Small Stock Production In Seoposengwe/Taung – A Business Plan

Youth Application Form
July 2019

Maidement Pty Limited
Address: P O Box 1954 Ramotswa
Botswana
E-mail: onkabetsesane@gmail.com
Written and Verified By the Applicant

Attachments

Business plan
Projections
Quotations
Omang
Curriculum vitae
Professional certificate
References
Certification of incorporation
Plot certificate
Letters of intents from buyers
Business operation guideline
Declaration

Section 1: Loan/Grant Application Form

1.1 Personal Details

Surname	Sane
Other names	Onkabetse
Identity number	682317812
Date of birth	06/08/1990
Gender	Male
Disability	None
Postal address	P O Box 1954 Ramotswa
Physical address	Seaposengwe
Constituency	South East
Telephone contacts	+267 72 369 652
E-mail	onkabetsesane@gmail.com
Marital status	Single
Highest qualification	Introduction In Accounting

1.2 Applicant references

Name	Mrs Connie Hule	**Name**	Dikeledi Bontshitswe
Postal address	P O Box 87,Palapye	**Postal address**	P O Box 87,Palapye
Telephone	-	**Telephone**	-
Facsimile	-	**Facsimile**	-
Mobile number	71522547	**Mobile number**	76555848

1.3 Alternative Contact Details

Name	Letta Phillip
Relationship	Mother
Identity Number	623420500
Postal Address	P O Box 1101,Palapye
Telephone	-
Facsimile	-
Mobile number	71717089

1.4 Business details

Business Name	Maidement Pty Limited			
Type of business (Ownership) ✓ Tick	**Sole proprietor**	**Partnership**	**Company**	**Others**
			✓	
Nature of business	**Sector**		**Type**	
	Agriculture		Small stock Production	
Registration/Incorporation	**Number**		**Date**	
	CO2018/24832		18th December 2018	
Contact Numbers	**Telephone**		**Mobile**	
			+267 72 369 652	
Postal Address	P O Box 1954 Ramotswa			
Proposed Business Location	Seoposengwe/Taung			
Number of owners/shareholders	One			
Indicate business status with a tick	Start-up ✓			

1.5 Ownership Details

The project's ownership is 100 % Onkabetse Sane. He will be responsible for the daily management, sales, and development of the project.

Name in full	**Nationality**	**ID NO**	**Position**	**Shareholding**
Onkabetse Sane	Motswana	682317812	Owner	100%

1.6 Loans with Other Financial Institutions

Currently I don’t have any loan with any other institution

Section 2: Business Plan Form

a. Provide a detailed description of your intended business, stating the products and services it intends to sell.

The proposed project is a small stock enterprise comprising of Tswana goats which will be crossed with Boer buck to produce hybrid offspring and the enterprise is owned by a Motswana youth named Onkabetse Sane, making it a 100% citizen owned business.

As the small stock business I am focused on crossbreeding Tswana goats with Boer goat in order to produce hybrid offspring. I intend to sell castrate, breeding stock and culls once they reach maturity to companies such as Choppies Superstores, Ramotswa Butchery and General Dealer and Magopane Butchery**.** The venture requires a total start-up of 50 doers and 2 bucks. The overall cash injections required for stock, kraal, and wages for two employees, feeds, vaccines and small stock equipment for the first year is P99 984.84– Ninety Nine Thousand, nine hundred and eighty four Pula and eighty four Thebe.

I as the owner of the project I will also be the employee working in the farm. I have experience in minding my parent's goats since a young age. I choose small stock enterprise because farming is my passion.

Mission

- To be the best in the provision of service excellence, creating employment for myself and other Batswana youth.

Vision

- To improve food security as agriculture is key to success food security

2.2 Nature of Business and Licensing Requirements

No licensing is required to run a small stock production farm

3 Project Location

3.1 State the exact location of existing business or intended business

The project will be located at Seoposengwe/Taung South East region. Most of the workers that will be working at the farm will be mainly people from the village and I the owner will be full time based on the project site so as to have a close eye, proper management and running of the project since monitoring will be done at a close proximity of its operation site

3.2 Accessibility to utilities and infrastructure. Provide a clear description in relation to utilities, accessibility to road networks, technology, customers, suppliers and other national developments which will enhance competitiveness of the business

The farm is located about 2.5km south Boatle, new interchange which is located in the south East region of Botswana and 15km from the capital city Gaborone where most of my customers and Agricultural suppliers are located. The goats will drink from a borehole located inside the farm. Even though there is no electricity connection at farm, solar electric system shall be put in place if electric power is needed in future.

3.3 Location in relation to the target audience

As a developing village, Seoposengwe/Taung has less sustainable outlets to support real growth in small stock, so my intension is to create the market for the livestock. My strategy is to sell these animals in Ramotswa, other villages like Otse, and the capital city Gaborone .In this way many people would be empowered and small stock would have played a major part in poverty reduction in Seoposengwe/Taung.

4 Organisational Structures-

4.1 Employment

Name	Position	Qualification	Experience	Salary (Cost)
Onkabetse Sane	Project Manager		Vaccinations branding De-hoofing	500
TBA	Farm Worker	PLSE	Herding, culling, breeding.	1000.00

4.2 Succession Plan

At some stage you may decide to leave your business; perhaps you have decided to retire, go for further studies or do something else. Regardless of the reason, having a succession plan in place will help me to smoothly transition out of my business. I have long considered succession planning years ahead of time; having a plan can be useful if there is an unexpected event, such as illness or death. Without a plan the future of my business can be at stake. Early planning also helps me to maximise the value of my business. In case of any casualties like death, I have discussed this matter with my business adviser and considered to leave this business to a close friend, a business partner an entrepreneur and energetic woman known as Boingotlo Sane who understands business just like I do.

5 Project Costs

5.1 Project Costs –Assets

Item	Supplier	Quantity	Unit Cost	Total (vat incl.)
Syringe metal auto	Agri Shop	1	430.00	430.00
Ear tag applicator	Agri Shop	1	250.00	250.00
Castrator ring applicator metal	Agri Shop	1	75.00	75.00
Sprayer knapsack 16 L	Agrivet	1	232.14	260.00
Holding Facility-Binding Wire L/G 4.00 × 5kg × 50M, Binding Wire L/G 2.00 × 5kg ×200M,Wire L/G Hi-Strain 2.24 MM ×1650×50kg,Gate farm 3000MM Heavy, Diamond Mesh gate 1.2 m × 900mm ,Fencing droppers 2.4m×25-40,Fencing pole 2.4m×100-125,wire fence diamond mesh 1200×63×2 . 50mm×30m,tap brass hose Agri heavy duty 20mm and socket Galv Reducing 40×20	Agri Shop	1	17128.53	17128.53
Goats (does)		50	1,000.00	50,000.00
Bucks		2	2,000.00	4,000.00
Makoro water Trough 300 L	Agri Shop	1	1520.00	1,520.00
TAL Water Trough	Agri Shop	1	777.63	777.63
Makoro Tank Vertical 5000L	Agri Shop	1	3096.00	3096.00
Nipple Galvanised Barell 40mm	Agri Shop	1	14.00	14.00
Sub-Total				**77,551.16**

5.2 Project costs - working capital

Item of working capital	**State the number of months the working capital will cover**	**Total working capital required. (In Pula*)***
Drugs and Vaccine		
Pasturella s/stock(2)	12	530.00
Enterotoxaemia(1)	12	65.00
Swamycin LA 100ml Bayer(1)	12	142.86
Swamycin 125 (100ML)	12	58.00
Swavet Eye Powder 30gr G2380	12	28.00
Ecosulf LA 100ml (1)	12	115.00
Eraditick 125L(1)	12	145.00
Eraditick grease 500g 1L(1)	6	44.00
Cipla Ivermax+AD3E 50 ML(1)	12	150.00
Supona aerosol sprayer 385 ML(1)	6	120.00
Valbazen(1)	12	110.00
Feeds		
Goats pellets 50kg(8)	12	2160.00
Coarse salt 50kg(4)	12	340.00
Lucerne bale first grade (I) (30)	12	2850.00
Molasses 25kg(5)	12	850.00
Wheat Bran 25KG(10)	12	900.00
Equipment		
Elastrator rings 100s (1)	12	22.85
Needles(1)	12	40.00
Marking pen tagem each black(1)	12	53.00
Tagem ear tag (20’S)(3)	12	209.97
Others		
Wages –Managing Director	P500(1 month)	500
Wages –Farm Worker	P1000(12 months)	12000
Transport	once	500.00
Marketing	once	500.00
Sub Total		**22 433.68**

Project Assets + Working Capital
P77, 551.16+22 433.68= P99 984.84

5.3 Total Amount Requested

P99 984.84– Ninety Nine Thousand, nine hundred and eighty four Pula and eighty four Thebe

5.4 State your contribution to Project

Item	**Amount**
Land	-
Water	-
Fodder Processing Machine	30,059.92
Kraal Construction labourer	-
Total	**30,059.92**

6. Production Process

a. Outline the production process detailing the stages of production, machinery to be used for production and the activities at each stage.

All processes involved in goat farming for meat production require manual labour. The process includes:

Housing of Goats
It is proposed that the goats are to range free during the day and to keep them in kraals at night, in which case the aid of goat herds will be needed.

Goat Selection Process
One concept, regardless of breeding strategy, is selection. Selection simply means using some goats for breeding, and some for food. Selection assures that more desirable goats produce more offspring than less desirable goats. High quality does are retained and used for breeding, the remaining is sold.

The aim of the selection process is to improve the race and to increase the economic value of the meat goats.

Goat Breeding Program
Goats give birth at the beginning of the rainy season when food supply is good and mothers are able to provide plenty of milk for their offspring. For start we intend to propose about 52 goats at a ratio of 1: 25 which will be 2 males and 50 females. The mating service should take place when you can tell the female is on heat – she will show signs of restlessness and will bleat and wag her tail. The heat cycle lasts 18 to 21 days and the rest period is 24 to 36 hours. The expectant mother needs extra feed three to four weeks before kidding.

Kidding Phase
This is the birth of young goats (or Kids). It takes 5 months for a goat to give birth after it has been served by a male. The general gestation time for goats is between 149 and 155 days. Does with multiple kids seem to kid earlier in the 149-155 day period, while does with fewer kids will be kidding later in the period. A doe generally needs to be at least 141 days into the pregnancy for the kids to have a decent chance of surviving. Does usually have between 1 and 2 kids, twice a year. Pregnant does need to continue as much normal activity as possible. They need the strength to carry the extra weight during the last two months and go through the labour successfully.

A doe should not come into pregnancy, or the first two months, too fat. The normal activity of walking around grazing should continue. Nutrition is very important in the last two months of pregnancy. Approximately 70% of the weight of the kid(s) is developed from around day 100 to the birthing date. Undernourishment during this period will result in the birth of smaller kids, increased mortality and slower growth rates. Therefore the quality of feed must be increased. High quality hay should be fed during this period. Goats that eat a lot of hay during pregnancy maintain that ability to ingest increased levels of roughage during lactation. An appropriate type of shelter needs to be available for does to get out of the weather. This shelter could be from heat,

rain, cold, etc. Once the signs of a doe getting close to labour appear, she needs to be isolated into a small pasture or pen area. The isolated area may have several does close to labour. The creation of small camps with sufficient food, shelter and shade, which are specially kept aside for the kidding season, is showing signs of becoming the accepted method for the future, especially in cases where farming with large numbers is practiced. In terms of this system, 10-20 ewes are placed in a small camp, where they are able to give birth in peace and remain with their kids until they are strong enough (2-3 weeks), after which they may be incorporated into larger flocks. Each doe, which has given birth (along with her kids) receives the same paint serial number. Different colours may be used for single kids, twins and triplets. All that the labourer has to do is to walk amongst the ewes three times per day and place kids correctly with their siblings, and ensure that the ewe allows each kid to drink.

Goat Feeding Program

The kid can either be taken from its mother at birth or allowed to suckle for a week. After this, the mother must be milked and the kid must be bucket fed three times a day. The kid will need half a litre (500ml) of milk per day, which should be increased to 1.25 litres after three weeks. From the third week, the kid should be given concentrates and some good hay. Kids also need to have clean water at all times. The goat requires many minerals. Most can be obtained from good forage and a regular concentrate mixture. The major minerals of concern are calcium, phosphorus, and salt, which are usually added to the ration either in the grain mix or by free-choice feeding.

Goats do not consume minerals free-choice according to their needs. It is, therefore, recommended that minerals be force-fed through the grain mixture or mixed with a succulent feed like silage or green chop, if possible.

Water

The goats access water from a borehole inside the farm.

Diagnostics and Veterinary Activities

Disease prevention also needs to be undertaken, such as de-worming done around one month prior to birthing. Acclimatization of goats, including dosing and development of resistance to heart water through transfusion and inoculation, is needed. The development of a herd that is genetically resistant to heart water takes time (2-3 years).

Marketing

Final step in the process entails the marketing of the goat meat. More attention, however, needs to be given to promoting the use of goat meat, milk and milk products, and the curing and processing of skins as value-added products. Because goats are small it is easy to prepare and consume an entire carcass. This is ideal, especially when meat cannot be kept for long periods because there is no way to keep it cold. In a Botswana context, goat meat will always have to compete with beef and poultry. However, goat meat contains less fat and cholesterol, and higher levels of protein and iron than most other types of meat. If these attributes could be promoted a huge marketing potential for goat meat could be created. After the selection process goats will be marketed and others used as replacement stock. Goats will be marketed as slaughter animals based on their meat composition and fertility, thus those with the most meat composition and less

breeding capacity will be used for slaughter and those with more breeding or reproductive capacity will be used as replacement goats and bred further. The best time to market kids is 6-8 months after their birth, prior to this period they will go through a kidding season. The kidding season may prove to be the most expensive part of the whole breeding process as goats require most care and nutrition for preparation for the market.

Production Parameters

The process of stocking Involves a number of stages in the whole production process, if there are 52 goats in the kraal it is anticipated that The ratio of males to females will be 1; 25 this means that the number of males will be 2 the number of 50 being females, this is the correct ratio to make sure that the female goats are served by males during the mating season and males won't be exhausted after mating season, It is anticipated that kidding percentage of about 130% will be realised.

Assumptions;

Breeding stock: 50 Does 2 Bucks

Buck: Doe Ratio- 1:25

Kidding rate: 130%

Kids Mortality:8%

Culling Rate:3% (Done every 5 years)

		Year 2	**Year 3**	**Year 4**	**Year 5**
Does		50	78	106	120
Bucks		2	3	4	5
Kids (130 % kidding rate)	1.3	65	101	138	156
Kids (Less Mortality 10%)	10%	56	93	127	144
No. of production Runs	2	2	2	2	2
Adult (less Culling rate 3%)	3%	2	3	4	4
Saleable units Cumulative		**112**	**187**	**254**	**287**
Sales		112	187	254	287

Male/Female ratio: 50%

b. State where you will be sourcing your machinery

Machinery	**Place of origin**	**Supplier**
Syringe metal	Botswana	Agrivet
Eartag applicator	Botswana	Agrivet
Elastrator ring applicator metal	Botswana	Agrivet
Sprayer knap sack 16 L	Botswana	Agrivet

c. List and describe the input resources (raw materials) required in production.

Raw material	**Place of origin**	**Supplier**
Goats(does)	Taung	Individuals farmers
Bucks	Taung	Individuals farmers
Feeds	Botswana	Agrivet
Water	Taung	
Vaccines	Botswana	Agrivet

d. How much will you be producing at the start of the project? (Provide quantities per week, month or per annum).

Assumptions;
Breeding stock: 50 Does 2 Bucks

Buck: Doe Ratio- 1:25

Kidding rate: 130%

Kids Mortality:8%

Culling Rate:3% (Done every 5 years)

		Year 2	**Year 3**	**Year 4**	**Year 5**
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Sales		112	187	254	287

Male/Female ratio: 50%

e. Calculate the cost of production based on the estimated quantities of production in (d).

Product or service	**Quantity**	**Unit Cost**	**Sub Total(Pula)**
Goats(does)	50	1,000.00	50,000.00
Bucks	2	2,000.00	4,000.00
Feeds	-	-	7 100.00
Vaccines	-	-	1 507.86

f. Estimate the quantities of products or services to be sold per week/month etc.

Assumptions;
Breeding stock: 50 Does 2 Bucks

Buck: Doe Ratio- 1:25

Kidding rate: 130%

Kids Mortality:8%

Culling Rate:3% (Done every 5 years)

		Year 2	**Year 3**	**Year 4**	**Year 5**
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Male/Female ratio: 50%

g. Production process risks

Risks	Mitigation Strategies
1. Predators	Predators are a problem in most areas where goats are reared. However, we will see to it that the kraal is well erected and strong so as to protect the animals from predators. We will see that the kraal is maintained and steel poles are erected which are stronger and last longer.
2. Disease transmission	Animals that become temporarily disabled from disease have to be treated which means veterinary fees, medications, feed, housing and labour. Animals that are permanently disabled from disease require the same costs in veterinary fees, medication, housing and labour to treat but unfortunately, these animals will never return to production and will either die or we will euthanize them. In this case we end up with a dead animal on which we spent a lot of time and money prior to its death. The time and resources spent with sick animals could be used more productively taking care of healthy animals.
3. Theft	Goats will be moved to the holding facility at night to prevent theft. Also, the employees will also participate in Community Neighbourhood Watch Committees in order to enhance security in the area. However, currently there are very few reports of theft in the area mainly because of enhanced police patrols in the area. I will also chain the dogs next to the kraal so that they alert employees of thieves.

Section 7:

Target Market Analysis

a. ***Identify the target customers and demonstrate how each customer segment will contribute to the overall sales of the business. Provide quantities required by each target customer and sales revenues to be generated from each of the identified target customers. Use the Sales revenues calculated here in your cash flow statement for the proposed products and services***

Identified customer	**Quantity of product or service**	**Cost**
Senn Foods	20	20,000.00
Individuals	10	10,000.00
Butcheries	22	22,000.00
Restaurants	10	10,000.00
LIMID AND YDF beneficiaries	50	50,000.00
Total		**112,000.00**

b. ***Overview of distribution process. How the products and services will be delivered to the potential customers***

Truck will be hired in the first year to provide transport of breeding stock to my operation place. In future, a business truck will be bought to deliver products to customers, but for now I will depend solely on large scale customers to collect the produce themselves.

c. ***Indicate how you will be able to distribute the products or services to your target customers.***

Due to the nature of my products, finished goats will be collected by buyers from the farm. Individual customers will collect the animals from the farm whereas large scale customers, transport will be provided at an additional cost**.**

d. List and explain the marketing strategies that would be used by the business to acquire and maintain a substantial share of the market.

Product features /attributes

- Producing high quality goats
- Selling goats while they are young and tender for meat i.e. not too old
- Good carcass quality

Pricing strategy

- Pricing per goat, pricing per age size for individual
- Pricing per kilogram for butcheries and chain stores

Distribution strategy

- Market enlargements strategy –extending towns e.g. Gaborone, Lobatse , Jwaneng and Kanye
- Promote auction sales
- Most of the established farmers transport goats for them and this will save the business money

Promotional strategy

- The enterprise will be represented during shows because new and established farmers visit such occasions to get knowledge about agriculture.
- Organise auction sales
- Bulletin boards and farmers magazine distribution will be used to reach people
- Advertisement through print media (national advertiser) social media and electronic media(internet) so as to increase sales as well as building brand

Section 8

Competitors and Competitive edge

a. Identity the business's major competitors , their strengths and weaknesses

Competitors;

- Small scale farmers such as Ms Abigail Mogotsi in Ramotswa
- CEDA Mabogo Dinku Beneficiary such Ms-Obakeng Kgono-Sebape in Lobatse etc.
- Limid and poverty eradication beneficiaries

Strengths

- My competitors randomly sell goats to some of our target customers, such as YDF beneficiaries and butcheries
- Some of my competitors are well established and already known by our target customers and villagers as a whole.
- The quality of goats of my competitors is lower than the quality I to produce

Weaknesses

- My main competitor within the village, Ms Abigail Mogotsi does not advertise her business outside the village.

- Some of my competitors, the small farmers are not mainly focused on goat production, they just randomly sell their goats in small quantities.

b. Explain how your products or services will be unique from those in the market

- Better Quality Meat: High intensive care labour and care will be used to take care of the animals.
- Easy access to water and grazing land for the animals, which means they develop and grow with minimum injuries.
- Use of cross Breeds e.g. Tswana and Boer goat

c. Explain how the business will gain competitive edge over the identified competitors

- I will use competitions pricing and imply techniques like bulk discounting, promotional materials like caps and T-shirts printed our business name will also be offered as incentives to buyers to encourage repeat purchase.
- My business will be located in close proximity to the market, therefore customers will avoid long distance travelling to our competitors and buy from us.
- Furthermore the business will be very reliable, uses breeds that are highly compliant to Botswana conditions. Boer goat is also more resistant to diseases such as heart water

Section 9

Swot analysis (Strengths, Weaknesses, Opportunities and Threats

Strengths

-Full time project management
-Experience and knowledge in small stock production by the promoter
-Good farm management
-Keeping farm records
-Vaccinate regularly against all diseases of economic important
Keeping good breeds:
-High growth rate
-High food conversion rate

Weakness

-Lack of Knowledge and Experience in marketing
-Lack of transport
-Inconsistent production due to lack of working capital
-High costs for feeds
-Unavailability of Slaughter facilities

Threats

-Outbreak of diseases
-Outbreak of veldt fires and drought
- Competition from imports
-Stock theft

Opportunities

-New market: As population grows demand level also increase.
-High demand for goat at Senn foods and butcheries
-Low supply of local farmers
-Adequate water supply.
-YDF funding
-LEA assistance
-Agricultural production assistance

Section 10:
Implementation Plan

Activity	Date
Study of the project	1 month
Proposal of business plan to the proponent	1 months
Acceptance of the proposal by the proponent and application for loan	1 month
Hiring of Personnel	1 week
Construction of kraals and Cleaning of the Area	2 weeks
Acquisition of Equipment	1 week
Start of Promotional Activities	1 week
Acquisition of Feeds, goats and Vaccines and Final Set up of the business	2 weeks
Commencement of the Project	

Cashflow Statement 2020/21
Maidement Pty Limited