

**UNIVERSITY OF NIGERIA, NSUKKA**  
**FACULTY OF aGRIC**  
**DEPARTMENT OF Home SCIENCE**  
**NUTRITION AND dietetics**

**A BUSINESS PLAN**

**SUBMITTED IN PARTIAL FULFILMENT OF THE COURSE BUSINESS  
DEVELOPMENT AND MANAGEMENT (CED 342)**

**TOPIC**

**CHIBEST SNAIL FARM BUSINESS PLAN**

**BY**

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**PART I**

## **1.0 EXECUTIVE SUMMARY**

1.1. The following report and recommendation relate to the proposal by Chibest farm to establish a snail farm at Achalla layout Enugu state.

1.2 The project will require a start-up capital of #3,260,000. This is made of #2,970,000 in fixed capital and #290,000 as a working capital.

1.3 The enterprise vision is to become one of the leading snail farming company not just in Enugu but also in other parts of Nigeria.

1.4 The project will be located at Enugu do to presence of a huge market

1.5 A huge market is available for the business

1.6 The financial projections show that the project would be financially stable and liquid by the time it matures. The sales figures stand at #1,575,000 at year 1, year 2, year 3, and year 4 respectively.

1.7 Competitive edge of the farm lies in its ability to produce snail meat of exceptional quality, through different varieties of snail.

## **PART II**

### **2.0 Introduction**

The planned snail farm project is the result of strong industry and needs assessment studies undertaken in South Eastern Nigeria, particularly Enugu by the promoters of this project. The result was that there are many people who are interested in snail meat through different reasons such as health and expensiveness of other types of meat like beef, pork etc.

### **2.1 VISSION**

Our Vision is to become one of the leading snail farming company not just in Achalla layout but also in other parts of Enugu.

## **2.2 MISSION**

Our mission is to sell our produce (live snails), and processed snail meat in commercial quantities both locally, nationally and internationally. We want to build a snail farming business that will become the pacesetter for snail farming business not just in Enugu state but the whole country.

## **2.3 KEY SUCCESS FACTORS**

It is important to state that snail farming is not a common enterprise in Nigeria hence the level of competition is not as stiff as it is amongst other livestock farming businesses.

Chibest Farm is fully aware that snail farming is not a popular line of business in Enugu which is why we decided to carry out thorough research so as to know how to take advantage of the untapped market in the State and in other parts of the country.

We have done our homework and we have been able to highlight some factors that will give us leverage in the marketplace; some of the factors are effective and reliable snail farming processes that can help us sell our snail and processed snail meat at competitive prices, good network and excellent relationship management.

Lastly, all our employees will be well taken care of, and their welfare package will be among the best within our category (startups snail farming companies in Nigeria) in the industry. It will enable them to be more than willing to build the business with us and help deliver our set goals and achieve all our business aims and objectives.

## **2.4 Business Ownership**

The business is a sole proprietorship wholly owned and managed by Igwe Chidimma.

## **2.5 LOCATIONAL FACTORS**

The farm is located at Achalla Layout Enugu. What informed the choices of this location are :

1. Its interconnections to target markets
2. Availability of cheap labour
3. Existence of cheap and reliable labour
4. Huge target market

## **PART III**

### **3.0 PRODUCTS**

Our main product are:

- **Snail meat**
- **Live snail**
- **Snail shells**

#### **3.1 Product Description**

Snail Meat

The snails can be processed and packaged in such a way that it can be easily used by the urban population without going through the rigorous process of shell removal which might lead to pollution if not disposed properly.

Live Snail

This are matured snails that can be bought and process at home.

Snail Shells

Snail shells are the outer part of the snail and is readily available for any person or industry that are in need of it.

### **3.2 Costing**

The main costing of the products of the snail farm lies around the maintenance of the feed which are mainly vegetables. Generally the most of the species of snail are vegetarian and they accept many kinds of feed.

#### **Types of Feed**

Some studies show that snails can utilize a wide range of feed items. Basically they prefer green leaves, fruits, tubers and flowers. They favor leaves and fruits which are separated from the main plant. Snails prefer wet leaves to dry leaves. The recommended feed items are below.

**Leaves:** Cocoyam, kola, bokoboko, paw-paw, cassava, okra, eggplant, loofa, etc.

**Fruits:** Pawpaw, mango, banana, pear, oil palm, fig, tomato etc.

**Tubers:** Cocoyam, cassava, yam, sweet potato and plantain.

**Flowers:** Opronon, odwuma and pawpaw.

### **3.3 Market Demand**

Chibest farm is located at Achalla layout which is within easy reach of target markets like hospitals, hotels and commercial markets such as Kenyatta, Ogbete, Mayoyoye etc.

## **PART IV**

### **4.1 CUSTOMERS/MARKET SEGMENTATION**

As you would expect, the target market of those who are the end consumer of snails and also those who benefit from the business value chain of snail farming is all encompassing; it is far-reaching.

We will ensure that we position our business to attract consumers of snails not just in Enugu alone but also other parts of the country which is why we will be exporting some of our snails either in live form or processed form to other parts of the country. Here are the people and organizations we will market our snails to;

- Community markets in Enugu and other markets in Enugu
- Weight watchers
- People recovering from cardiovascular disease, cancer and those trying to recover from injuries
- hotels and restaurants that serves snail meats

## **PART V**

### **5.0 MARKET STRATEGY**

#### **5.1 MARKET PLAN**

Over and above, we have perfected our sale and marketing strategies first by networking with agriculture merchants and intercontinental restaurants and hotels that rely on live snail from the snail farms cum livestock farming industry who are likely to refer become our customers.

In summary, Chibest Farms Ltd will adopt the following strategies in marketing our commercial farm produce;

- Introduce our snail farming business by sending introductory letters alongside our brochure to stake holders in the agriculture industry, intercontinental restaurants and hotels that rely on live snail from the snail farms cum livestock farming industry, Nigeria cum African communities, and agriculture produce merchant et al.

- Advertise our business and livestock farms in agro - allied and food related magazines and websites
- List our snail farms on yellow pages ads (local directories)
- Print out fliers and business cards and strategically drop them in offices, libraries, public facilities and train stations et al.
- Attend related agriculture / livestock and food expos, seminars, and business fairs et al
- Leverage on the internet to promote our business
- Engage in direct marketing
- Encourage the use of word of mouth marketing (referrals)

## **5.2 Promotion Strategy**

We know that it is important to create strategies that will help us boost our brand awareness and to create a corporate identity for our snail farming business. Below are the platforms we want to leverage on to boost our commercial livestock cum snail farm brand and to promote and advertise our business;

- Place adverts on both print (newspapers and magazines) and electronic media platforms
- Sponsor relevant community based events / programs
- Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, YouTube, Google + et al to promote our business
- Install our Bill Boards on strategic locations all around Dallas - Texas
- Engage in road show from time to time in targeted neighborhoods
- Distribute our fliers and handbills in target areas
- Contact Nigeria cum African communities, intercontinental hotels and restaurants and residence in our target areas by calling them up and

informing them of Blake Morrison & Family Farms Ltd and the farm produce we sell

- List our snail farms in local directories / yellow pages
- Advertise our snail farms in our official website and employ strategies that will help us pull traffic to the site.
- Ensure that all our staff members wear our branded shirts and all our vehicles and trucks are well branded with our company logo et al.

## **PART VI**

### **6.0 MANAGEMENT**

#### **6.1 OWNER/MANAGER**

Chibest farm is a sole proprietorship. It is owned and managed by Chidimma. To help in the day to day management of the studio. Some other good hands will be employed especially in the aspects of technical know-how.

#### **6.2 PERSONNEL**

At Chibest Farms Ltd, I will ensure that I hire people that are qualified, hardworking, dedicated, customer centric and are ready to work to help me build a prosperous business that will benefit all the stake holders (the owners, workforce, and customers).

In view of the above, Chibest Farms Ltd have decided to hire qualified and competent hands to occupy the following positions;

- Chief Operating Officer (Owner)
- Snail Farm Manager

- Administrator / Accountant
- Sales and Marketing Executive
- Field Employees
- Front Desk Officer

## TECHNICAL ANALYSIS

**Table 1: Management and labour compliment**

s/n	positions	No. of staff	Annual salary per staff (#)	Total (#)
1	Chief Operating Officer	1	Null	Null
2	Snail Farm Manager	1	50,000	50,000
3	Administrator Accountant	1	30,000	30,000
4	Sales and Marketing Officer	1	35,000	35,000
5	Field Workers / Contract Staff	3	20,000	60,000
6	Client Service Executive / Front Desk Officer	1	30,000	30,000
	GRAND TOTAL			205,000

### 6.3 VALUES AND NORMS OF THE COMPANY

Chibest snail farm plans to adopt the following norms and values:

- To offer the best service to her customers
- To uphold there integrity always
- To see her employees as the most valuable assets
- To do her business within the scope of the law

## **PART VII**

### **7.0 LEGAL ISSUES**

Chibest farm plans to commence commercial operations as a sole proprietorship. Such it is just enough to register the business name with the appropriate department at the Local Government Headquarters. No special licenses are required for the operation of a business enterprise; however every attempt will be made to get all necessary permit and licenses.

### **7.1 ENVIRONMENT**

Snail farming could pose an environmental challenge if certain precautions are not taken especially with respect to waste disposal. But the farm has brought a means of taking care of the snail shells which is neatly storing them in a dry form for sales to any interested person or individuals.

### **7.2 SOCIAL**

The implementation of the project will bring about social and economic benefits to the society in the following ways;

- a. It will create employment
- b. It will bring about health nutrition and poverty reduction

### **7.3 REGULATORY**

Chibest farm will comply with all environmental regulations, as well as all relevant industrial safety regulatory requirements.

## **PART VIII**

### **8.0 RISK ANALYSIS**

The opportunities in snail farming far outweigh its challenges / problems. Aside the challenges of raising capital, getting a good place to rear the snails, getting their feeds and marketing your snails; the only headache you may face is the issue of pests such as ants, termites, hawks, etc. Once the environment is properly fumigated, fenced and the top covered with wire mesh; we will have no problems at all. Also a hygienic environment of snails can prevent the spread of disease and improve the health and grow rate of snails. We have to add earthworms to the soil that helps to keep the pen clean and also have a concern about intestinal infections that causes for the bacterium *Pseudomonas*.

### **8.1 SWOT ANALYSIS**

As a snail farming business, we look forward to maximizing our strength and opportunities and also to work around our weaknesses and threats. Here is a summary from the result of the SWOT analysis that was conducted on behalf of Chibest farm Ltd;

- **Strength:**

We have some of the latest snail farming tools and equipment that will help us breed snails in commercial quantities with less stress. Aside from our relationship (network) and equipment, we can confidently boast that we have some the most experienced hands in snail farming line of under our payroll.

- **Weakness:**

Aside from the fact that loads of people do not eat snail meat in Enugu state, one of our weaknesses could be that we are a new livestock cum snail farms in Enugu and we may not have the required cash to pump into promoting of our business and encourage people to eat snail meat. We are aware of this and from our projection will overcome this weakness with time and turn it to a major advantage for the business.

- **Opportunities:**

Despite the fact that the average Nigerians do not eat snail meat, the opportunities that are available to us as a snail farming business cannot be quantified, we know that there are loads of Nigerian communities and intercontinental hotels that will source for snail meat from our snail farms both in Nigeria and other parts of the world.

- **Threat:**

Some of the threats and challenges that we are likely going to face when we start our own livestock farm cum snail farming business are global economic downturn that can impact negatively on household spending, bad weather cum natural disasters (draughts, epidemics), unfavorable government policies and the arrival of a competitor within same location. There is hardly anything you can do as regards this threats and challenges other than to be optimistic that things will continue to work for your good.

## **8.2 EXIT STRATEGY**

No exit is planned, rather international acknowledgement will be pursued.

## **PART IX**

### **9.0 FINANCIAL ANALYSIS**

The total cost of the project is #3,260,000. This made up of #2,970,000 in fixed capital and #290,000.

### 9.1 FIXED CAPITAL INVESTMENT

Chibest snail farm is located at Nnewi, Anambra state is made up of 2 hectares of land with hope of increasing up to 20 hectares in the future.

**Table 3: Fixed Capital Investment**

s/n	Detail	Qty	Unit price	Total amount
1	Snailery	10	15,000	150,000
2	Delivery van	3	700,000	2,100,000
3	Wheel barrow	3	40,000	120,000
4	Shovel	5	2,500	12,500
5	Basin	5	3,500	17,500
6	Fencing	Null	20,000	20,000
7	Water tanks	1	50,000	50,000
8	Snail provision	500	10	500,000
		0		
	GRAND TOTAL			2,970,000

### 9.2 Working Capital Forecast

To arrive at the working capital needed for the business, the following assumptions are made:

- a. It is expected that goods are taken to markets as scheduled
- b. Items such as vehicles and other equipment can get wearier due to constant use.
- c. Number of workers can increase when the farm expands
- d. Feed provision is dynamic due to seasons and farm increase

**Table 4: Working Capital Forecast**

<b>Working capital items</b>	<b>Year 0 (#)</b>	<b>Year 1 (#)</b>	<b>Year 2 (#)</b>	<b>Year 3 (#)</b>
Salaries/Wages	205,000	205,000	220,000	250,000
Vehicle/equipment	50,000	80,000	100,000	100,000
Maintenance				
Business travels	25,000	28,000	30,000	35,000
Feed provision/maintenance	10,000	30,000	45,000	50,000
<b>Grand Total</b>	<b>290,000</b>	<b>343,000</b>	<b>395,000</b>	<b>435,000</b>

**9.3 Total Required Investment Outlay (Required start-up capital)**

**Table 2: Total start-up Capital Required**

S/n	Capital Items	Amount (#)
1	Fixed Capital Requirement	2,970,000
2	Working Capital Requirement	290,000
	Total	3,260,000

Note: The starting capital is coming from my personal saving and also from the contribution from my family.

**9.4 Financing Plan.**

To finance the required investment outlay, the proprietor plans to raise an equity capital of #3,260,000.

## 9.5 Sales Forecast

From the survey and market research conducted, we are able to discover that the sales generated by a snail farms depend on the size of the farm, the network of the farm.

We have perfected or sales and marketing strategies and we are set to hit the ground running and we are quite optimistic that we will meet or even surpass our set sales target of generating enough income / profits from the year of operations and build the business from survival to sustainability.

We have been able to critically examine the snail farming line of business cum commercial livestock farm business and we have analyzed our chances in the industry and we have been able to come up with the following sales forecast. The sales projection is based on information gathered on the field and some workable assumptions as well with respect to the nature of snail farming business that we want to run.

Below are the projections that we were able to come up with for the first three years of running Chibest Farms Ltd;

First Fiscal Year-: #700,000

Second Fiscal Year-: #1,575,000

Third Fiscal Year-: #2,450,000

N.B: This projection is done based on what is obtainable in the industry and with the assumption that there won't be any major economic meltdown that can impact negatively on household spending, bad weather cum natural disasters (draughts, epidemics), and unfavorable government policies. Please note that the above projection might be lower and at the same time it might be higher.

## 9.6 Table 4: Forecast of profit and loss

Particulars	Year 1	Year 2	Year 3
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Expected sales	700,000	1,575,000	2,450,000
Less 1% discount	22000	62,000	70,000
Net sales	678,000	1,513,000	2,380,000
Total Expenses(farm operations)	343,000	395,000	435,000
Profit before int and tax	(335,000)	1,118,000	19,450,000
Less interest	30,000	1,18,000	40,000
Profit before tax	(365,000)	1,236,000	1,985,000
Less 10% tax	Nil	123,600	2,403,500
Profit after tax	(365,000)	1,112,400	21,631,500
Less Depreciation	47000	47000	47000
Net Profit	(412,000)	1,065,400	1,938,000
Retained Earning	(412,000)	1,065,400	1,000,000
Dividend	Nil	Nil	938,000

Note that the loss of the first year is occasioned by the fact that sales was just for four months.

## 9.7 Projected Cash Flow

Cash flow is expected to be positive after the first month of operations. This is due to the fact that Sarz has a proven track record and can hit the ground running with continued work for existing clients. Cash reserves in the company will be increased over the first year to prepare for additional expansion in year two.

Cash in	Year 0 (#)	Year 1 (#)	Year 2 (#)	Year 3 (#)
Equity	3,260,000			
Net profits		(412,000)	1,065,400	1,938,000

Depreciation		47000	47000	47000
Total Cash in	3,260,000	(365,000)	1,112,400	1,985,000
Cash Out				
Equipment and others	2970,000			
Working capital	290000			
Increase/Decrease in cash		64000	115000	267000
Dividend			181600	2416450
Increase/Decrease in cash				470000
Total cash out	3,260,000	(365,000)	1,931,900	3,153,450
Opening bal	Nil	Nil	(91000)	90600
Increase/Decrease in cash	Nil	(91000)	181600	246000
Closing balance	Nil	(91000)	90600	336600

## 9.8 Cash Flow Projection

By the second year when the business has fully matured, the cash flow position is as shown below.

Year 2	Year 3
90,600	336,600

## PART X

### 10.0 OTHER CONSIDERATIONS AND CONCLUSION

#### 10.1 ECONOMIC JUSTIFICATION

From the point of view of our study and analysis of the findings made, the project offers goods benefits to the promoter, and the economy. Wealth will be created even as jobs are also created. These are consistent with the Federal and States Government Policy on entrepreneurship, wealth and job creation.

## **10.2 COMMERCIAL VIABILITY**

The commercial viability of the project is very clear. The project has been found to be commercially viable, having shown through projections, an impressive sales, profits and cash flow positions.

## **10.3 CONCLUSION**

Therefore, the project is highly recommended both finding and implementation.