<table>
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<th>TITLE</th>
<th>Mueller Game Bird Farm Business Plan</th>
</tr>
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<tbody>
<tr>
<td>AUTHOR</td>
<td>Karl Mueller</td>
</tr>
<tr>
<td>DATE SUBMITTED</td>
<td>October 3, 2011</td>
</tr>
</tbody>
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**Dr. Richard A. Cavaletto**

Senior Project Advisor  
Signature  

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Date

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**Dr. Richard A. Cavaletto**

Department Head  
Signature  

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Date
ACKNOWLEDGEMENTS

First, I would like to thank Dr. Richard Cavaletto for assisting me through my academic struggles and helping me to achieve my academic goals of graduating from Cal Poly San Luis Obispo.

Second, I would like to give thanks to Dr. Robert Spiller for answering my numerous questions about poultry beyond his class, which helped me obtain the direction I needed for my research.

Lastly, I would like to thank my parents who were patient and supported me so could I finish my degree at Cal Poly and for allowing me to start this game bird business.
ABSTRACT

This senior project discusses the results from the development of a business plan for Mueller Game Bird Farm which specializes in raising bobwhite quail for hunters, falconers, and other hobbyists. The plan uses current research with personal experience to develop a realistic approach to fit the needs of this business.

A business plan is a document that will continually change as the business grows and develops. This plan is for the business at the current stage of producing 500 bobwhite quail per year and discusses plans for growth over the next three years as well as strategies to obtain that growth. The demand for this business is high but the company is still in development. The company could fail if it attempted to grow too big too fast. The business plan will show how to have controlled growth for the each of the business’s target markets.
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INTRODUCTION

Bobwhite quail is a species found in the Eastern United States and named for their whistling call. While these birds are not native to California, they offer similar qualities as the game birds that are California inhabitants at a much cheaper cost of production.

Bobwhite quail is a fast growing bird with a short generation interval from hatch to maturity. Flight conditioned quail and quail raised for meat can be sold at 11 to 12 weeks. Quail start producing eggs at about 21 weeks of age and will produce 50-100 eggs under normal mating conditions and 70-150 eggs under artificial light. During the second year, egg production drops off so laying hens will be kept for one year and sold.

These quail are used to simulate hunting for the purpose of training dogs or hawks. For that reason, these birds need to have instincts similar to that of wild birds. Care must be given to supply adequate pen space and limit human contact so the birds can develop natural flight skills and keep that fright instinct to fly at the sense of danger rather than stay still or run on the ground which is common with birds raised in confinement. The best quality birds will be kept to breed for the next year’s stock.

Background

Mueller Game Bird Farm is a family owned business with the goal to raise top quality birds for the sportsman or hobbyist by using proven management systems modeled from other poultry farms and quality feed. While raising birds for the past 10 years as a hobby, in 2011 Mueller Game Bird Farm is organizing to be able to more efficiently produce a quality product to sell and fit the demand for flight conditioned game birds in the San Francisco Bay Area.

Justification

The market for flight conditioned bobwhite quail currently indicates a significant excess of demand over supply in the San Francisco Bay Area. Birds are picked up by customers from the farm location in Livermore, California. A major competitive advantage is to be located near potential customers. Because most customers buy a small amount of birds, a convenient location is more important than cost of the birds to the consumer.

Objectives

The success of Mueller Game Bird Farm will be dependent upon a combination of business and poultry management skills in a market where the demand far exceeds the supply. This business plan will be the foundation for success. Mueller Game Bird Farm has been raising birds as a hobby for almost 10 years and has been in a limited business capacity for the past two years. Mueller Game Bird Farm is currently at a small level of production (less than 200 birds) and is planning to raise 500 birds for 2011 which makes optimizing costs by bulk ordering feed difficult. The feed producer requires a larger order than a covey of this size would consume in a year. The plan is to double business in 2012
to 1,000 birds and continue to grow by 1,000 birds per year after that. Feeding and water system automation is a priority during the transition to a larger scale in an effort to cut labor time down to one hour a day or less. The business plan will be a guide for the direction of the company and will constantly evolve and be updated as the business changes.

The objectives are to develop a plan for a product based company whose goal is to exceed customer's expectations, develop marketing strategies to grow the business at a controllable rate, expand facilities each year to fit the demand for birds, increase the efficiency of production by at least 10% a year, and develop a sustainable business that can survive off its own cash flow.
LITERATURE REVIEW

Bobwhite Quail

There are many factors that go into starting a game bird business. Things to think about before beginning a venture include the size of the operation, the time investment, the species of birds, the dollar investment, the local climate, the available market, and successful management practices (Hayes, 1987). While profit is always a motivator in business, these items must first be considered to determine if a game bird farm is right for a person. Without taking time to understand each of these categories, a person is putting himself at a disadvantage and most likely will be set up for a business that will not be profitable.

Advantages of raising bobwhite quail include the availability of good stock, small pens are satisfactory, good market, hens lay an average of 75 eggs per season, chicks can be brooded in large groups, and they have a gentle temperament. Disadvantages include difficulty in sexing chicks, cannibalistic, delicate when young, susceptible to disease, pair mating works best, cannot take extreme cold, cannot use standard poultry equipment due to small size, and cannot overcrowd (Hayes, 1987).

Basic pen requirements when raising birds include the size of the pens, the type of wire, the roof, and other inside pen cover. The pens have to be large enough to accommodate natural growth without crowding which can cause cannibalism. The wire size needs to be small enough to prevent birds from getting caught in the openings and to prevent escape. The wire has to be installed correctly because if the wire is too tight, the birds can break their necks when flying into it. Two square feet per bird is the minimum allotted space for flight-pen birds. Table 1 shows the spacing requirements for quail.

<table>
<thead>
<tr>
<th>Meat Birds</th>
<th>Flight Conditioned</th>
<th>Breeders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>SF/Bird</td>
<td>Age</td>
</tr>
<tr>
<td>&lt;2 Weeks</td>
<td>0.1</td>
<td>&lt;2 Weeks</td>
</tr>
<tr>
<td>4-6 Weeks</td>
<td>0.25</td>
<td>4-6 Weeks</td>
</tr>
<tr>
<td>6-12 Weeks</td>
<td>0.75</td>
<td>&gt;6 Weeks</td>
</tr>
<tr>
<td>If temperature is frequently above 90°F, the space should be increased by 25% to reduce cannibalism.</td>
<td></td>
<td>&gt;12 Weeks</td>
</tr>
</tbody>
</table>

When keeping birds for breeding, it is important to have high standards when selecting the breeding stock. The birds must come from reputable dealers. If possible, visit the breeder’s farm to check the facilities to decide if good management practices are being upheld. Quail produce 50-100 eggs the first year under natural light conditions. The second year, this amount of eggs drops off. It is recommended to only keep breeder stock for one year. Accurate records must be kept to ensure fertility is maintained.
Egg care is a concern to help sustain the maximum hatch rates. Eggs need to be collected twice a day; more often if eggs are exposed to high temperatures. Eggs should be stored with the pointed end down and turned 45° twice daily to prevent the yolk from sticking to the shell. Eggs should be stored at 55°F to halt development until incubation time. Ten days is the maximum time to hold eggs. They should be allowed to reach room temperature before putting them into the incubator (Walker, 2009).

Bobwhite quail take 23 days to hatch with a desired forced-air incubator temperature of 99.75-100°F. Humidity should be 60% for the first 19 days and 85% for the last three days during the hatch. Hatchability should be between 75-85% (UC Davis, 1978).

When birds are hatched there are some major concerns that affect first week mortality. The first is access to water. Chicks have trouble finding water, so when they are first born, it is imperative to manually dip their beaks in the water to introduce them to the water source and give them a better chance of survival. Brooding temperature is important, and the temperatures are shown in Table 2. If birds are crowded under the heat lamp, they are too cold. If they are at the edges of the brooder, then they are too hot. Chicks should be evenly dispersed under the heat lamp.

<table>
<thead>
<tr>
<th>Age, Weeks</th>
<th>Brooder Temp °F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>90 - 95</td>
</tr>
<tr>
<td>2</td>
<td>85 - 90</td>
</tr>
<tr>
<td>3</td>
<td>80 - 85</td>
</tr>
<tr>
<td>4</td>
<td>75 - 80</td>
</tr>
<tr>
<td>5</td>
<td>70 - 75</td>
</tr>
</tbody>
</table>

Test Brooder 24 hours before chicks arrive.

**Table 2: Brooding Temperature Schedule (Hayes, 1987)**

**Marketing**

Marketing should always be a top priority when starting a business and can be the difference between a profit and loss. Many producers lose money from having mature birds on hand at the end of the season (Walker, 2009). There are additional costs for feeding and maintaining birds when they are carried over to the next season. The profit then is lowered and many producers lose money this way. Suggestions for marketing include joining the state Game Bird Breeders list, finding local hunting clubs that attract hunters for the species of birds raised, advertising, and keeping the appearance of the farm neat to maintain customer approval.

**Business Plan**

A business plan consists of a narrative describing the company along with financial analysis to be used as a guide for company operations and to determine if a profit is feasible. The value of a business plan comes through the research and critical thinking
about the business. The business plan can also aid in getting additional funds from investors and care should be taken to present a quality report (Berry et al., 2001).

There are many parts to a business plan that have their own significance. The executive summary should be written last and kept to two pages or less to explain the fundamentals of the proposed business, what the product will be, who the intended market is, and who the owners are. The company description will describe what the business is, have a mission statement and company goals, and include who will be running the business. The products section will describe all the products that will be offered from the business. The market analysis summary will go over the target markets and competition. The marketing plan will use research to determine who the target markets are and the best way to reach those markets effectively. The financial plan will discuss the financial numbers from the first year with budgeted information for future goals for expansion.
PROCEDURES AND METHODS

Site Selection and Area

A suitable area needs to be used to raise the quail from hatch to maturity at 12 weeks of age when they are sold. When selecting a location to raise quail, it is important to consider the growth of the bird to ensure there is sufficient floor space as well as height of the pen to promote natural flight. Overcrowding or lack of air space can greatly hinder the production and success of game birds.

The business will be based out of Karl Mueller’s home. The office space will be within his home and the quail farm will be on the adjoining six acres of land. There is currently one 200 square foot pen, four 120 square foot pens, and an offsite 150 square foot pen for overflow birds. The 200 square foot pen has been modified to have a brooding area in the back with a heat lamp and a two foot high plywood board to hold birds. Birds will naturally learn to fly out over this barrier and into the larger pen as they mature. As the birds grow bigger, some will be moved to other pens to assure there is a minimum of one square foot per bird but preferably two square feet per bird available.

Cost Analysis

The biggest costs to a quail farm are the birds, feed, feed systems, water systems, and pens. Mueller Game Bird Farm has been operating for a few years with existing facilities and modifying available equipment to fit the needs of birds. This has allowed the business to obtain capital for future improvements and increase in stock availability.

Extensive research has gone into obtaining prices for bobwhite quail chicks. Since its inception, Mueller Game Bird Farm has obtained chicks in two different ways—hatching chicks from purchased as well as homegrown eggs and purchasing live chicks from hatcheries. Below is Table 3 that includes costs of chicks available at different game bird farms around the country along with availability and shipping costs.

<table>
<thead>
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<th>Farm</th>
<th>Minimum Quantity</th>
<th>Cost Per Chick</th>
<th>Available</th>
</tr>
</thead>
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<tr>
<td>BD Farm</td>
<td>100</td>
<td>$1.21</td>
<td>May</td>
</tr>
<tr>
<td>Cackle Hatchery</td>
<td>50</td>
<td>$2.24</td>
<td>Jun-Aug</td>
</tr>
<tr>
<td>Cackle Hatchery</td>
<td>100</td>
<td>$1.85</td>
<td>Jun-Aug</td>
</tr>
<tr>
<td>McMurray Hatchery</td>
<td>100</td>
<td>$1.69</td>
<td>Jun-Sept</td>
</tr>
<tr>
<td>Stromberg's Chicks</td>
<td>100</td>
<td>$1.65</td>
<td>N/A</td>
</tr>
<tr>
<td>Pearl Hatchery</td>
<td>250</td>
<td>$0.68</td>
<td>Apr-Oct</td>
</tr>
</tbody>
</table>

Hatching eggs involves care for the parent stock, time to collect eggs, and incubator costs. The only feasible way to estimate egg cost is to have enough parent stock to make hatching and brooder use reasonable, and maximizing egg collection. Since eggs cannot
be saved indefinitely until the optimum amount of chicks are hatched (seven days is maximum under ideal temperature controlled conditions), a continuous incubator process during the laying season of May through August will be examined. The Sportsman incubator uses 150 watts and needs to be run roughly 25 days to hatch quail but this analysis will use the 123 day natural season of May through August. The electricity used is 442.8 kilowatt-hours, which at a rate of 15 cents per kilowatt-hours is $66.42 total. Quail eat 1.5 pounds of feed per month and one male is needed for each three females for the optimum combination of fertilization and production. Having 12 females would require four males, which accounts for an extra 240 pounds of feed costing an average of $76 from November through the following September. This is the extra cost in feed the bird will consume from not being sold from November through the end of the laying cycle. Each bird will lay an average of 75 eggs a year which accounts for 900 eggs total using 12 females with an average of 720 chicks hatching per year. These 720 birds will cost $0.20 a piece from this model with some calculation error in water cost and it also neglects the potential income from selling the parent stock the following year. The numbers show that breeding and hatching stock is far more cost effective than buying chicks despite the time spent in labor. Additionally, it has been the experience of Mueller Game Bird Farm that the success in hatching stock versus buying live chicks has been significantly greater resulting in greater profit.

**Equipment and Supply Selection**

When selecting feed and water systems, the first thought was to repurpose existing equipment already located on the farm. Both owners of Mueller Game Bird Farm raised pigs for 4-H and FFA using automatic feeders that held 150 pounds of feed. One hundred fifty pounds of feed is an adequate amount to hold over 50 quail for approximately one month without refilling. These feeders had a front flap that the pig would lift up with his snout to get to the feed. Modifications were made to the feeders including rebar to keep the front lids open and welding a C-channel piece in the front to prevent feed from spilling out. While these feeders are more optimally used for pheasants or chickens with longer necks, the quail do well finding and consuming the feed from these containers.

Water systems used in the past have been the plastic jug-type water systems. When chicks are first born, they can easily fall into the water and drown. For this reason, small rocks or marbles have been placed in the water well to reduce the depth of water for the birds, which alleviates the drowning problem. Current water systems used are seven gallon jugs that require manual labor to fill roughly once a week for a pen of 50 birds. The preferred watering system by the poultry industry is the automatic nipple watering system. These systems eliminate floor space requirements, require little cleaning, and make less mess than other watering systems. A quote from Alpha Poultry Supply in Turlock, California resulted in a Chore-Time Nipple Water system costing $125 that will supply water for 250 quail. The advantages to this system include more floor space for birds, minimal labor, and a fresh continual supply of water.
Laws, Regulations, and Standards

California laws require a Game Breeders License issued by the Department of Fish and Game. However, this license only applies to breeders raising California game birds such as valley quail, ringneck pheasant, and chukar partridge. The owner of Mueller Game Bird Farm called the Department of Fish and Game to ascertain the licensing and permit requirements and found that there are no licenses or permits needed to raise bobwhite quail in the state of California.
RESULTS

Mueller Game Bird Farm plans to continue operation based on the business plan produced. For this year, an order of 500 quail chicks has maximized current pen use with two 250 bird sets. A recurring Mueller Game Bird Farm buyer has commissioned to buy 300 quail in two sets. The first purchase will include 100 birds at the end of August and the second order of 200 birds will be finalized at the end of October. The additional birds will be used to satisfy other returning customers and to expand to falconers by networking through a past client.

The focus this year will be put into this 500 bird project using the existing repurposed equipment in order to keep costs minimal. The budget outlined in Table 4 shows estimated expenses and income. This budget was developed based on prices from the previous year and on quotes from other farms’ websites. The income remained the unchanged.

<table>
<thead>
<tr>
<th>ITEM</th>
<th>NUMBER</th>
<th>UNIT</th>
<th>PRICE/UNIT</th>
<th>PRICE</th>
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<tr>
<td><strong>BIRD COSTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chicks + 10% Mortality</td>
<td>275</td>
<td>Chicks</td>
<td>1</td>
<td>$188.10</td>
</tr>
<tr>
<td><strong>FEED COSTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Starter 26</td>
<td>412.5</td>
<td>Pounds</td>
<td>$0.28</td>
<td>$115.50</td>
</tr>
<tr>
<td>Grower 22</td>
<td>825</td>
<td>Pounds</td>
<td>$0.28</td>
<td>$231.00</td>
</tr>
<tr>
<td><strong>VACCINATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quik Chik Electrolytes</td>
<td>4</td>
<td>Ounces</td>
<td>$1.00</td>
<td>$4.00</td>
</tr>
<tr>
<td><strong>EQUIPMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heat Lamps</td>
<td>1</td>
<td>lamp</td>
<td>$8.00</td>
<td>$1.08</td>
</tr>
<tr>
<td>Heat Lamp Electricity</td>
<td>168</td>
<td>kW-hr</td>
<td>$0.15</td>
<td>$24.83</td>
</tr>
<tr>
<td>Bedding</td>
<td>2</td>
<td>bale</td>
<td>$8.00</td>
<td>$16.00</td>
</tr>
<tr>
<td><strong>TOTAL COST</strong></td>
<td></td>
<td></td>
<td></td>
<td>$600.51</td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mature Quail</td>
<td>250</td>
<td>birds</td>
<td>$5.00</td>
<td>$1,250.00</td>
</tr>
<tr>
<td><strong>PROFIT</strong></td>
<td></td>
<td></td>
<td></td>
<td>$649.49</td>
</tr>
</tbody>
</table>

The problems encountered in the budget included higher chick and feed prices than expected. The budget quoted for chick prices estimated at $0.68 per bird. While these prices were realistic at the time the budget was created, the availability was unexpected and orders needed to be placed two months in advance instead of the expected one month which had been typical with past orders. This increased the cost per chick to $0.87, which
was a $0.19 per bird increase from the budgeted amount. Feed costs were expected to be $14.20 per 50 pound bag but ended up being $15.80 per bag, which was an increase of $1.60 per bag or $40 for all 250 birds. All other budget estimates were correct.

Ongoing cost estimates will include more flexibility for pricing for chicks and feed. This plan resulted in Mueller Game Bird Farm making a profit in the first year. As the number of chicks increases, the price per chick and bulk price of feed will help increase profits as long as the sales rates remain consistent.

The business plan is to raise 500 birds in 2011 using controlled growth to establish a profitable and sound business while obtaining enough capital to expand. In 2012, the number of birds will increase to 1,000 and will increase 1,000 birds each year thereafter. This controlled growth will allow adequate time to perfect poultry management practices, build new facilities, and alleviate the need for extensive, costly advertising. The demand for birds in the Bay Area far exceeds the current production of 500 birds. Too much successful advertising will potentially deplete the inventory too fast and will only alienate customers who are unable to purchase additional birds on demand. Good customer relations will be the base for this business. Word of mouth referrals and return customers are the most cost effective and efficient ways to continue consistent sales each year.
DISCUSSION

Despite having experience raising quail for the past few years and ordering chicks online, the chicks ordered this year had high mortality rates. The first problem encountered was a ship date on the Memorial Day weekend which resulted in an extra day in the mail and substantial losses due to dehydration. To make up for this loss and to ensure the customer’s order of 300 birds could be met, an additional larger chick order was placed. The heat wave in the Midwest stopped the shipment for this second order and the alternative was to order hatching eggs which are currently in an incubator. The live chicks were expected to arrive and would have eliminated the 23 day incubation period resulting in a stock of birds ready to sell three weeks earlier.

These problems stunted the plans and slowed orders for the buyer. It has become clear from the numbers that, to remain competitive, breeding quail must be kept and chicks must be hatched throughout the laying season. A successful game bird business must be built around that strategy. At the current small scale level of only 500 birds, it is easiest to choose the convenience of ordering chicks while profit losing management mistakes are improved upon such as incubator use, brooding, and any other causes of losses. Automation of watering and feeding systems will also be the key as the company moves forward and grows each year. There is no reason to hire additional help for a farm that produces less than 5,000 birds a year. Systems need to be implemented to make daily maintenance minimal.

Mueller Game Bird Farm plans to increase from a 500 bird production farm this year to 1,000 birds next year. This increase can be accomplished through efficient use of current pens without the need to build more. Profits from this year and next year will be saved to build larger pens to continue the expansion by 1,000 birds per year after that. New pens will need to be built for the third year.

Another issue that Mueller Game Bird Farms faces is having too much demand for a limited supply. New customers come from seeing the business listed in the Game Breeders List, word of mouth referrals from current and past customers, signage placed at a local feed and farm supply and http://www.craigslist.org ads used for excess birds that are not sold. This year resulted in a new customer realized from the Game Breeders List who wants to purchase 300 quail for himself. This is a large order compared to the typical standard 5-10 birds a person typically buys at one time. This limited the ability to advertise further due to maximum production under the current management practices and pen space availability. Mueller Game Bird Farm needs to grow at a rate that will keep customers happy and loyal by efficiently meeting their needs.
RECOMMENDATIONS

The biggest struggles that Mueller Game Bird Farm faces are the costs associated with raising birds from a chick to maturity, which includes feed and chick expenditures and the amount of labor required to care for the stock. As business grows, these need to be the primary concerns when trying to minimize cost and time.

Cost analysis shows that the cost of chicks goes down significantly as the amount of birds ordered increases. In addition, hatching chicks, when maximized, can decrease the cost of a chick by 70% or more to $0.20 per chick. Buying chicks was necessary this year since parent stock was not available; however, birds will be reserved for next year so that eggs can be collected and hatched. This does, however, require labor of roughly 15 minutes a day to collect and store eggs. For the 123 day laying season, this amounts to approximately 31 hours of egg collection labor. This is another area to look at in order to optimize as systems are tested. Being in control of the birds will help to maintain control of the business.

Cost of feed also decreases when bulk orders are placed. Bulk feed begins with orders of 1,000 pound increments. Mueller Game Bird Farm has access to an on-site silo that can be used for feed storage purposes, thus, keeping the costs down and the feed fresh and pest free. Quail need at least a starter and a finisher feed during development to account for the appropriate protein levels for flight development and normal body growth. This does not make ordering 1,000 pounds of either feed feasible at a 500 bird level due to the inability to store the feed for a year and maintain freshness. Raising 1,000 birds will make bulk ordering possible and will cut feed costs slightly, but every penny saved counts and goes towards profit.

Since the company is a partnership and all labor is split between the two owners, this labor does not cost money but costs each person time and opportunity cost. Areas where time is spent on labor include incubator maintenance, daily bird checks for feed and water, cleaning pens at the end of the 12 weeks, and collecting eggs. Feed and water systems can be updated to reduce maintenance. This business is built around weekend work and minute daily checks. It is not designed to interfere with another job and therefore does not take away a chance to earn money somewhere else. The location of the farm is at the residence of both owners so there is not a distance to travel or more expenses to incur. The opportunity costs are minimal in this business due to the fact that it can be structured to fit in during free time that would not result in making money.
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Bobwhite Quail Chick Prices
Appendix B
Strategic Plan
Mueller Game Bird Farm

STRATEGIC PLAN

Prepared: August 18, 2011
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Executive Summary

Mueller Game Bird Farm is a family owned business with the goal to raise top quality birds for the sportsman or hobbyist by using proven management systems and quality feed. While raising birds for the past 10 years as a hobby, in 2011 Mueller Game Bird Farm is organizing to be able to more efficiently produce a quality product to sell and fit the demand for flight conditioned game birds in the San Francisco Bay Area.

Bobwhite quail is a species found in the Eastern United States and named for their whistling call. While these birds are not native to California, they offer similar qualities as the game birds that are found here at a much cheaper price.

Our success will be on a combination of business and poultry management skills in a market where the demand far exceeds the supply. We have been raising birds as a hobby for almost 10 years and have been in a limited business capacity for the past two years. We are currently at a small level of production and are planning 500 birds for 2011, which makes optimizing costs by bulk ordering feed difficult. We plan to double our business after the first year to 1,000 birds and continue to grow by 1,000 birds per year after that. Feeding and water system automation is a priority as we transition to a larger scale and will need to cut labor time so daily labor will be kept down to one hour a day or less.

Our quail are used to simulate hunting for the purpose of training dogs or hawks. For that reason, these birds need to have instincts similar to that of wild birds. Care will be given to supply adequate pen space and limit human contact so they can naturally develop flight skills and keep that fright instinct to fly at the sense of danger rather than stay still or run on the ground which is common with pen raised birds. The best quality birds will be kept to breed for the next year’s stock.

Our customers consume the birds after using them for training so Mueller Game Bird Farm only uses fresh, quality feed and always supplies clean drinking water to promote optimum growth that will result in a superior meat quality.

Mueller Game Bird Farm is located on a total of six acres in Livermore, California with some of that land already in use for other operations but with plenty of room for expansion.

Mueller Game Bird Farm’s objectives are to develop a product based company whose goal is to exceed customers’ expectations, develop marketing strategies to grow the business at a controllable rate, expand facilities each year to fit the demand for birds, increase the efficiency of production by at least 10% a year, and develop a sustainable business that can survive off its own cash flow.
THE COMPANY

Objectives

The objectives for the first three years of operation include:

- To exceed customers’ expectations.
- To develop marketing strategies to increase business at a controllable rate.
- To expand facilities each year to fit the demand for birds.
- To increase the efficiency of production by at least 10% a year.
- To develop a sustainable business, surviving off its own cash flow.

Mission

Mueller Game Bird Farm will produce high quality game birds by using sound management practices, top quality feed, and fresh water to become the leading supplier of game birds in the Bay Area.

Mueller Game Bird Farm’s mission is to provide the best flight conditioned birds available in the marketplace. Through customer relations, Mueller Game Bird Farm will develop long-lasting customers whose satisfaction will garnish word of mouth advertising that will enable business growth without significant marketing costs. Continuing to raise a high quality product that meets customer’s demands and expectations, will ensure that Mueller Game Bird Farm flourishes.

Company Summary

Mueller Game Bird Farm, located in Livermore, California, is a breeder and seller of bobwhite quail. Mueller Game Bird Farm will primarily sell flight conditioned bobwhite quail to individual customers. While growing and building customer relationships, Mueller Game Bird Farm will strive to fit its customers’ needs.

The business will be based out of Karl Mueller’s home. The office will be within his home and the quail farm will be on the adjoining six acres of land. There is currently one 200 square foot pen, four 120 square foot pens, and an offsite 150 square foot pen currently used to house excess birds.

Company Ownership

Mueller Game Bird Farm will be a partnership with Karl Mueller as the Founder and Chief Executive Officer (CEO) and Kurt Mueller as the Co-Founder and Chief Operating Officer (COO). Karl and Kurt will be funding the business with an equal investment of capital and will equally share in the profits.
**Karl E. Mueller**

Karl E. Mueller is the founder and owner of Mueller Game Bird Farm. It is his vision that is being realized. He has a lifetime background of raising livestock through 4-H and FFA programs, has been raising poultry for 10 years, and has studied small business management, marketing, and accounting along with poultry science at Cal Poly San Luis Obispo. His background in sales and marketing as well and his experience with this business in the past few years will give him the knowledge, skills, and abilities necessary to assist Mueller Game Bird Farm become a successful business. His education has provided him with the ability to track orders, budget, and develop lasting relationships with customers.

**Kurt V. Mueller**

Kurt V. Mueller also has years of experience raising poultry. He is an Alameda County Fair award winner for his egg production where he earned Judges Favorite and Best of Show eggs for numerous years. He has handled the majority of the daily operations at Mueller Game Bird Farm the last few years as he truly enjoys the interaction with his covey. He has a passion for raising animals and gaining knowledge about the game bird industry. He has handled on-site sales, negotiated with a local feed and farm supply to advertise at their business for free, which has resulted in numerous customers, and has successfully operated all business aspects.

**Personnel Plan**

The staff will consist of both Karl and Kurt handling the daily duties of feeding, watering and cleaning. Karl will spend the bulk of his efforts devoted to customer relationship management, facility design and automation, and marketing as well as any administrative work. Kurt will handle day-to-day operations including incubation, feeding/watering, and sales.

**Start-up Summary**

Bobwhite quail is a fast growing bird with short generation interval. Flight conditioned quail and quail raised for meat can be sold at 15 to 16 weeks. Quail start producing eggs at about 21 weeks of age and will produce 50-100 eggs under normal mating conditions and 70-150 eggs in an environment using artificial lights. During the second year, egg production decreases so laying hens will be kept for one year and then sold.

The housing requirements for each bird call for 0.1 square feet per chick and two square feet per adult bird. Covey sizes for quail chicks will be designed to raise 250 chick sets. This is the amount of chicks that can be raised under one 250 watt heat lamp and will be the standard for Mueller Game Bird Farms to maximize efficiency.
It is important to purchase healthy stock from a reliable source that practices good animal husbandry and maintains superior records. The health and welfare of quail demands that bloodlines remain separate in order to eliminate the chance of inbreeding. As stock is replenished, sources for replacement birds will be rotated using several reliable breeders, which will demand that Mueller Game Bird Farm maintain excellent records to ensure superior quality birds are produced.

Quail take only 23 days to hatch and they produce eggs in 21 weeks. Quail need limited space to thrive as breeders. For example, a three foot by three foot rabbit hutch provides plenty of room for three or four quail. Quail can be kept in runs outside but need shelter from rain and should be kept in a draft-free, varmint free environment. In an effort to increase flight skills, a barrier of wood two to four foot tall will be used to separate the food and water and force the quail to fly back and forth. This has been used in other pens at Mueller Game Bird Farm and has successfully produced superior flying birds.

Bobwhite quail are easy to handle and it takes very little effort to tame them. Keeping breeding stock in enclosed pens will reduce injuries but makes flight conditioning more challenging. To grow a healthy bird that is desired by the consumer, it is mandatory to have limited human contact, sufficient ground cover to make the environment match that they encounter in the wild, and large enough pens to encourage and promote flight development.

It is very rare for quail to hatch their eggs in captivity; however, eggs require very little effort to hatch successfully in an incubator. Proper breeding and incubation practices result in hardy chicks requiring basics such as heat (a 250 watt bulb), feed (turkey starter), water (clean), vitamins (boost nutrients early), and a predator and draft-free brooder. Chicks hatch over a 24 hour period. Mueller Game Bird Farm has maintained 70-80% hatch rates over the course of two years.

Under the 500 bird operation planned for the first year of this business, a profit is anticipated because Mueller Game Bird Farm will use existing equipment and facilities to keep the overhead low. Profits will be allocated towards facility expansion and equipment automation to save in labor hours over the next several years. Planned facilities include additional flight pens, more efficient brooder areas, and colony breeding cages. Automation will be focused on feed automation and nipple water systems. For quality bird and egg production, the farmer must ensure that the health of the birds and their living conditions are maintained to the highest standard; otherwise, significant losses in birds to poor living conditions, predators, or unhealthiness will occur. A well-maintained farm also enhances customer satisfaction.
The startup costs for a game bird business includes bird costs, feed costs, equipment costs, and fencing and housing expenditures. Pens currently on the farm site that were previously used to raise chickens, pigs, and sheep will be converted so that limited resources will be expended. Personal home office equipment currently on hand will be utilized to save expenses at the beginning. Mueller Game Bird Farm has been operating on a small scale for two years and has acquired additional upgraded equipment to assist in its endeavor to transition into higher volumes of birds.

Bird orders will include 250 chicks acquired in the first week of May, and the second order will be submitted in the last week of July for another 250 chicks. This amount will cover the 300 birds promised and allow additional birds for potential losses and for other customers.

**Start-up Expenses**

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<td>Kurt Mueller</td>
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<td><strong>Total Investment</strong></td>
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</tr>
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</table>
Mueller Game Bird Farm will target two distinct market segments—dog trainers and falconers. Dog trainers are generally seasonal purchasers whose needs match the natural breeding cycle of the quail, although, some users require birds year-round for training competitions. Dog trainers are currently the primary market making up about 90% of the sales. The second segment is falconers who train hawks year-round using quail or other game birds for practice. This market has a more consistent demand throughout the year and will require year-round management practices to ensure bird production is maintained. The 10% of sales for falconers accounts for one customer who has agreed to assist Mueller Game Bird Farm network with other falconers to create a more evenly distributed sales mix.

**Products**

Mueller Game Bird Farm will produce and provide flight conditioned bobwhite quail as the primary product. Secondary products include quail sold at younger ages and hatching eggs if available. While the focus will be on flight conditioned adult quail, it is important to develop customer relations and fit the needs for various special orders.

These birds will be raised on quality feeds to assure proper nutrition for body and flight development. Pens are designed to promote flight development giving adequate ground space, cover, and pen height. Automated food and water systems will minimize human contact and provide the birds with a more natural instinct to get frightened and take to flight as a defense, which will produce the product desired by the dog trainer as well as the falconer.

After the birds are used for training purposes, they are consumed by the customer. This makes feed quality and disease control even more vital. Mueller Game Bird Farm will never use growth stimulants, antibiotics or non-approved animal byproducts in its feed program. Our quail are fed only fresh feeds and given fresh water.

Occasionally, there is a request from a hobbyist to purchase birds at a young age as they enjoy observing and hearing them. There is also a small market of ranchers who are attempting to develop coveys of quail on their property. Pen raised birds do not have a high chance of survival in the wild so extra care will be given to maintain the wild nature of the bird to reduce the reliance on humans. In addition, Mueller Game Bird Farm will work with these customers to offer advice and track success of any release. A third potential buyer makes up a very minute share of the market and may want hatching eggs for educational purposes. These are teachers who want to demonstrate lessons to a class. Mueller Game
Bird Farm will work to accommodate all buyers with the products they desire while concentrating on flight conditioned bobwhite quail as the primary product.

**Market Analysis Summary**

The market for flight conditioned bobwhite quail currently indicates a significant excess of demand over supply in the San Francisco Bay Area as rural locations necessary for raising game birds is limited in this region. Birds will be picked up by customers from the farm location in Livermore, California, which also alleviates costs associated with delivery or shipping. A major competitive advantage of the location in Livermore is that it is situated near potential customers within driving distance of several different cities and counties. Because most customers buy a small amount of birds, a convenient location for easy pickup is more important to the customer than the actual cost of the birds.

The California Department of Fish and Game publishes a Domesticated Game Breeders List each year. This register lists the licensed gamebird breeders who sell game birds in the state. This avenue has been the best resource for acquiring new customers as those who are seeking breeders to purchase birds from utilize this service to locate breeders. This list also gives an insight into the competition state-wide as well as a resource. From the 2011 Domesticated Game Breeders List, the closest competitors include two breeders located 20 miles away in Tracy, one breeder located 35 miles away in Manteca, one breeder located 40 miles from Livermore in Stockton, one breeder located in Dixon 75 miles away, and all other breeders are located at further distances. Mueller Game Bird Farm’s location makes it the only breeder in the entire San Francisco Bay Area.

Mueller Game Bird Farm will be focusing on two distinct users of birds—dog trainers and falconers. Extra birds will be sold to other hobbyists or ranchers but will not be considered in marketing efforts. Mueller Game Bird Farm will be serving both the consumer markets through direct sales from the farm location in Livermore.

**Market Segmentation**

Mueller Game Bird Farm has two distinct customers:

- **Dog Trainers.** This group of customer will buy quail because they have a puppy they are training as a retriever for hunting or an adult bird dog that requires continual training to maintain their skills. These consumers are seeking a realistic hunting experience with the birds they buy and want birds with strong flight skills. A common problem with pen raised birds is they become too domesticated to frighten and take to a natural flight. A bird that will not easily fly is of no use to the bird hunter. These individuals have disposable income to support their sportsman hobby. The majority of
dog trainers are seasonal customers who want to purchase birds to help prepare for a hunting season in the fall which fits with the natural laying cycle of quail. Other dog trainers compete year-round; therefore, their demand is continual. It is important to communicate with customers in advance to determine when birds will be purchased to plan hatching and orders appropriately.

- **Falconers.** Falconers are hobbyists who have trained raptors and use them for hunting purposes. Falconers need to hunt with their birds three to four times a week to maintain the bird’s skills. Securing falconer customers can allow for year-round clients, which would present challenges of holding inventory but would also offer consistent sales.

**Target Market Segment Strategy**

Mueller Game Bird Farm’s target market segment strategy is fairly easy. Each customer group will purchase from the farm location in Livermore. Since the demand is high, merely letting these customers know about Mueller Game Bird Farm will be sufficient to bring in customers who upon buying quality birds will use word of mouth to bring in more customer leads.

- **Dog trainers.** These customers will be buying quail from the farm. Consistency of purchases varies which each consumer. Some dog trainers have a puppy and just need initial training for a year or two and may buy 10-20 birds. Other dog trainers keep their dog’s skills current and train each year and will buy 10-20 birds each year. Others compete with their dogs and will purchase 150-200 birds a year. From experience, if these customers are provided with quality birds, they will tell their friends and advertise through word of mouth for free. Another option to develop more customers of this type is to find sportsmen clubs such as Ducks Unlimited, Pheasants Forever, or California Waterfowl to find local hunters with a need to train their dogs.

- **Falconers.** These customers have a constant need to train their hawks. They are seeking large quantities and will want cheaper prices. Bulk pricing may be appealing for these customers. Getting one falconer customer can grant access to his hobbyist friends who will also be potential customers based on a combination of good prices, year-round availability, and close proximity for pick up. Falconers do not have large established clubs but do socialize together. Developing relationships with customers who will spread the word to their fellow falconer, is an excellent way to find other falconers.
**Strategy and Implementation Summary**

The methods of advertising and promotion used by a quail farm will vary depending on the type and size of the farm. Cheap and effective advertising is the most feasible way for smaller farmers. The target market is small. Money can be wasted with advertising that gets a lot of exposure to the wrong audience. Serious clients will be looking for Mueller Game Bird Farm to supply birds for their needs. The current strategy for Mueller Game Bird Farm has been to use the Game Breeders List, http://www.craigslist.org, and flyers posted at the local feed stores. The only costs associated with this strategy have been the cost to make a couple of flyers to post at the feed store, which is minimal. Another cheap avenue to gain publicity is to display mature birds at local county fairs. Thousands of people attend these fairs and are quite inquisitive and interested in the entire process.

At the current level of production, too much advertising will exhaust the inventory too quickly and make it difficult to maintain a satisfied customer if their needs are not met. Happy customers are the base that is necessary for future success of this business as one unsatisfied customer can be a great detriment to the success of Mueller Game Bird Farm as the hunting and falconer circles are quite tight.

The best form of promotion comes from selling high quality birds with an ability to fright and fly, which will help to establish a good reputation in the trade and referral business. This reputation will be the foundation the business is built on.

**Competitive Edge**

Mueller Game Bird Farm’s competitive edge has three main aspects: quality, location, and flexibility.

- **Quality.** Karl is a perfectionist trying to achieve the best pen-raised flight conditioned birds possible. Pen design plays the biggest role in allowing quail the room to mature and develop flight naturally.

- **Location.** Mueller Game Bird Farm is the only game bird supplier in the San Francisco Bay Area, and there are only five breeders within 75 miles. People have contacted Mueller Game Bird Farm from as far away as San Francisco (50 miles) and Salinas (90 miles). The farm is only about four miles from the freeway with only three turns to the front door. The Livermore location allows a short drive for all sportsmen in the Bay Area with few alternative options.

- **Flexibility.** Mueller Game Bird Farm has no established hours; rather, it is open upon demand. Clients who use the birds to train dogs generally do not have pens to house the birds for an extended period of time. The
majority want to pick up birds the morning they leave to go to the field or the night before so they don’t have to provide feed, water, or housing. Mueller Game Bird Farm needs to fit into the schedules of hunters and falconers who generally are early risers. Accommodating the customer is another key to the success of this business.

A combination of quality, location, and flexibility will create a sustainable competitive advantage that will allow Mueller Game Bird Farm to succeed.

**Sales Strategy**

Mueller Game Bird Farm’s sale’s strategy will be based on top of mind awareness, consistency, and customer relationship management.

- **Top of mind awareness.** Mueller Game Bird Farm will need to be on the top of consumers’ minds as the best place to go obtain birds. With a lack of competition, it will not be hard to develop this with customers. Creating personal relationships with customers and tracking their bird needs each year as well as soliciting referrals is vital to future success. Quality will also be important to create an impact with customers.

- **Consistency.** Product consistency is important, and all birds must be raised with quality feed and adequate space and coverage to have a flight conditioned bird to satisfy what the customer is seeking—birds with the same flight patterns as those raised in their natural habitat.

- **Customer Relationship Management.** Recurring customers and referrals will be the foundation for business growth. Recurring customers will be the base for larger contracts and referrals will help expand the business. Communication must be maintained to ensure a quality product, a happy customer, and to solidify future orders.

**Sales Forecast**

The end of August will mark the first sale of 100 birds sold to one customer. New chicks will be ordered as replacements and to maximize the pen space with the expectation to be sold in the beginning of November. This order will be for 250 birds. An extra 10% of chicks will be ordered to account for any loss and the excess will be kept as breeder stock for the following year. To maximize profits, all birds will be sold as close to the 12 week quail maturity mark as possible.
Milestones

Mueller Game Bird Farm will have several milestones early on:

1. Business plan completion. This will be done as a road map for the organization. While we do not need a business plan to raise capital, it will be an indispensable tool for the ongoing performance and improvement of the company.
2. Farm set-up including automation.
3. First batch of birds sold.
Strategic Direction

SWOT Analysis

This is a summary of the business's most important strengths, weaknesses, opportunities and threats.

Strengths of the Business

- **Excellent quality products.** Growing quality flight conditioned quail that will fly instead of run will give customers exactly what they are looking for. The major complaint about birds bought from other farms is the preference for the bird to run on the ground instead of fly. Good management practices help develop the quality product the consumer is looking for.

- **Good management skills.** Karl has studied small business management, marketing, and accounting as well as poultry science. This background will help develop and grow the perfect small business.

- **Location.** Possibly the biggest benefit to the business is the location. There are people in the San Francisco Bay Area that want to buy birds but haven’t been able to because there has not been a source up to this point. Mueller Game Bird Farm will help fill that gap and the business will grow based on the lack of competition alone. Mueller Game Bird Farm is in Alameda County and is in close proximity to San Joaquin and Contra Costa counties giving it diverse populations to appeal to.

- **Room for expansion.** Mueller Game Bird Farm sits has roughly six acres with plenty of room to expand its operation.

Weaknesses of the Business

- **Small scale.** Constant expansion will require challenges to optimize cost and satisfy new customers who may want large orders at inopportune times of the year.

- **Lack of systems.** Systems include facility systems such as automatic water systems and feeders that will save labor. Other systems include administration and marketing systems that will need to be developed to maximum efficiency.

Opportunities in the Marketplace

- **Add-on products.** Chukar partridge and ringneck pheasants are the most obvious choices to increase the diversity of the inventory. These birds are
hunted at pheasant clubs and those clubs can be a potential new market. Pheasant clubs want to buy roughly 1,000 birds at a time but want to pay less per bird ($7-$8 as opposed to the $10-$15 price for small orders). Another avenue of expansion can include selling fresh eggs to restaurants because quail eggs are a delicacy in high end restaurants.

- **Room for expansion.** Mueller Game Bird Farm has roughly six acres to expand to and build flight pens on.

- **Other market segments.** The biggest opportunity for market outreach is pheasant clubs. Expanding the market base would bring long lasting contracts but smaller prices. If pheasants or chukars are raised, partnerships could be formed to use their land to organize hunts. By giving a location to hunt birds, more money can be charged per bird and the additional profits can be split with the land owner. Extra licensing may be needed for these possible hunts.

**Threats in the Marketplace**

- **Variable bird prices.** Towards the end of the hatching season, some bird farms sell out of birds. Careful planning must be done to order birds far enough in advance to ensure the lowest prices are obtained. Suppliers typically have bulk discounts. The fewer birds purchased, the higher the cost per bird.

- **Increasing feed prices.** Feed is the highest cost associated in raising game birds. As feed costs increase, the cost to raise the bird to maturity increases, therefore, the profit decreases. Bulk feed orders can help lower overall costs, however, there are minimum purchase quantities associated with the bulk feed orders and the requirement would exist to have adequate storage facilities for the feed to stay fresh and pest free.

- **New competition.** Game birds are not overly difficult to raise. As news of Mueller Game Bird Farm’s success spreads, others may delve into the business of raising game birds. It is important to use the current competitive advantage of being a solo game bird farm in the local Bay Area region to attract loyal customers and develop a business large enough so as not to be affected by new players in the marketplace.
FINANCIAL PLAN

Business Objectives

Short Term Company

To achieve a sales level of $2,500.
To achieve profit level of 50%.

Long Term Company

To achieve sales in 2012 of $5,000.
To achieve sales in 2013 of $10,000.
To achieve sales in 2014 of $15,000.

Marketing Objectives (Goals)

Bobwhite Quail
#1 Segment (Dog Trainers): To achieve sales to $2,150
#2 Segment (Falconers): To achieve sales to $ 250
#3 Segment (Miscellaneous): To achieve sales to $ 100
Total: To achieve sales to $2,500

New Products

To evaluate and launch new products or services which will turn over a minimum 40% profit in the first year. Limited pen space will be the guiding factor in new product decisions.

Production Objectives (Goals)

To achieve production level of 500 birds.
To increase production capacity to 100% of farm capacity.
To reduce production costs by 10%.

Other Objectives (Goals)

To not exceed a production budget of $1200.
To not exceed a marketing budget of $20.
To not exceed a payroll budget of $0.
To not exceed a general overhead budget of $50.

The major task objectives for each area of the organization, together with responsibilities and timings are detailed in the Roll-Out Plan.
**Marketing Plan**

**Promotional Strategies**

**Print Advertising**

Develop a company flyer for use with all advertising.  
June 2011

Advertise at local feed stores with flyers.  
January 2012

Advertise monthly on http://www.craigslist.org that is specifically targeted primarily for dog trainers and falconers but also to reach other hobbyists and bird enthusiasts. This will attract new customers and allow for future orders.  
August 2011

Include Mueller Game Bird Farm’s name in the Game Breeders List when purchasing yearly Game Breeder’s License.  
January 2012

**Lead Generation Program**

The constant http://www.craigslist.org exposure will bring in new clients and future orders. Company growth will fit the needs of these new customers.  
August 2011

Mueller Game Bird Farm will be listed in the Game Breeder’s List and will have constant exposure to anyone looking at the Fish and Game website for leads on birds. About 35% of past clients have come from this list.  
January 2012

Network with past clients for repeat business and referrals.  
January 2012

**Public Relations Program**

Mueller Game Bird Farm’s public relations program will include club involvement through the California Waterfowl Association, Ducks Unlimited, and other organizations to show commitment to wildlife through conservation.  
February 2012

Show 4-H and FFA support through donations and involvement in programs to support the game bird and poultry industries.  
September 2011
Sales Force

Maintain all promotional programs and develop customer relationship management to stay in touch with all customers.
    July 2011

Past Customers

Contact all past customers before orders are placed to find out how many birds they want for the upcoming year. Also seek out other clients through the association of past customers who have the same interests.
    February 2012

Existing Customers

Contact all customers to determine their satisfaction rate in an effort to maintain positive customer relationships and determine if there are any areas for improvement.
    July 2011

Develop Mueller Game Bird Farm customer profiles to track bird order preferences and common timeline for orders.
    July 2011

Develop quarterly e-mail newsletter to existing customers to keep them informed of current events and other products. Solicit their support to identify potential new customers who might be interested in our quarterly informative newsletter.
    July 2011

Reach out with quarterly newsletters to local hunting and falconry clubs via email in order to keep promotional costs to a minimum.
    July 2011

Sales Promotion

Develop an ongoing sales promotion program to target existing customers and potential new customers.
    January 2012

Product Strategies

Supply

Focus efforts to obtain orders at the beginning of the hatching season and concentrate on efficiency.
    February 2012
Maintain an extra 10% of birds for miscellaneous and unplanned orders. These extra birds, if not sold, can be kept for breeding the following year.

December 2011

**Warranty**

While no problems have occurred yet and no major problems are expected, Mueller Game Bird Farms will stand behind product if problems arise.

August 2011

**Pricing Strategies**

**Price Level**

Maintain price level in all segments at 5% - 10% higher than competitors to reinforce the quality image.

Jul 2011

**Discounts**

Offer 10% discount for larger orders of 50 birds or more for recurring customers on case-by-case basis. If the sale depends on it, it may be better to sell birds at a discounted price rather than keep birds that take up pen space and increase feed costs.

August 2011

**Distribution Strategies**

**Channel**

Distribute birds directly to the client from the farm location in Livermore.

July 2011

**General Marketing Strategies**

**Competitor Profile**

Keep updated competitor profiles through the Game Breeder’s List and also from information obtained from customers.

July 2011
Marketing Information System

Ask each customer how they heard about Mueller Game Bird Farm and maintain the information in the customer profiles.

July 2011

Produce monthly sales profit and loss reports by product, by market segment, and by area.

August 2012

Financial Plan

Financial Determine 2012 Objectives

Net Profit To achieve forecast net profit of $1200.

Gross Profit To increase the average gross margin for all products from 40% to 50%.

Budget To not exceed the budgets.

Marketing Budget $20

Payroll Budget $0; Each owner has agreed to use profits to reinvest in the company.

Financial Strategies

Cash Flow

Owners have agreed to add cashflow back into the company during the developmental years.

July 2011

Collection Days

Collect all money on the date of sale.

July 2011

Payment Days

Maintain payment of bills, on average, to 30 days.

April 2011
Expenses

All expenses need to be agreed upon by both owners to maintain the goals of the company.

July 2011

Leases

Not applicable at this time.

July 2011

Wages

Wages will be assessed when the need for additional labor arises.

July 2011

New Equipment

Organize funding for the $150 expenditure on new water systems for each pen housing more than 50 birds as profits allow. Feed systems are satisfactory for the next few years and will be reassessed as need arises.

July 2011

Payback

Ensure a payback period on new equipment through sales of one year.

July 2011

Inventory

Increase the number of the inventory turnover rate from two coveys a year in 2011 to three coveys a year in 2012.

July 2012

Rent

Not applicable at this point.

July 2011

Bank Charges

Not applicable at this time. If bank loans become necessary, negotiate with the bank for low interest rates.

July 2011
Organizational Plan

2012 Objectives

Budget
To not exceed the payroll budget of $0

Staff
Additional staff will not be necessary in 2012

Production Forecast
To produce 1000 birds in 2012.

Facility Capacity
To operate at a total of 100% facility capacity of three inventory turnovers for 2012.

Human Resource Strategies

Policies and Procedures

Develop policies and procedures manual after first year in business detailing production processes, times, materials, man-hours, etc.

January 2012

Training

Carry out training needs analysis and provide ongoing training as needed.

July 2011

Morale

Hold monthly meetings to develop marketing strategies and to ensure that both owners are fully aware of the other owner’s activities regarding the business and to discuss profit and loss issues.

July 2011

Production Strategies

New Equipment Purchase

Purchase new automatic water system from Chore-time Poultry Systems.

July 2011
Installation of New Equipment

Ensure new equipment is installed and running at full capacity within a week of purchase.

July 2011

Quality Rating

Company to reach standard of 100% quality rating which will be judged by hatch rates, mortality rates, company inspection of birds and facilities, and feedback of customers tracked through superior company management.

July 2011

Reject Rate

Maintain quality by restricting sales of deformed birds to assure quality to consumers.

July 2011

Research and Development

Conduct comprehensive searches for new products and technology. Adapt new technology into present production.

January 2012

Production Procedures and Policies Manual

Develop detailed procedures and policies manual detailing production processes, times, materials, man-hours, etc.

January 2012