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MEDICAL LABORATORY SCIENCES

GST 212 ASSIGNMENT.

- **Using a company or business of your choice, write a good and customised business plan, covering all relevant aspects and analyses. Your submission should strictly be in the following format and saved as pdf; Times New Roman, 12, and 1.5 line spacing. Page limit, minimum of 5 and maximum of 10.**

BUSSINESS PLAN ON DIARY FARMING.

According to wikipedia.org, dairy farming is;

“A class of agriculture for the long-term production of milk, which is processed (either on the farm or at a dairy plant, either of which may be called a dairy) for an eventual sale of a dairy product.”

Simply putting,

A dairy farming is when you rear cow for the sole aim of milk production.

Livestock production contributes about 12.7% of agricultural GDP (gross domestic product) in Nigeria. Pastoral communities produce the bulk of milk

consumed in the rural and urban areas of Nigeria. The gap between the supply and demand for dairy products is widening as a result of increase in population and urbanisation. The world bank and National Livestock Project division (NLPD) seized the opportunity provided by this development to initiate a pilot dairy co-operation programme in Kaduna State.

Supply of and demand for dairy products in Kaduna State.

Daily milk offtake per lactating cow averages 0.74 litres/day, ranging from 0.36 litres in the dry season to 1.27 litres in the wet season (World Bank 1993). Thus, in 1990, total milk offtake in the state was estimated to be between 20 and 25 thousand litres. Nevertheless, milk offtake has the potential to increase to between 75 and 95 thousand litres if milking is carried out twice a day, and nutrition and market channels are improved. In 1991, a total of 275 thousand tonnes of dairy products was imported into Nigeria; the national average per capita consumption for the population being estimated at 3.1 kg. The average annual imported quantity sold in Kaduna State (population = 3.9 million in 1991) was estimated at approximately 2.0 kg of liquid milk equivalent per capita. When the total annual imported quantity of around 8 thousand tonnes is added to the 21 to 27.4 thousand tonnes (low and high estimates) sold from domestic production, the total average per capita consumption is estimated to be 7.3–10 kg/year.

This business is or may not be popular, yet it is among the many agricultural ventures that are worth investing into. So if you are looking for a good business to do in Nigeria, then you should consider dairy farming. The most remarkable fact about dairy farming is that one can easily be assisted by the government. In this article, we will discuss on how to apply for a loan from the government.

Dairy farming involves breeding cows, milking them, and selling the milk. Dairy cattle farming is a very profitable business, and many people are making money all over the world by starting dairy milk farming businesses. However, to build a successful, sustainable milk dairy farming business, you require sufficient knowledge of how to efficiently keep the milk cows, good management skills, and a

good dairy farming business plan.

Dairy farming is a lucrative business, providing income for millions of people, but there are some essential things you need to do before you venture into the dairy milk production business. You have to decide on the size of your dairy farming project i.e. the size of your dairy herd; location of the milk dairy farming business e.g. a dairy farm, and your target market. These choices will be affected by the amount of capital you have, and the size of your target market.

If you do not have a lot of capital, you can always start small and grow your milk dairy farming project overtime. You also need to carry out market research (Who are you going to sell the milk to? At what price?) and write a dairy farming business plan before you start the dairy farm project.

FACTORS TO BE CONSIDERED WHEN STARTING DIARY FARMING.

In developing a business plan, SWOT analysis is very important.

What is a SWOT analysis?

It is the strength, weakness, opportunity, and threats of the business plan and the available resources that will contribute to the success of your diary business.

i. LEARN ABOUT DIARY PRODUCTS.

Experience is the most essential in every business. So if you don't have a basic knowledge of diary farming and animals used, it is better you consult an expert who will teach you the techniques involved.

Even if you have learned how to feed any diary animal like cow, sheep, buffalo, etc you still have to consult a diary expert to help you design proper diary farm management systems. You can as well learn from diary workshops and training within or outside your state of residence and other parts of the country breeding and milking as well as other things which will help you in such business.

ii. LAND

Land is an important factor when you are starting a dairy farm business. When selecting land for your dairy farm, some important considerations include: availability

of quality and consistent water supply, the size of the land, quality of grass and grazing pasture and the soil type is it affects pasture quality. Other factors include availability of already made infrastructure like good road network, milk facilities, dependable electricity, pens, sheds, buildings. Constructing buildings for a dairy farm is expensive, so it would be an advantage if some buildings are already there.

iii. HOUSING AND EQUIPMENT FOR DAIRY FARMING BUSINESS

To be successful in the dairy farming business, it's important that you provide good and adequate housing for the dairy cows. Housing for dairy cows is required for several reasons: protecting the dairy cattle from adverse weather conditions, confining the milk cows when they are not grazing, and to allow easier management and control of the dairy milk herd. The best dairy design depends on the local climatic conditions, budgetary constraints and availability of bedding materials. When designing housing for the dairy milk herd, take into consideration the need to provide adequate space, feed & water facilities, milking facilities, waste management and livestock handling features.

There are many different structures which can be used for a dairy milk farm, and these include free-stall, tunnels, composite barns, dry lots, tie-stall facilities and dairy sheds. Other dairy milk cow structures include milking parlour, sick/isolation pens, calving boxes, crowding pens, sorting corrals, working chutes & gates, and squeeze gates. However the necessity of the structures depends on the size of the dairy farming business.

The dairy farm also requires good fencing, so as to contain the milk cows and manage their grazing. Dairy farm fencing can be by barbed wire, high tensile smooth wire or electric fencing. Equipment necessary for a cattle dairy farming business include cows drinking equipment, feeding equipment, buckets & pails, milking equipment, storage tanks, milk processing equipment, livestock trailer, and manure spreader. Your dairy farming business plan should take into account the cost of purchasing or renting the land, structures and buying the equipment.

iv. BREEDING STOCK FOR DAIRY FARMING BUSINESS

To start a dairy milk production business, you require the dairy breeding stock:

bulls (male cattle) and milking cows (female cattle). Other breeds include; ayrshires, Boran, Brahman, Bunaji, friesians, etc . A dairy farm can also be operated without bulls, by using artificial insemination for breeding the milking cows. The cows should breed every year, as milk production only happens after the cows have given birth to calves. The decision of which dairy breed to use is important, and affects the success of your milk production business.

The breeds you choose will affect the milk production potential of your dairy farming business. Some breeds are better than others at producing good milk quality. The quantity of milk produced also varies depending on the breed of the milk cow. Other characteristics which vary among breeds include breeding age, productive lifespan, adaptation to different environmental conditions & climates, calving ease, feed conversion, diseases resistance, and average birth weight. The most popular breeds used in the the dairy farming business include Holsteins, Jersey, Brown Swiss/Braunvieh, Ayrshire, Guernsey, Dairy Shorthorn among others.

v. FEED AND NUTRITION

Success of your dairy milk production business is also affected by the feeding programme which you use. The feeding program of the dairy farming business should ensure that adequate nutrition is provided to both the cows and calves at all growth stages and during all seasons. This should be done while keeping an eye on the feed costs, as they greatly affect profitability of the dairy milk farming business. Dairy cattle need a daily supply of all nutrients required for maintenance and production: milk, meat, growth and pregnancy. Failure to provide adequate feeding for the milk cows and calves results in low milk production, poor reproductive performance, poor growth of the calves and poor disease resistance. These factors all lead to reduced revenues for the dairy milk production business, thus lower profits. Feeding programs of dairy farming are usually based on pasture grazing, in combination with supplementary feed. The supplementary feed for dairy cows include concentrates, hay, corn, fodder, salts & minerals, silage, commercial dairy cow feeds and grains.

vi. CAPITAL FOR DAIRY FARMING BUSINESS

The amount of capital required for the milk dairy farming business depends on the size of the project. When starting a dairy milk production business, most of the capital goes to acquiring the land, building infrastructure, and buying the dairy cows & bulls. You can get a loan from the bank, or funding from investors, to use as capital to start your dairy farming business. If you plan to raise capital from investors and a loan from the bank, you need a good dairy farming business plan. If you don't have access to investors and bank loan, you can use your personal savings and start small, and grow your dairy farming business overtime. Dairy cattle farming is very profitable, so if you reinvest the profits you get, you can grow over time. Even if you are not planning to get a loan, you should still get a dairy farming project plan to guide you in starting and operating the business. It is essential for you to have a dairy farming business plan before you venture into the dairy milk production business, so that you know all the costs involved and you make an informed decision.

vii. MARKET FOR DAIRY MILK.

Milk is often regarded as being nature's most complete food because it provides many of the nutrients which are essential for the growth of the human body. Being an excellent source of protein and having an abundance of vitamins and minerals, particularly calcium, milk can make a positive contribution to the health of a nation.

The market for milk is very huge and is ever increasing, annual milk global demand exceeds 800 million tonnes. Your dairy farming business can sell raw or processed milk. The market for dairy milk includes supplying to milk processors, grocery stores, schools, companies, individual households, organisations etc. It's important for the dairy farming business plan to include a proper marketing plan to use in your milk dairy farming business.

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