PCAARRD Investment Brief No. 8/2012



"providing science solutions for a vibrant agriculture, forestry and natural resources"

The projected income statement for 3 months is shown below:

Items	1000-hardened Chick Level
Total income (sale of stocks + stock	117,325.00
inventory value) (P)	
Total expenses (P)	94,168.54
Net income (P)	23,156.46
ROI (%)	24.59

^{*}Price assumptions as of August 2008.

Before investing on the enterprise, we advise that you visit an actual farm near you.

For more information, please contact:

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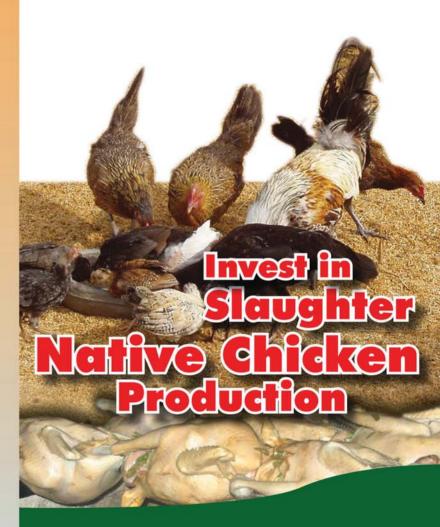
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Department of Science and Technology (DOST)



Why invest in slaughter native chicken?

Native chicken is an important livestock resource for rural backyard farmers as it is a primary source of eggs and meat providing high quality protein. It is also a source of additional income to about 8.5 million Filipinos.

Native chickens are known for their adaptability to local agroclimatic conditions, hardiness, ability to utilize naturally occurring feeds, farm by-products, and resistance to diseases. They require minimal care, technology, and financial inputs.

Meat and eggs of native chickens are preferred by many Filipinos because of their unique taste and flavor, leanness, pigmentation and suitability to Filipino dishes, and the perception that these are healthy foods. This is why native chicken meat commands a premium price, which is 50–100% higher compared with that of commercial chickens. These special characteristics of native chicken contributed to the establishment of its niche market which is seemingly unaffected by pressures from

commercial layer and broiler markets. Hence, this makes native chicken production a top investment option for small and medium entrepreneurs.

What products are derived from free-range slaughter native chicken production?

Slaughter native chicken is the main product of a free-range slaughter native chicken production enterprise. Currently, free-range slaughter native chickens are sold as either live or dressed in local wet markets. Some restaurants offer cooked native chicken meat in the form of `lechon manok' or chicken `inasal', among others.



How to start the slaughter native chicken production enterprise?

To start a profitable native chicken business, one has to have the following production inputs:

- Capital Outlay
 - Land
 - Housing

- II. Operating Expenses
 - Hardened chicks
 - Veterinary supplies
 - Chicken supplemental feeds

How much initial investment is needed?

Native chicken production is profitable. The initial capital investment for 1000-hardened chick level is P94,168.54. Without financing, a positive net income is realized on the third month. The return-on-investment (ROI) for 3 months is 24.59%.

For potential native chicken farmers/raisers in Region 6, hardened chicks can be sourced out from native chicken producers through the Western Visayas Agriculture and Resources Research and Development Consortium (WESVARRDEC) with telephone numbers (033) 508-6269 or 528-6270 and e-mail: wesvarrdec_upv@yahoo.com.

