



Zunog Nigerian limited

THE BUSINESS **SUMMARY** DOCUMENT

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PROBLEM & SOLUTION

Business info-

The ever reoccurring food insecurity alarm in Nigeria, made me found my company Zunog.

Most recently Nigeria rice production is threatened by climate change and primitive agronomic practice, with a flood in 2022 that cost over N700 billion losses. The [united nations food and agricultural organization \(UNFAO\)](#) estimated that about 25 million Nigerians will face food insecurity in Nigeria by August 2023.



A new research has reported that Nigeria's agriculture sector faces a financing deficit of N76 trillion. According to [chijioke okoli](#) (country director of Agriculture and construction equipment service (john deere)) Nigeria currently have less than 7,000 functional tractors in operation against the estimated 377,000 tractors required to cultivate Nigeria's 34 million hectares of arable land

Zunog rice production and processing will mitigate the looming food crisis in Nigeria exacerbated by Russian invasion of Ukraine. Zunog Water efficient paddy rice fields will also ensure that rice is water efficiently produce even during drought period. Zunog access to tractor will help curb tractor deficit in Nigeria. And Zunog access to agricultural technology and tools will help farmers in Nigeria have access to it at affordable price.

BUSINESS PROCESS

Features & Functionalities-

Zunog produce rice using production manual from renowned institutions such as [Louisiana state university department of agriculture \(LSU Agcenter\)](#) rice production manual, and process rice into parboiled rice and white rice in partnership with local companies. Zunog uses [LSU Agcenter](#) rice production manual to maximize efficiency of production, and yield compared to most Nigerian rice producers.

Zunog hire rice field, laser level the field, create irrigation channels, and cultivate rice using [LSU Agcenter](#) rice production manual. The rice products are packed in 500g- 50kg packs.

Pricing

Currently 1kg of rice is sold for 1USD.

Profitability-

Zunog will generate profit from it rice sales. Currently the cost of cultivating a hectare of rice is 1,000USD and the profit margin is between 25%-360% your investment, which is dependent on the yield of rice per hectare.



MARKET OPPORTUNITY

Target Audience/Customers-

In 2022, Nigerian revenue in the food market amount to US\$13.5 billion according to [satista](#). Zunog currently produce rice for over 100 Nigerians, Zunog anticipate over 1,000,000 customers by 2030.

Marketing & Sales- Marketing Plan

Zunog reach it customers both offline and online. Offline channel involves selling directly to customers through it stores or reaching customers through wholesalers and retailers. Online channels involve leveraging on platforms such as [Farmsquare](#), [Agrodomain](#), [Facebook](#), [Google my business](#), etc. to reach customers. Zunog sustainable conscious branding, and quality rice product have proven to attract and keep loyal customers.

BUSINESS ANALYSIS

SWOT Analysis (Strengths, Weaknesses, Opportunities, & Threats)-

Strength: Rice production manual, High demand of rice, and business experience, rice ratoon or second harvest.

Weakness: land dependency, inadequate funding, and Tractor dependency.

Opportunities: Grants, Irrigation system, and affordable farms.

Threats: Insecurity, severe drought, and bad government policies.

NEEDS

Resource Requirements-

The cost of acquiring and cultivating a hectare of rice farm is 2,000USD, my company will need 200,000USD investment to:

- Acquire 50 hectares of land along the Nigerian flood plains, which will produce between 500- 1,000 tonnes of rice for over 50,000 Nigerians in it first year, and the figure is expected to double annually.
- Procure a tractor.
- Procure fertilizer and pesticides for rice production.



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- Procure laser field leveling instrument.
- Procure a soil testing kit for sustainable fertilizer use.
- Procure pH meter, soil moisture meter, and other relevant agricultural equipments.
- Purchase Welding and fabrication materials to construct tools necessary for rice production.

Zunog will also need to partner with a rice processing facility, due to the cost of acquiring new set of processing machines.

The investment size will guarantee sustainable growth, and repayments of loan on time considering if the investment is a loan.

Building a Team

I currently work alone but, I am working on hiring a gender inclusive team with the following responsibilities:

Tractor operator who will be responsible for managing and operating company tractor.

Marketing manager who will be responsible for sales and advertising.

Farm manager who will be responsible for supervising and controlling all farm activities.

Processing manager who will be responsible for supervising and controlling all processing activities.

PLANS

Business Forecasting and Planning-

Last year I harvested 2 tonne of rice. With my current investment needs I anticipate an annual revenue of 300,000USD which will be just right to seek equity investment, with equity investment I am optimistic that my company have the potential to worth over \$10,000,000 by 2030. Zunog will use it profit to positively impact the community it operate in. I want to leverage on grants opportunities, low interest loan, and rice sales profit to realize my company goals, and I am really excited to have won [Nestle \\$1,000 Agripreneurship grant](#) in 2022.

What are the next steps for your business?

- I am optimistic that I will have an annual revenue of 600,000USD two years after securing investment. I will also want to build a standard office for my company, and to purchase some basic agricultural tools such as, [pH meter, soil moisture meter, and soul testing kit](#) to increase my efficiency of farming. Currently I have less than a 100 customers, I am optimistic that I will attract over 30,000 customers two years after securing investment. . I presently work alone, I will love to build a gender inclusive team. I will want to hire skilled staffs who will be responsible for, rice production, marketing and sale, and farm management.



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Thank you