LAYER CHICKEN PRODUCTION GUIDE

THE PRIDE OF FARMING

> *A 1,000-bird layer farm is the entry point to commercial egg production. It is large enough to generate meaningful monthly cash flow — at 90% laying rate, it produces approximately 810 eggs per day — and small enough that a first-time commercial farmer can manage it without a large management team or complex automation infrastructure.*
>
> *This cost analysis is a realistic full-cost model for 2026 input costs in Cameroon and Nigeria, identifying where value is created and where risks lie.*

1. The Farm Model Assumptions

- **Breed:** Lohmann Brown Classic, ISA Brown, or Hy-Line Brown.
- **Housing:** Battery/Colony cage system (450–500 cm² per bird).
- **Targets:** 90% peak lay, 300 eggs per hen over 72 weeks.
- **Reference:** XAF 800 ≈ NGN 2,000 (2026 projections).

2. Capital Expenditure (CAPEX)

Startup costs required before the first bird arrives.

Component	Specification	Estimated Cost (XAF)
Land Lease	First year advance (Peri-urban)	200,000 – 350,000
Construction	Foundation, roof, mesh walls (10m x 9m)	2,830,000 – 4,400,000
Cage Equipment	3 or 4-tier battery cages (1,000 birds)	2,500,000 – 4,600,000
Feeding/Water	Troughs & Nipple drinker systems	435,000 – 770,000
Ancillary	Storage, biosecurity, tools, tanks	205,000 – 475,000
Total CAPEX	**Full Infrastructure Setup**	**6,420,000 – 11,195,000**

3. Operating Costs (OPEX)

Recurring costs per 72-week production cycle.

Category	Low Estimate (XAF)	High Estimate (XAF)
Day-Old Chicks (1,050)	1,155,000	1,575,000
Feed (Rearing + Laying)	15,200,000	19,500,000
Health Inputs	543,000	1,098,000
Labor & Utilities	1,275,000	2,635,000
Total OPEX	**18,423,000**	**25,318,000**

Note: Feed accounts for 73–78% of total OPEX. Management of Feed Conversion Ratio (FCR) is critical to profitability.

4. Revenue Projection

Scenario	Price per Egg	Total Revenue (XAF)
Standard Wholesale	XAF 120	42,360,000
Mixed Market	XAF 140	49,420,000
Premium/Retail Blend	XAF 160	56,480,000

Spent Hen Revenue: Approx. XAF 1,800,000 at end of cycle.

5. Profitability & Working Capital

Metric	Conservative	Base Case	Optimistic
Net Profit / Cycle	XAF 16.5M	XAF 22.5M	XAF 30.2M
Monthly Equivalent	XAF 970,000	XAF 1,320,000	XAF 1,780,000

Working Capital Warning: You need approximately **XAF 4.34 Million** in cash *before* the first egg is sold to cover chicks, rearing feed (18 weeks), and labor. Total startup capital requirement: **XAF 11.5M – 14M**.

6. Key Risks & Cost Mitigation

- **Feed Inflation:** Budget for a 10-15% buffer in year two.
- **Biosecurity:** A single Newcastle outbreak can wipe out cycle profits.
- **Market Access:** Secure three channels (Wholesale, Retail, Direct) before chicks arrive.
- **Solar Power:** Consider solar for lighting to reduce long-term utility OPEX.