	1400	1100	1080	1600	1800	2300	2421	2132	2000	2068
2	1861	2040	2001	1800	1600	2100	2200	2400	2600	2400	2300	2500
3	2660	2820	3020	2400	2360	2900	3100	3320	3200	2880	2920	3276
4	3400	3820	4180	3700	3700	4000	4000	4300	4300	3680	3600	4320

Year one 20,000 bags x Tsh.24, 677.18 = TSH. 493,543,707. = $ 379,649

Year two 26,000 bags x Tsh. 24,677.18 = TSH. 641,606,819. = $ 493543

Year three 34,875 bags x Tsh. 24,677.18 = TSH. 860,715,548. =$ 662,088

Year four 47,000 bags x Tsh. 24,677.18 = Tsh.1, 160,158,847=$ 892,429

5 MARKETING & SELLING STRATEGY/ PLAN

5.1 SWOT ANALYSIS

STRENGHTS	WEAKNESS
Competitive advantages Resources,Assets,people,experience,knowledge,market reach EAC,location and geografhical,quality	Deadline and pressures,cach drain, process and systems

OPPORTUNITY Market development,lifestyle trends, technology development and innovation, Global influences, major contracts, business and products development, information and research	THREATS Political effects, legislative effects, environmental effects, new technologies, obstacles faced, loss of key staffs, sustainable financial backing, seasonally weather effects

5.2 Marketing strategy

This involves reaching customer by radio, direct sales, brochures, flairs and radio broad advertising

To create awareness of our products, let farmers know the added value economic incentive of our feed, launch and position ASSED EXTENSION SERVICES LTD in the market and develop the image of the feed.

To begin with potential surveyed and registered customers are targeted where by few farmers are selected to be involved in contracted growers scheme groups to be selected to raise 100,200,300 broilers for chicken meat and the same size for layers for egg production they will be availed with feed and all necessary services to raise quality products through branding. Organic Selenium from yeas will be used as an innovative tool in strategies to differentiate eggs and poultry meat from commodity goods, and offers benefits to stakeholders throughout the food chain.

The end product will be bought back processed sold as branded products. Given the superiority of the product it will earn them high profit returns this will attract others to join and let others know our feed. Advertisement and promotion will be made to let people know our superior products in both feeds and end product of eggs and poultry.

In Feed farmers will be educated and made to appreciate the benefit of superior performance realized from use of our feed made with organic selenium additives from yeast. The reduced mortalities in their chickens, how it shortens the growing cycle from eight weeks to six weeks, weight attained from less than two kilogram to more than two kilogram, egg production from few eggs to more eggs as their raise them on contract grower scheme.

To the end products poultry meat and eggs consumers will be made aware of the interesting health benefits of eating selenium enriched eggs , poultry meat, pork and milk in providing sufficient selenium to avoided clinical deficiency and let them know the negative effect

associated with low selenium in intakes how they are linked with increased risks of cardiovascular disease, development of certain types of cancer, Alzheimer's rheumatoid, arthritis, impaired immunocompetency and diminished resistance to infectious agents, radiation, and other environmental hazards such as ozone and toxic heavy metals, let them know the connection between selenium in take ,health and longevity in life and note that poor selenium status correlates closely with mortality from the main disease's mentioned above .see supportive document 7&8

Frequent meaningful nutrition massage about ASSED EXTENSION SERVICES LTD Animal Feed and Poultry Products (FAF&PP) products will help educate consumers so that they can discern that using FAF&pp products will bring added value to their lives. Continued repetition of such messages about diet and or health benefits, or economic gain for feed, would be inextricably linked and be etched in consumers minds. Consequently they will want or like relate their life with FAF&PP products.

With the greater effort push the products to the market and increase ASSED EXTENSION SERVICES LTD market share. ASSED EXTENSION SERVICES LTD will initially target local market to gain customers acceptance then go regionally, nationally and enter into export market to the neighboring countries to exploit the enormous potential of raw material supply endowed to our country.

5.3. Method of sales:

5.2.1 Direct sales from the feed mill divided into whole sale at discounted rate for big volume sales and retail high priced small volume sales. Regular customers when appropriate will be offered discount on the items purchased.

5.3.2 Sale through agents who are chosen depending on the location and identified customers potential targeting means of conveying feed home ie bus stand.

5.4.3 Direct delivery for big orders for big farms and institution.

5.5.4 ASSED EXTENSION SERVICES LTD will enter into joint venture on contract growing. Here birds are grown by contracted out grower on partnership bases. ASSED EXTENSION SERVICES LTD would give them day old chicks technical assistance and feed. At slaughter time ASSED EXTENSION SERVICES LTD buys back the birds deducting what has been supplied.

5.6.5 ASSED EXTENSION SERVICES LTD will establish its own sales outlets in areas with high potential market especially in Dares salaam,Arusha,Kilimanjaro,Manyara,Singida,Shinyanga and Morogoro

5.4 Advertising and Promotion:

5.3.1. Advertising:

ASSED EXTENSION SERVICES LTD will aim to convince prospective customers to buy products as well to build and maintain a positive image through advertising and sale promotion. By generating lead i.e. to get ASSED EXTENSION SERVICES LTD message across to the consumers. That is to say bringing the customers into the sale process, help to built image or a perception about ASSED EXTENSION SERVICESLTD products targeting the consumers mind and thus creating a deal to have customers buy ASSED EXTENSION SERVICES LTD products.

5.3.2 Advertisement will create awareness about ASSED EXTENSION SERVICES LTD and their outlets; let them know its quality as opposed to competitors through radio, newspaper and distinctive clear logo on the bags. Each bag will carry special leaflet showing nutritive value and usage advisory. Advertising will be used to support sales force. Distributors will be helped to sell by appealing directly to the public so that the customer comes to the reseller asking for ASSED EXTENSION SERVICES LTD. Posters and signs will be used at different locations.

5.3.2 Promotions:

This will involve both Sales incentive strategies focusing on the consumer to stimulate interest and demand for ASSED EXTENSION SERVICES LTD products sales promotion strategies will include free trials, discounts, credit incentive ,coupons, rewards and point of purchase displays. And or Sales recommending strategy, this sales promotion strategy will involve making or pushing agents, distributors and retailers to sell our products to the consumers by offering various kinds of promotions and personal selling efforts. Here ASSED EXTENSION SERVICES LTD will promote its products to the reseller who in turn will promote to another reseller or to the consumer. The objective of this strategy will be to persuade retailers, whole sellers and distributors or agents carry or promote ASSED EXTENSION SERVICES LTD products, give them shelf space and promote them and ultimately push it forward or sell them to the consumers. Sales promotion strategies will include, free trials, discounts, credit incentive display posters, fliers, brochures and or stickers.

Trade incentives, ASSED EXTENSION SERVICES LTD will allow a good margin to resellers. Offer specific feed service package (extension service) with tailor made after sales advisory service ASSED EXTENSION SERVICES LTD will cooperate very closely with farmers using ASSED EXTENSION SERVICES LTD. Sets of leaflets i.e. how to get the best from ASSED EXTENSION SERVICES LTD will be issued to assist.

ASSED EXTENSION SERVICES LTD will participate at agricultural exhibition Nane Nane and SIDO trade shows as effective tools to offer many of the would be potential consumers an opportunity to be exposed to ASSED EXTENSION SERVICES LTD products. At that time

they happen to be in a more relaxed mood. They will be properly and attractively organized, those who will visit our stand to be coincidence turned out to be our promoters.

Personal selling to solicit orders collect market information handle customer problems and complaint sales personal shall visit farmers providing technical advice and solicit orders and deliver directly to the farmers.

5.3 Advertising and Promotion

This involves reaching customer by radio, direct sales, brochures, flairs and radio broad advertising

6 MANAGEMENT/ ORGANIZATION

6.1 Description

The sponsor with 5 years experience in animal feed milling Technology will be the manage of feed mill. He will be responsible for the day to day running of the mill. By procuring raw materials, make feed formulations ensure quality production of feeds he will also assist the sales and marketing stuff in technical matters relating to feeds.

To start with a store and a bookkeeper assistant will be employed but later a qualified stores and an accountant will be employed. Marketing and sales manager competent in agro business will also be employed.

6.2 Organization structure:

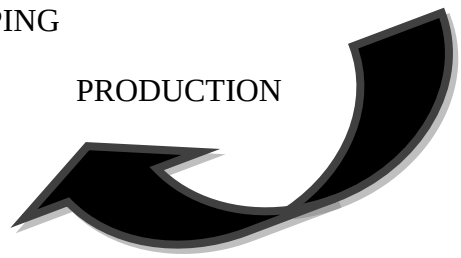
ADVISORY BOARD MANAGER

ADMINISTRATORSSALES

SECURITY STAFF

STORES AND BOOKKEEPING

PRODUCTION



6.2. Ownership

6.2.1. Manager:

6.2.1.1. Qualifications.

Be conversant in animal feed milling technology in a price changing environment field of animal production with not less than four years experience in the field.

Be conversant in animal nutrition, having high knowledge of sourcing animal feed ingredients, feed additives knowledge of ant nutritive effect in animal nutrition Having a diploma or degree in animal husbandry/animal production.

Machinery operations – Be conversant in milling, mixing and bag closing machinery operations.

6.2.1.2. Job Description.

Preparation of functional quarter Budget plan and over see its implementations.

Plan and execute raw material procurement programs.

Perform least cost formulations.

To conduct on job training for feed milling machine operator

Over see and supervise quality feed production with the assistance of feed mill supervisor.

Machinery operations – Be conversant in milling, mixing and bag closing machinery operations.

6.2.2. STORES/ Book Keeper.

6.2.2.1. Qualifications.

Accounts Technician.

Be conversant in applications of computer in book keeping and stores management.

6.2.2.2. Job Description:

To be answerable to the manager.

To maintain all books of accounts, including, cash book, sales day book, purchase day book, petty cash book, make bank reconciliation, write general ledger and writes subsidiary ledger for both daters and creditors to the level of trial balance after which they will be taken to the registered Public accountant for final account writing and auditing.

To maintain and write stores ledger make stock control using both control book and bin cards set stores order by setting and maintaining minimum stock levels, maximum levels and re ordering levels.

6.2.3. Sales Assistant:

6.2.3.1. Qualifications:

-Diploma and or Certificate in Sales and Marketing.

-Two or more years in marketing and sales in busy sales environments.

-Computer skill.

-Strong inter personal, organizational, analytical, listening and communication skill commitment to the highest ethical and professional standards.

6:2:3:2 Job Descriptions:

-Sales personnel will be involved in day to day sales.

-Inception reception and processing customer's orders.

-Be well organized to reflect a sale altitude.

-Be prepared to over come sales hurdles.

6:4 Support services:

The business will use support services from Animal Disease Research Institute (ADRI) and utilize the services of feed analysis to continually improve the quality of ASSED EXTENSION SERVICES LTD through researching in new feed ingredients. Will also use the services of Tanzania Bureau of standards to monitor the quality of ASSED EXTENSION SERVICES LTDFeeds to be able to penetrate the export market. Regional Veterinary Office for disease surveillance.

Management of my company is such as the ;Director is me as the feed miller technology where by I will formulate the all feed rations according to the specifications and management instruction of the specific flock of animals.Driver.He will drive the car to where all materials are supposed to be collected from suppliers and supplies to customers. Shop keeper. Sales man

will keep record and sale of the products, watch man he will watch the feed mill and surroundings during night

FINANCIAL PLAN

7: FINANCIAL PLAN

7:1 Financial Risks:

-Price cut by competitors.

From the ASSED EXTENSION SERVICES LTD will train customers to mutual trust as they are working in a chain to make profitability to all multiple stake holders.

A key customer cancels a contract of orders.

From the start ASSED EXTENSION SERVICES LTD will attain market segments above marketing level. Staff will be motivated for overtime production to accommodate provided demand.

Manufacturing costs exceeds your projection.

ASSED EXTENSION SERVICES LTD has a wide product mix which do not use similar raw materials and built confident customer relationship for all products needs, ASSED EXTENSION SERVICES LTD will stock enough non conventional cheap raw materials at critical periods-planting to harvest season.

Important subcontractors fail to make deliveries.

ASSED EXTENSION SERVICES LTD will promote and maintain wide sourcing on competitive base.

Public opinion of your product changes.

ASSED EXTENSION SERVICES LTD mills will promote heavily for customers to build positive image of its products at all times.

7:2 Descriptive Financial plans

7:2:1: financial analysis:

Turn over is projected at Tsh. 493,543,707

6:2:2: Direct Production Cost:

Raw materials Tsh. 373,489,026 constituting more than 90 % of the direct production cost (cost of goods).

7:2:3: Labour cost

Production costs for the first year is at an average of Tsh.11, 136,000 per year representing 2.75% of the annual direct production cost (cost of goods) on average.

7:2:4 Parking Materials:

The parking material constitutes a total of Tsh. 8,400,000 for the first year representing 2.07 % of the direct production costs (cost of goods).

Funding Requirements:

ITEM DESCRIPTION		EQUITY	BORROWING
Land	12,000,000.00	12,000,000.00	
Building	60,000,000.00	54,000,000.00	6,000,000.00
Office equipments	1,000,000.00	1,000,000.00	
Installation Cost	1,500,000.00	1,500,000.00	
Equipment & Machinery	24,000,000.00		34,000,000.00
Cash	10,000,000.00	10,000,000.00	
Raw materials	227,247,317.00		227,247,317.00
Vehicles	64,000,000.00		64,000,000.00
Goodwill	15,000,000.00	15,000,000.00	
Total	424,747317.00	93,500,000.00	331,247,317.00
Percentage		22.01%	77.99%

8: SUPPORTING DOCUMENTS/ ANNEXES

Annexes are not counted as part of Business plan summary pages

6.2 Funding Requirements

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6.3 Cash flow statements

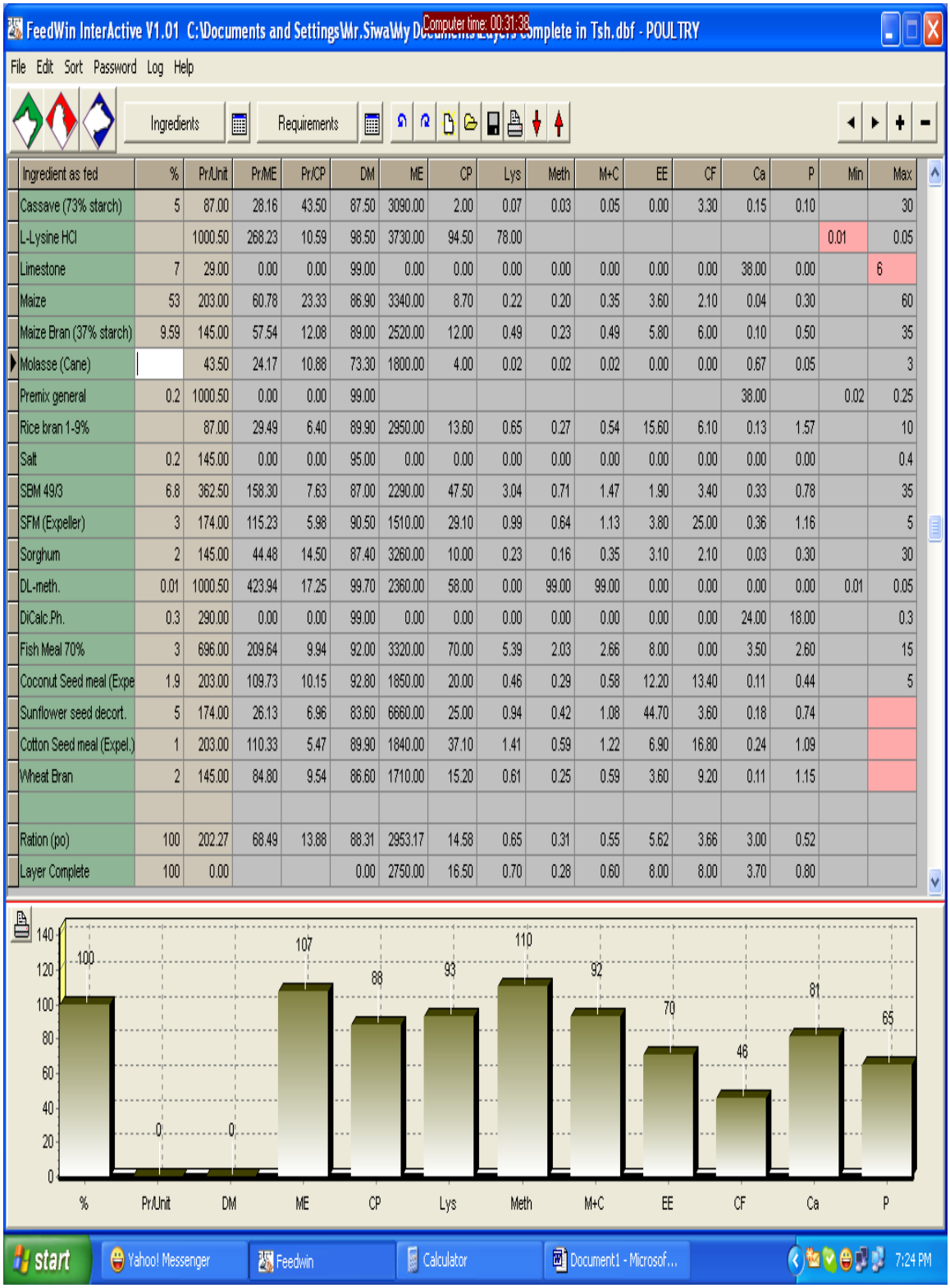
See cash flow template- Ms. Excel document

6.4 Balance sheet

See Balance Sheet template- Ms. Excel document

6.5 Income statement

See Income statement template- Ms. Excel document


FeedWin InterActive V1.01 C:\Documents and Settings\Mr.Siwa\My Documents\Layers Complete in Tsh.dbf - POULTRY
Computer time: 00:31:38
File Edit Sort Password Log Help
Ingredients
Requirements
Ingredient as fed | % | Pr/Unit | Pr/ME | Pr/CP | DM | ME | CP | Lys | Meth | M+C | EE | CF | Ca | P | Min | Max
Cassave (73% starch) | 5 | 87.00 | 28.16 | 43.50 | 87.50 | 3090.00 | 2.00 | 0.07 | 0.03 | 0.05 | 0.00 | 3.30 | 0.15 | 0.10 | | 30
L-Lysine HCl | | 1000.50 | 268.23 | 10.59 | 98.50 | 3730.00 | 94.50 | 78.00 | | | | | | | 0.01 | 0.05
Limestone | 7 | 29.00 | 0.00 | 0.00 | 99.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 38.00 | 0.00 | | 6
Maize | 53 | 203.00 | 60.78 | 23.33 | 86.90 | 3340.00 | 8.70 | 0.22 | 0.20 | 0.35 | 3.60 | 2.10 | 0.04 | 0.30 | | 60
Maize Bran (37% starch) | 9.59 | 145.00 | 57.54 | 12.08 | 89.00 | 2520.00 | 12.00 | 0.49 | 0.23 | 0.49 | 5.80 | 6.00 | 0.10 | 0.50 | | 35
Molasse (Cane) | | 43.50 | 24.17 | 10.88 | 73.30 | 1800.00 | 4.00 | 0.02 | 0.02 | 0.02 | 0.00 | 0.00 | 0.67 | 0.05 | | 3
Premix general | 0.2 | 1000.50 | 0.00 | 0.00 | 99.00 | | | | | | | | 38.00 | | 0.02 | 0.25
Rice bran 1-9% | | 87.00 | 29.49 | 6.40 | 89.90 | 2950.00 | 13.60 | 0.65 | 0.27 | 0.54 | 15.60 | 6.10 | 0.13 | 1.57 | | 10
Salt | 0.2 | 145.00 | 0.00 | 0.00 | 95.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | 0.4
SBM 49/3 | 6.8 | 362.50 | 158.30 | 7.63 | 87.00 | 2290.00 | 47.50 | 3.04 | 0.71 | 1.47 | 1.90 | 3.40 | 0.33 | 0.78 | | 35
SFM (Expeller) | 3 | 174.00 | 115.23 | 5.98 | 90.50 | 1510.00 | 29.10 | 0.99 | 0.64 | 1.13 | 3.80 | 25.00 | 0.36 | 1.16 | | 5
Sorghum | 2 | 145.00 | 44.48 | 14.50 | 87.40 | 3260.00 | 10.00 | 0.23 | 0.16 | 0.35 | 3.10 | 2.10 | 0.03 | 0.30 | | 30
DL-meth. | 0.01 | 1000.50 | 423.94 | 17.25 | 99.70 | 2360.00 | 58.00 | 0.00 | 99.00 | 99.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.05
DiCalc.Ph. | 0.3 | 290.00 | 0.00 | 0.00 | 99.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 24.00 | 18.00 | | 0.3
Fish Meal 70% | 3 | 696.00 | 209.64 | 9.94 | 92.00 | 3320.00 | 70.00 | 5.39 | 2.03 | 2.66 | 8.00 | 0.00 | 3.50 | 2.60 | | 15
Coconut Seed meal (Expe | 1.9 | 203.00 | 109.73 | 10.15 | 92.80 | 1850.00 | 20.00 | 0.46 | 0.29 | 0.58 | 12.20 | 13.40 | 0.11 | 0.44 | | 5
Sunflower seed decort. | 5 | 174.00 | 26.13 | 6.96 | 83.60 | 6660.00 | 25.00 | 0.94 | 0.42 | 1.08 | 44.70 | 3.60 | 0.18 | 0.74 | |
Cotton Seed meal (Expel.) | 1 | 203.00 | 110.33 | 5.47 | 89.90 | 1840.00 | 37.10 | 1.41 | 0.59 | 1.22 | 6.90 | 16.80 | 0.24 | 1.09 | |
Wheat Bran | 2 | 145.00 | 84.80 | 9.54 | 86.60 | 1710.00 | 15.20 | 0.61 | 0.25 | 0.59 | 3.60 | 9.20 | 0.11 | 1.15 | |
Ration (po) | 100 | 202.27 | 68.49 | 13.88 | 88.31 | 2953.17 | 14.58 | 0.65 | 0.31 | 0.55 | 5.62 | 3.66 | 3.00 | 0.52 | |
Layer Complete | 100 | 0.00 | | | 0.00 | 2750.00 | 16.50 | 0.70 | 0.28 | 0.60 | 8.00 | 8.00 | 3.70 | 0.80 | |
140
120
100
80
60
40
20
0
100
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0
107
88
93
110
92
70
46
81
65
% PrUnit DM ME CP Lys Meth M+C EE CF Ca P
start
Yahoo! Messenger
Feedwin
Calculator
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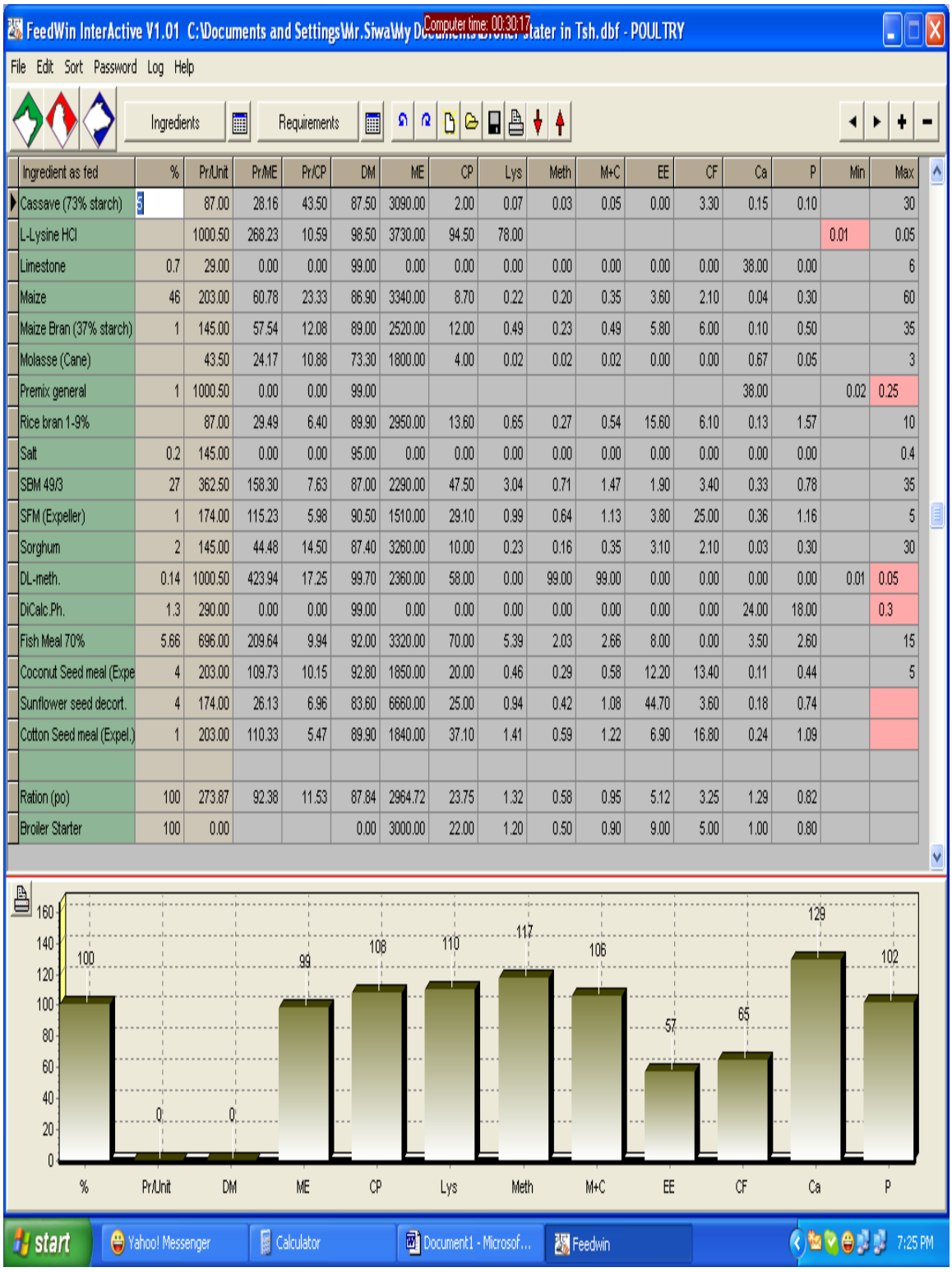
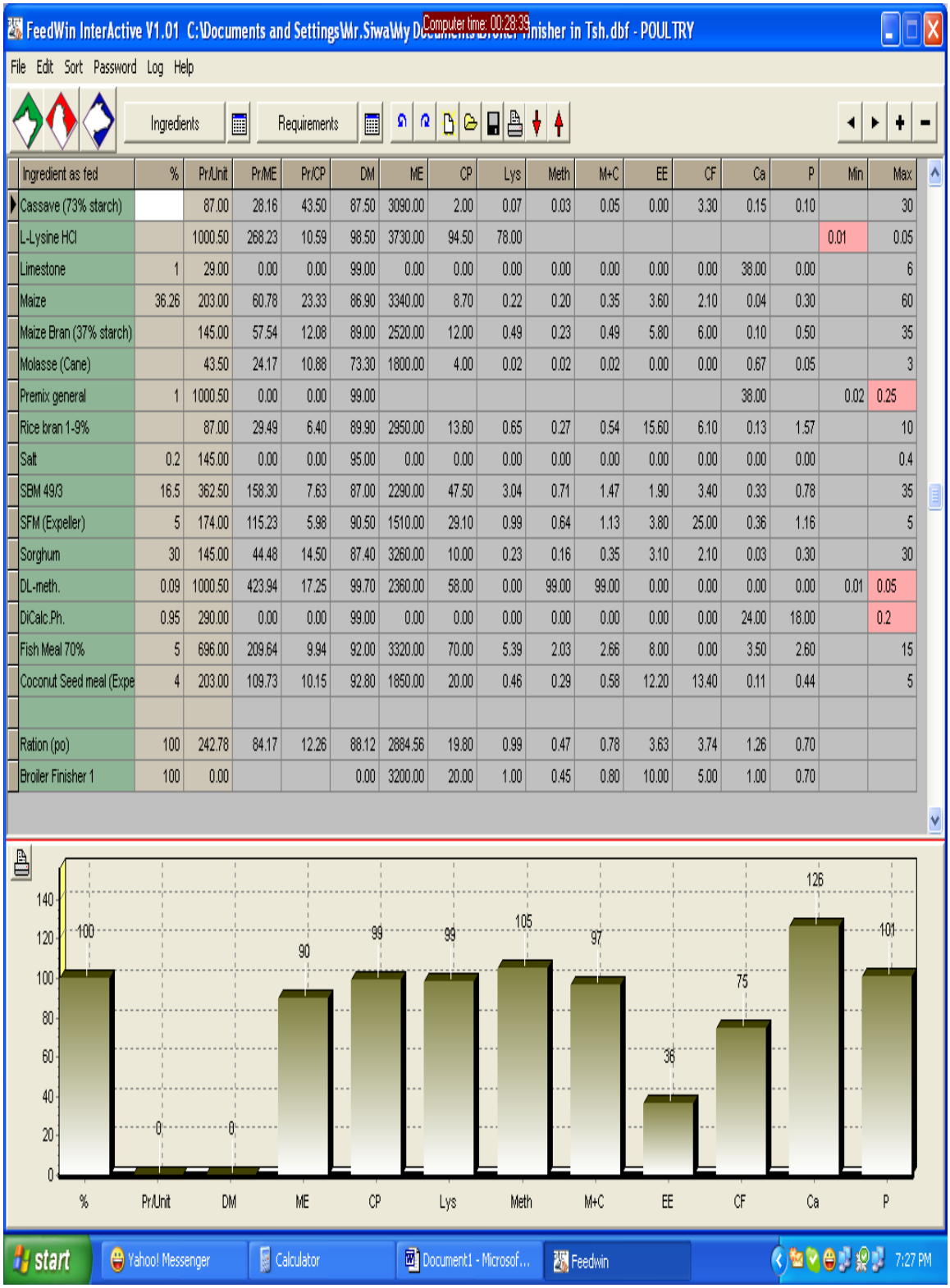
Layers mash



Broiler starter



Broiler Finisher

Raw material requirement 1st year

	broiler starter			Boiler finisher			layers			Total Feed	Total RM
	Total feed	131	RM (+3% losses)	Total feed	261	RM (+3% losses)	Total feed	593	RM (+3% losses)		(+ 3% losses)
Raw material	**%**	**Kg**	**Kg**	**%**	**Kg**	**Kg**	**%**	**Kg**	**Kg**	**Kg**	**Kg**
Cassava (63%)	9	12	12		0	0		0	0	12	12
Dicalc. Ph.	1.3	2	2	0.95	2.48	3	2	12	12	16	17
Fish meal	5.66	7	8	5	13.05	13	3	18	18	38	39
sunflower exp	1	1	1		0	0	3	18	18	19	20
Lime	0.7	1	1	1	2.61	3	7	42	43	45	46
DL meth	0.14	0	0	0.09	0.235	0	0.1	1	1	1	1
Maize	46	60	62	36.26	94.64	97	53	314	324	469	483
sunflower dicort	4	5	5	5	13.05	13	5	30	31	48	49
Premix	1	1	1	1	2.61	3	2	12	12	16	16
Molasses		0	0		0	0		0	0	0	0
Salt	0.2	0	0	0.2	0.522	1	0.2	1	1	2	2
SBM 45/46	27	35	36	16.5	43.07	44	16.8	100	103	178	183
Sorghum	2	3	3	30	78.3	81	2	12	12	93	96
Wheat bran		0	0		0	0	2	12	12	12	12
Cottonexp	1	1	1	4	10.44	11	1.9	11	12	23	24
maize bran	1	1	1		0	0	2	12		13	14
Total	100	131	135	100	261	269	100	593	599	985	1015

Raw material in 5 years

	broiler starter			Boiler finisher			layers			Total Feed	Total RM
	Total feed	164	RM (+3% losses)	Total feed	326	RM (+3% losses)	Total feed	741	RM (+3% losses)		(+ 3% losses)
Raw material	**%**	**Kg**	**Kg**	**%**	**Kg**	**Kg**	**%**	**Kg**	**Kg**	**Kg**	**Kg**
Cassava (63%)	9	15	15		0	0		0	0	15	15
Dicalc. Ph.	1.3	2	2	0.95	3.097	3	2	15	15	20	21
Fish meal	5.66	9	10	5	16.3	17	3	22	23	48	49
sunflower exp	1	2	2		0	0	3	22	23	24	25
Lime	0.7	1	1	1	3.26	3	7	52	53	56	58
DL meth	0.14	0	0	0.09	0.293	0	0.1	1	1	1	1
Maize	46	75	78	36.26	118.2	122	53	393	405	586	604
sunflower dicort	4	7	7	5	16.3	17	5	37	38	60	62
Premix	1	2	2	1	3.26	3	2	15	15	20	20
Molasses		0	0		0	0		0	0	0	0
Salt	0.2	0	0	0.2	0.652	1	0.2	1	2	2	3
SBM 45/46	27	44	46	16.5	53.79	55	16.8	124	128	223	229
Sorghum	2	3	3	30	97.8	101	2	15	15	116	119
Wheat bran		0	0		0	0	2	15	15	15	15
Cottonexp	1	2	2	4	13.04	13	1.9	14	15	29	30
maize bran	1	2	2		0	0	2	15		16	17

Total	100	164	169	100	326	336	100	741	748	1231	1268

Raw material in 5 years

CAURRICULLUM VITAE:

Surname: Mutalemwa

Christian name(s) Allen Mutalemwa

Call name: Allen

Home address: ASSED Extension Services Ltd, P.O.Box 15106 Arusha, Tanzania

Telephone. +255782483509

Date of born: 15th January 1970

Place of born Arusha Tanzania

Marital status: Marriage

E-mail address: allenmuta.mutalemwa@yahoo.com

Education and qualifications

2003-2007 Bsc International Livestock Production and Management Dronten Professional Agricultural University, the Netherlands

2004-2005 International Diploma of Poultry Production (IPO) and International Diploma of Animal Feed (IDAF) PTC Plus Barneveld, the Netherlands

1990-1993.Certificate of Agriculture and Livestock Production (CALP 90) at LITI Tengeru Arusha Tanzania

1986-1989.Certificate of Agricultural secondary school O level at Tarime secondary school Tarime District, Mara Region, Tanzania

1979-1985.Primary certificates at Ngote primary school Muleba District, Kagera Region

Working experience

2006-2007: Organisation: Janssen Hatchery Services (For Cobbs, Hendrix genetics, Elsendorpseweg 57 , 5424 SB Elsendorp, the Netherlands. Telephone: +31492351266.E-mail: j-h-s@planet.nl

Post: Hatchery Manager Assistance

Activities: Egg quality management. Egg settings, Eggs candling, egg inoculations and analysis, Egg transferring, chick-processing,vaccination,debeacking,decombing,detoeing,dewinging.Hygien and quality control,Dissease and abnormalities diagnosis and analysis,marketing,phone calling and internet services to customers, collecting orders, farmers training.

2003-2006: Oganisation.ASSED EXTENSION SERVICES LTD P.O.Box 15106 Arusha Tanzania

Post. Director

Activities in my post

I have working experience in ASSED Extension Services, Current Experience working as livestock extensions director with Animal Husbandry techniques in the private company, Duties include: Management of livestock production, Farm Consultant, Diagnosis and Treatment of various diseases of live stock, Poultry and pet animals with Laboratory aids, Timely Vaccination of animals against various infectious diseases, Educating farmers regarding Animal Management and economic milk production, conducting seminars on various Public health topics related to Zoonotic diseases, Technical control of animal breeding activities including artificial insemination in cattle and buffaloes, diagnosis and treatment problems in farm animals, Ante mortem and Postmortem examination of animals brought to slaughter house under Arusha Municipal Corporation, Meat inspection, Monitoring committee member of ASSED Extension Services. Farm Team in the farm comprising of dairy cattle, poultry and sheep, which are being managed under organic conditions. Included: Routine consultation, Small Animal Surgery, Farm visits, Palpation pregnancy diagnosis.. Treating the sick animals of Milk producers through regular mobile veterinary routes and emergency veterinary routes, Educating milk producers regarding calf rearing, effective and hygienic management, economic breeding regimen, clean milk production

1999-2003.Organisation: MUKPAR (T) LTD Arusha Tanzania

Post: Company Technical Manager

Activities

Visiting whole sales and retailers for collection of orders, Saling the products, teaching the new products in the market, attending the trade show and exhibitions

1994-2002.Organisation: ASSED (Association for Small Scale enterprises Development) P.O.Box 12307 Arusha Tanzania

Post: Extension Officer

Regular visiting farmer for advisor work, Dieases diagnosis, Treatments of diseases, Carry out vaccination programme, teaching farming systems to the farmer

Language: English, Swahili, and Dutch (basic)

Hobbies: Watching TV, listening to the radio, reading for news and knowledge, playing basketball