



# EASY CHICKEN CLUB

A value chain for Small-Scale  
Broiler Producers

**OCTOBER 2022**





# INTRODUCTION

**EASY CHICKEN Club** is a micro-local poultry production model and tech platform that leverages local demand to create a value chain for small-scale poultry farmers.



Poultry processing and production infrastructure



Quality inputs, training and extension services



Financial Services.  
(Financing, insurance)



Micro-contracting with small-scale farmers



Container abattoirs



Mobile farm app, and club management platform



Distribution channels that empower communities



# OPPORTUNITY

Poultry is the single largest contributor to the agriculture GPD (16.6%) and has growing consumption

Only 3% poultry production is done "informally". No link between rural demand and informal production.

South Africa is a net importer of poultry, with imports targeting marginalised consumers.

Alignment with the government's National Development Plan and Poultry Master Plan



# MARKET

00

~R52.7 Billion value in South Africa alone, processing over 1.89 billion birds in 2021

00

~ R5 Billion in imports/year and a significant production shortfall.

00

~38.0kg/capita consumption & growing

00

The subsistence (live) market accounts for only 4% of the market.

00

Dualistic (Formal and informal), and untransformed sector

00

Highly concentrated (~46% market share for 2 large companies)

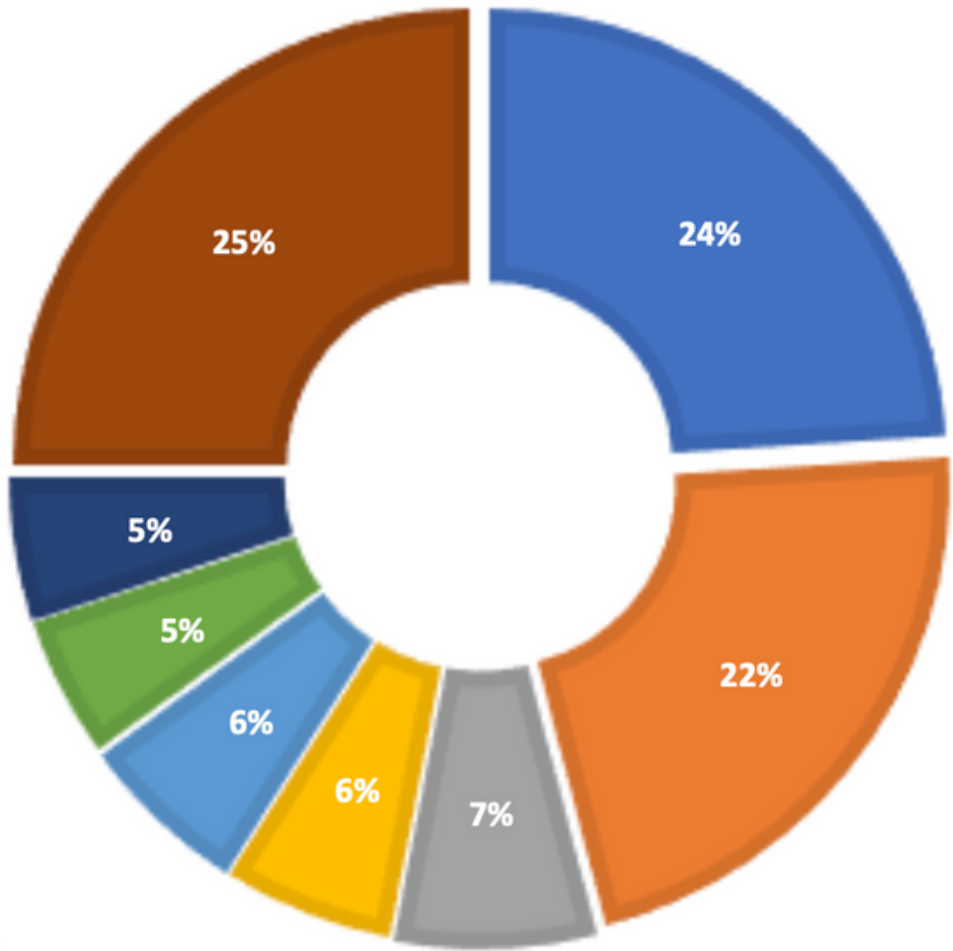




# FORMAL MARKET

SPLIT OF THE POULTRY MARKET IN SA

■ Rainbow chicken ■ Astral Foods ■ Country Bird ■ Tydstroom ■ Fouries ■ Rocklands ■ Daybreak ■ All other



Scale

Quality Standards

Vertical Integration

Strong Channels

Entrenched Brands

Product Diversity

Market Penetration

Corporate Structures





# FORMAL VALUE CHAIN

00

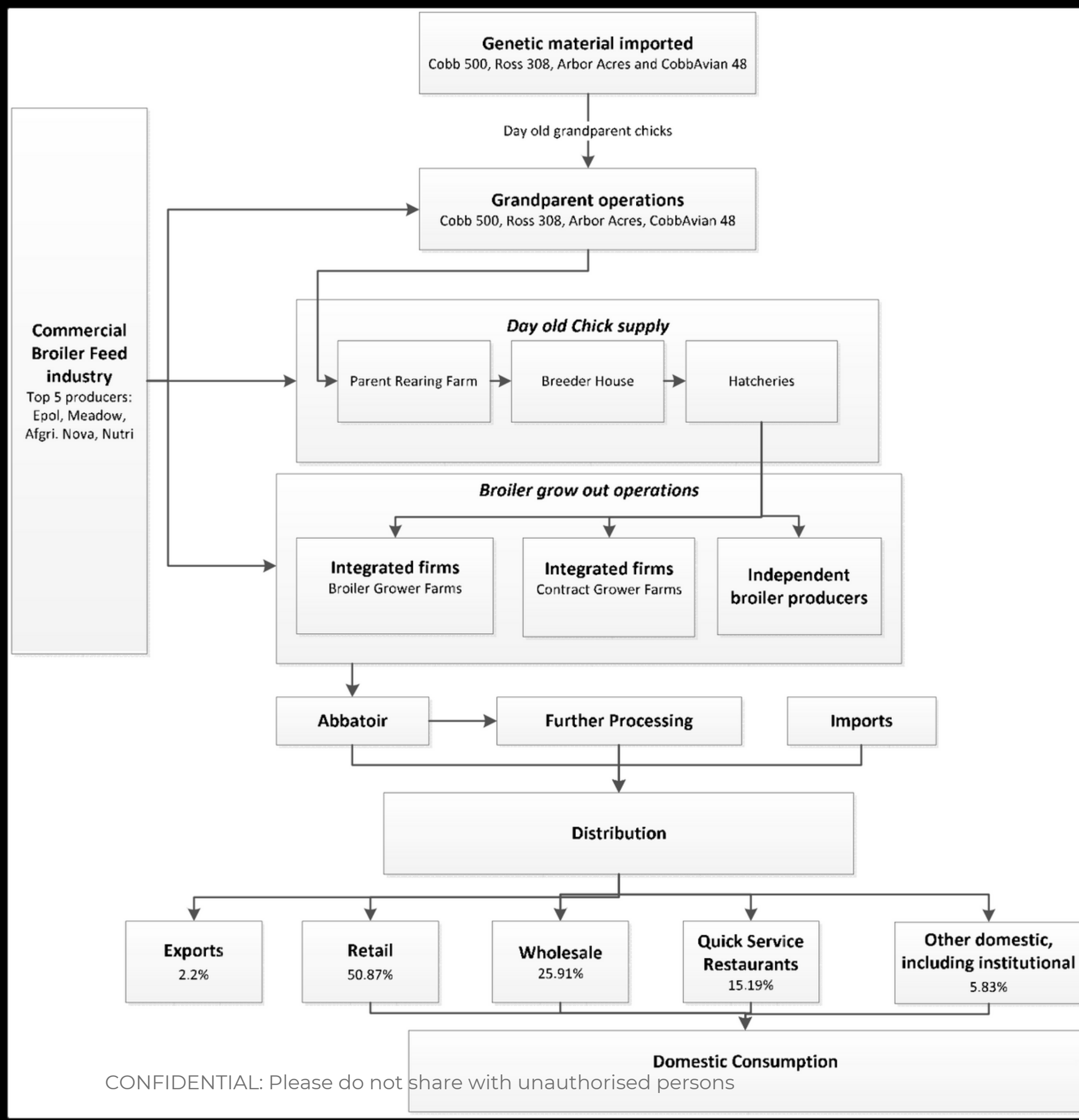
Highly integrated

00

Oligopolostic

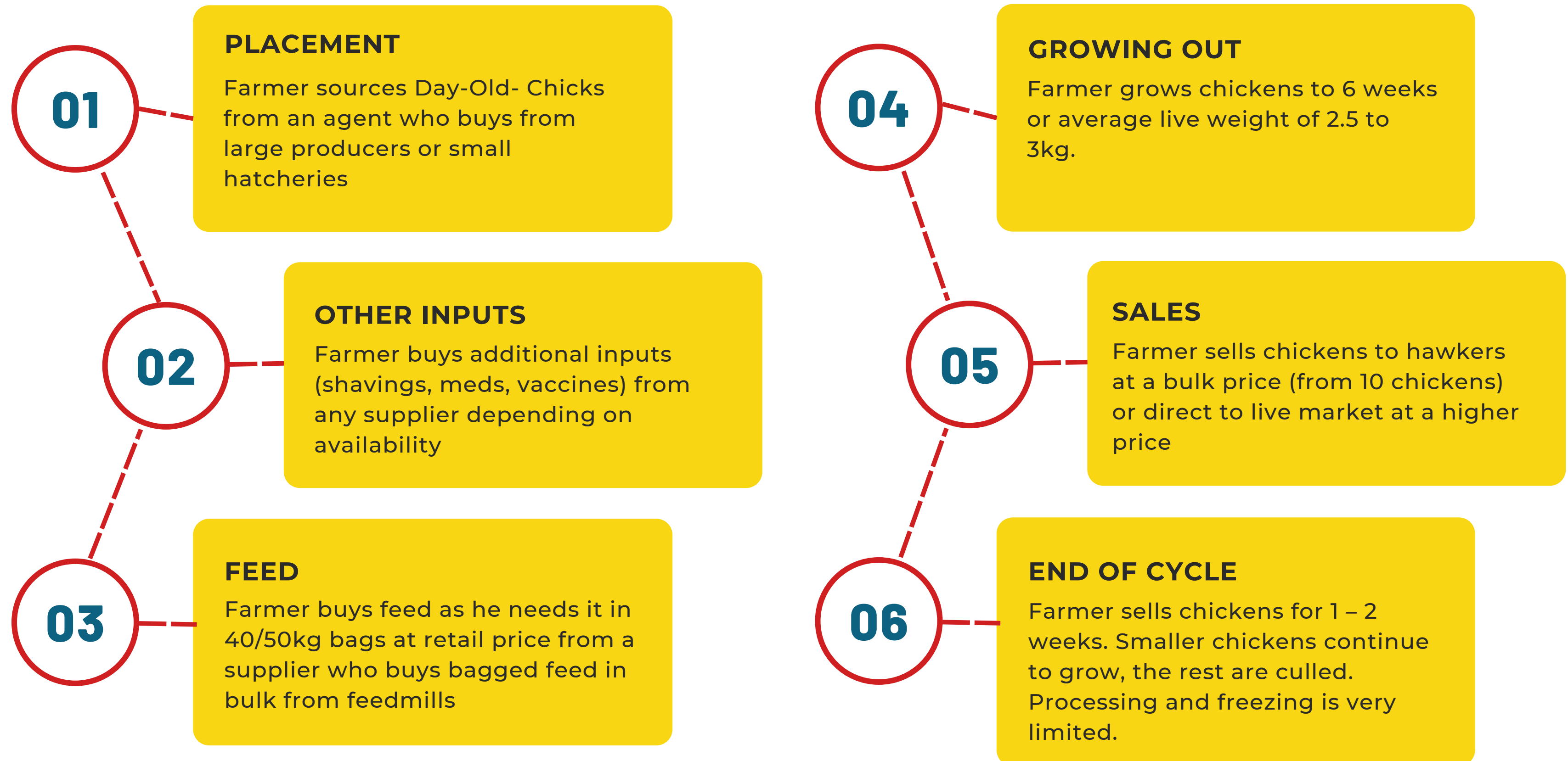
00

Huge barriers to entry



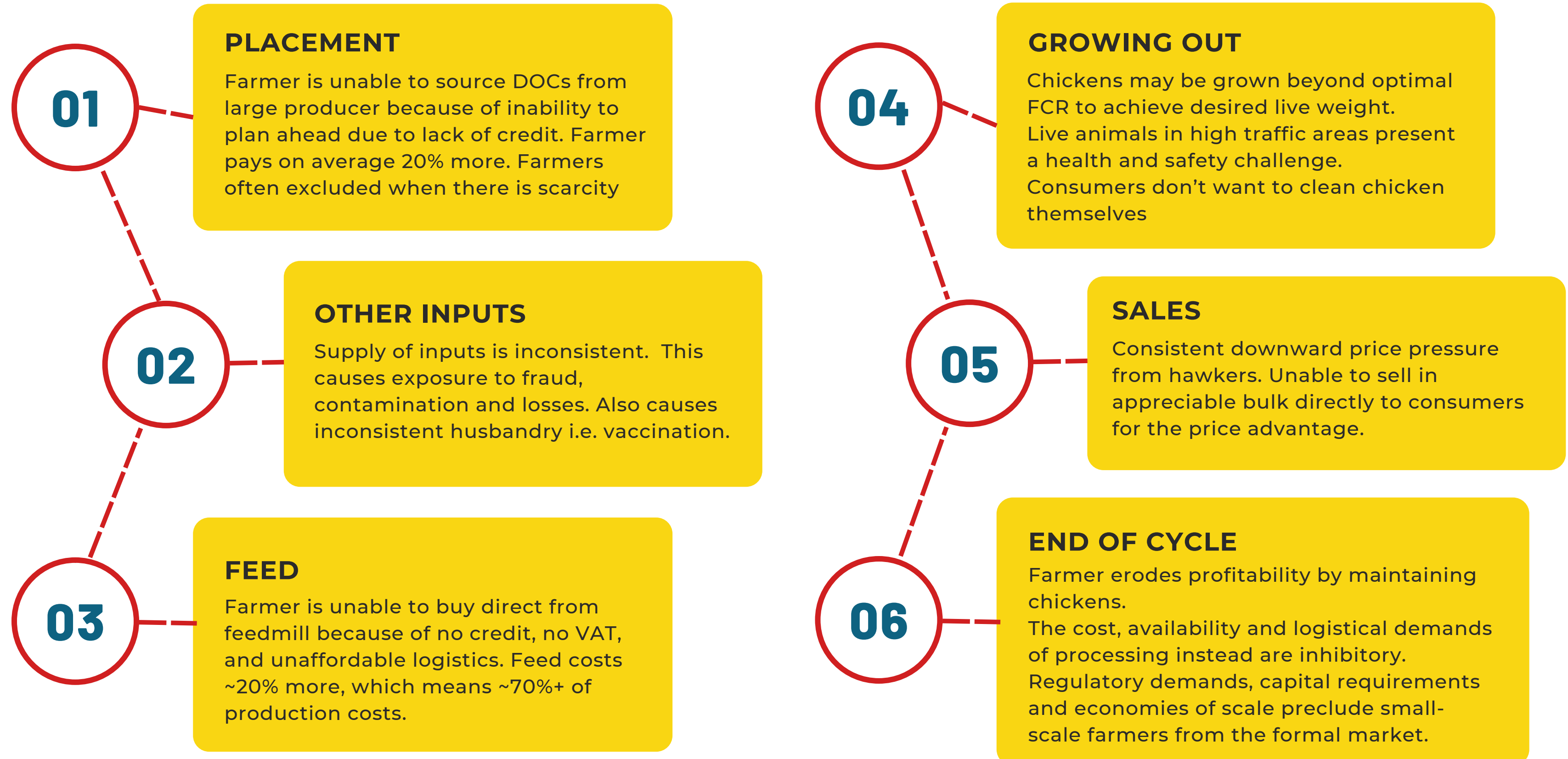


# INFORMAL POULTRY PRODUCTION





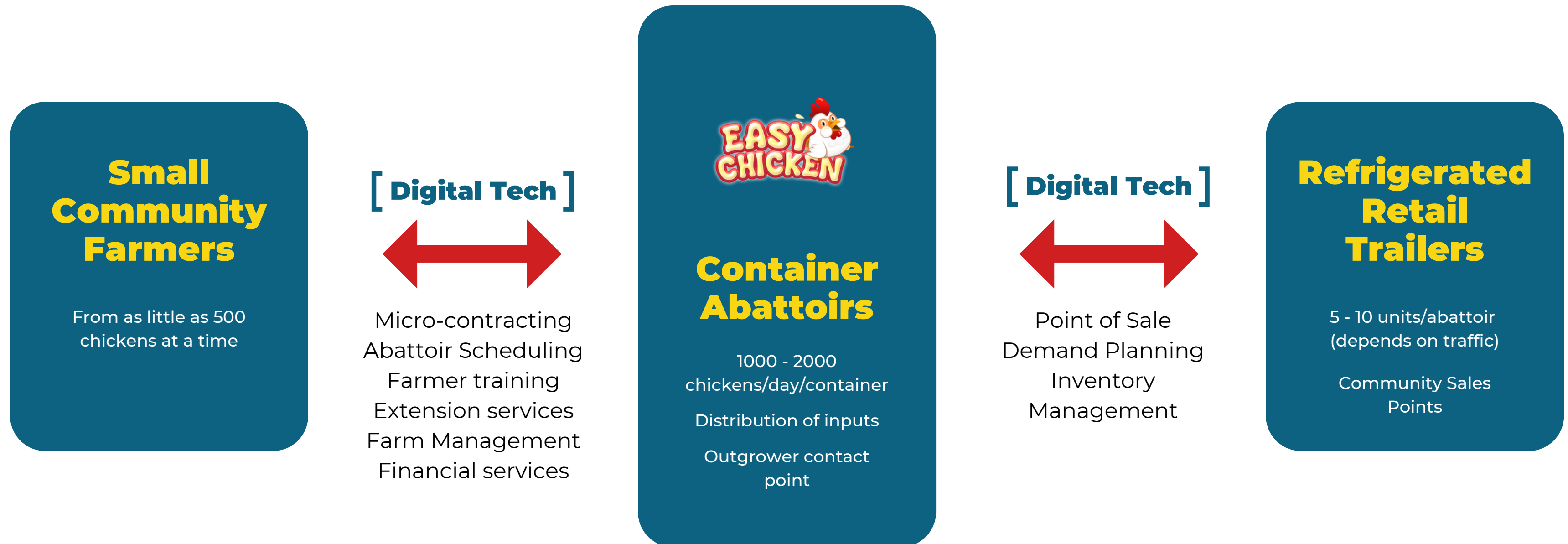
# CHALLENGES





# EASY CHICKEN CLUB

A Value Chain for Small-Scale Broiler Producers



# HOW IT WORKS



Farmer registers and schedules abattoir collection dates up to 12 months in advance in intervals



Farmer orders DoC, poultry feed and other inputs on the app, in line with the production schedule



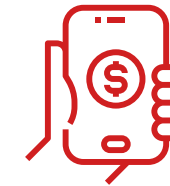
Farmer takes receipt of inputs and starts recoding production information on the platform



Farmer gets production info, reminders, and extension support on the phone. They can also book visits



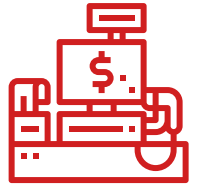
Abattoir confirms collection, schedules it, and dispatches transport for chickens



Payments are disbursed, or partially retained for purchase of inputs for other placements



Processed chicken meat is delivered to retail trailers, plus foodservice and other customers



Market demand and consumer information is collected on the EASY CHICKEN Platform using the POS.



# IMPACT

## **JOBS**

Employment and economic opportunities at a community level in all 3 areas of production, processing and retailing.

## **FOOD SECURITY**

Poultry is a critical protein for marginalised communities. It accounts for the largest portion of protein consumption here.

## **IMPORT REPLACEMENT**

South Africa is a net importer of poultry. The imported poultry is generally targeted at marginalised consumers (bone-in meat, brined, IQF)

## **TRANSFORMATION**

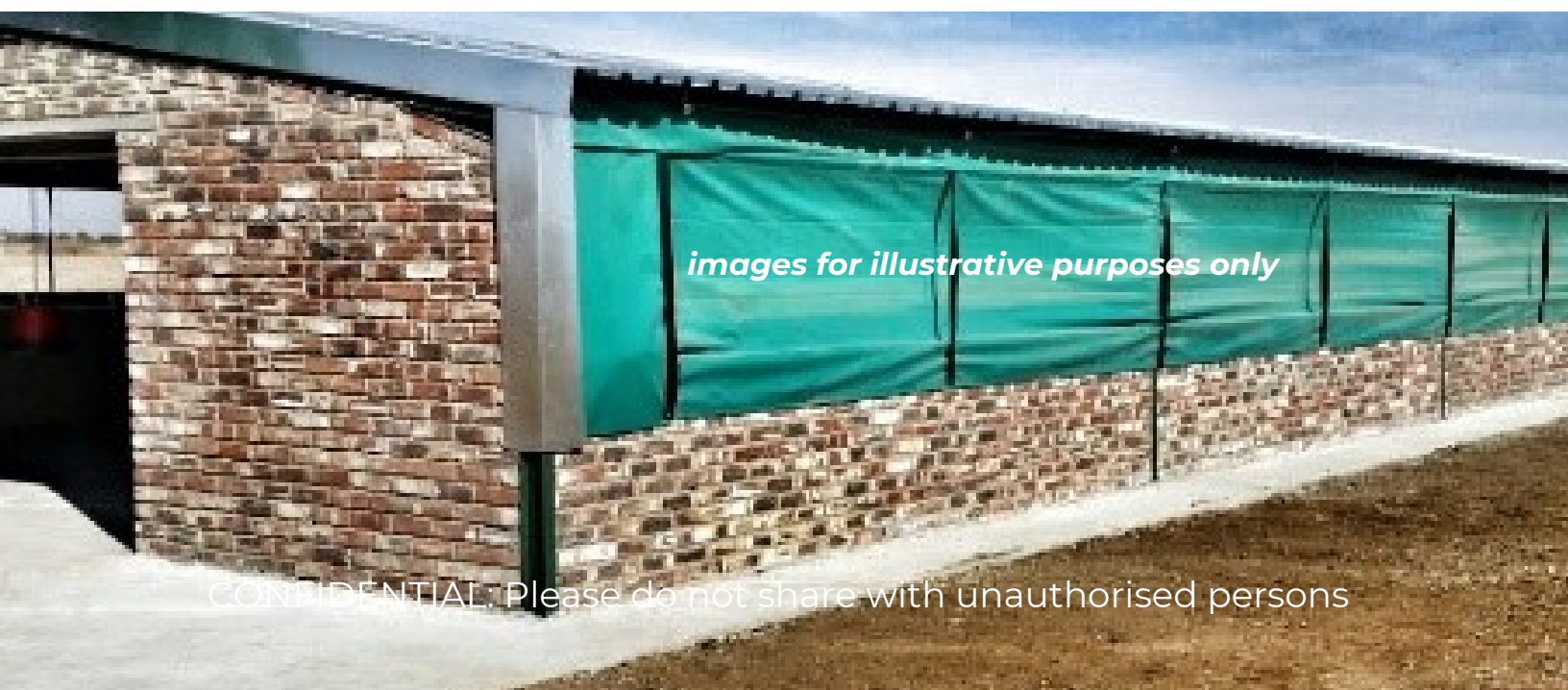
Previously marginalised rural communities are excluded from corporate poultry production. Poultry has lower barriers to entry and quicker ROI.

## **CIRCULARITY**

Hugely reduce food mileage for communities. Opportunities for feed and energy innovation using recycling principles.

## **HUMANITARIAN**

A model that can be deployed to stimulate self sufficiency and economic development where there are humanitarian challenges.



*images for illustrative purposes only*

# PRODUCTION

EASY CHICKEN will provide standard poultry houses that meet minimum spec for maximum productivity while keeping animal welfare top of mind, and costs low.

00

Various production infrastructure tiers depending on affordability and space. Sold as complete sets (house, and equipment). Can also be financed through hire purchase.

00

The houses are equipped standard with a brooder, feeders, drinkers, a tank on a stand, heaters and thermometers, and scales.

00

EASY CHICKEN Club will micro-contract small-scale poultry farmers in close proximity to the abattoir to produce live chickens..

00



# PROCESSING

00

EASY CHICKEN Club supplies a movable shipping container chicken abattoir with a maximum capacity of 2000 chickens per day in 2 shifts.

00

The set-up has a slaughter container, a packing container, additional refrigeration and washing/ablution facilities.

00

Optional extras include off-grid power, crates and trailers to collect chickens, refrigerated trailers to transport chicken without breaking cold-chain.

00

Processing facilities can be standalone, or in combination with production, and/or retail.



*images for illustrative purposes only*





# RETAIL

Retailers have the option between branded stationery Chicken Shacks, branded Chicken Trailers, and/or branded freezers in homes or shops.

00

Options include having in-built refrigeration, display and cooking facilities to sell fresh, frozen and grilled chicken.

00

Number of retail outlets per abattoir depends on traffic at each outlet. We recommend 5 - 10 outlets per abattoir.  
(Capacity of each abattoir is 12 000 chickens per week)

00

Retail outlets can be operated by abattoirs themselves or in partnership with young entrepreneurs in townships and rural areas.

00



# PLATFORM

00

Farmer training and extension, as well as farm management and record keeping on the mobile app.

00

Farmer production and commercial profile on record. Business profiles of retails points and abattoirs

00

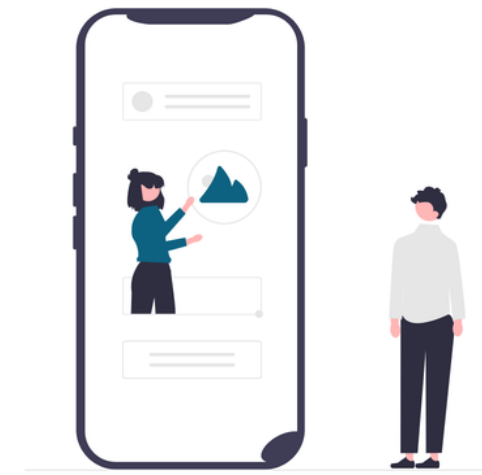
Supply/demand prediction and management in the network

00

Traceability and visibility from chick to store.

00

Opportunity for innovation in machine learning, remote sensors, IoT, Fintech, Biotech, etc.



# STRUCTURE

**EASY CHICKEN Club** is registered as a Limited Liability Private Company in South Africa with 1 Director. The **EASY CHICKEN Club** production | Processing | Retail model will be rolled out as a Franchise.

## **EASY CHICKEN CLUB**

- Develops a model and systems for sustainable, micro-local, small-scale poultry production
- Sees to capacitation, infrastructure, supply chain and platform in the network.
- Produces and distributes key inputs into the network
- Owns the brand IP and is responsible for marketing and communication
- A common, trusted locally produced brand of poultry meat in the market
- Build and maintain the EASY CHICKEN tech platform

## **FRANCHISEES**

- Their core business is the container abattoir and local retail network.
- They are able to add production
- They are allocated territories
- They are a distribution point for inputs to outgrowers
- They are a point of contact and support system for the outgrower network
- They are market facing

## **OUTGROWERS**

- They are micro-contracted to grow chickens for the container abattoirs
- They can register from as little as 500 chickens
- Farm management and virtual extension mobile platform
- Collaborative, sustainable, small-scale poultry production system.



# BUSINESS MODEL



## INPUTS

R&D, production and distribution of key inputs into the network. Standardised production, processing, and retail infrastructure.



## SERVICES

Unique Financial products for the network, i.e. Equipment Hire Purchase, Insurance, inputs financing.



## FEES

Franchisees will pay a monthly fee for training and development, brand usage, platform, sales and marketing and ongoing business support.



## LOCATIONS

Internally owned and operated Franchise locations and retail networks.

# **BENEFITS**

Group buying of  
critical inputs  
(Day-Old-Chicks,  
Poultry Feed)

Just-in-time  
training delivered  
in micro-courses  
on mobile phone

Profesisonal  
Extension Support  
to manage  
incidents

Use of the EASY  
CHICKEN farm  
management  
platform

One common  
trusted, home-  
grown chicken  
brand in the  
market.

Users create a  
commercial and  
production profile  
for track record.

Financial products  
that may include  
equipment leasing,  
input loans,  
insurance, etc.

# A THRIVING SMALL-SCALE POULTRY SECTOR

## ECONOMIC

- Profitable and sustainable small-scale farms
- Higher contribution to GDP
- Economic inclusion, particularly youth and women

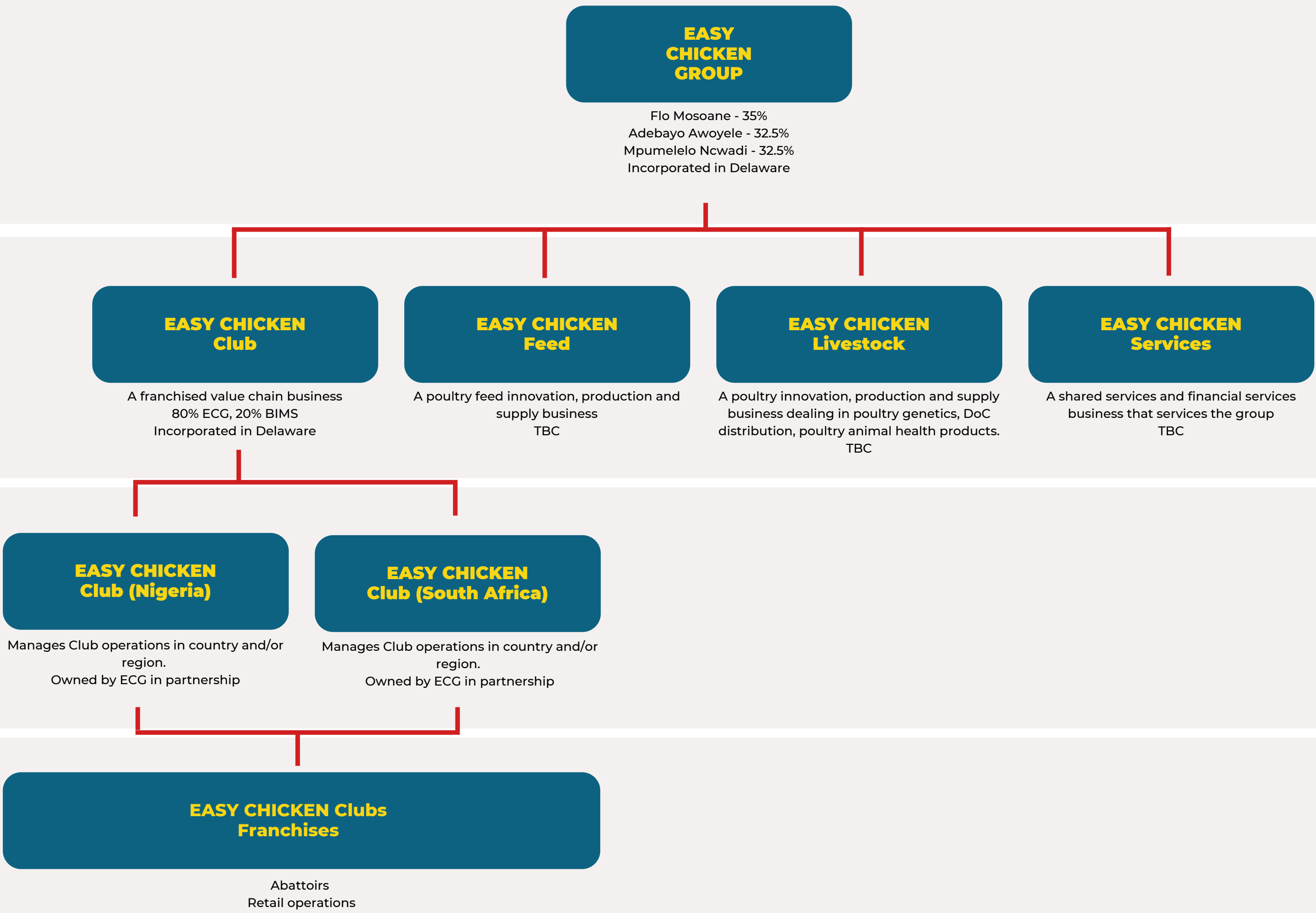
## SOCIAL

- Higher employment in non-urban locations
- Improved standard of living in farming communities
- Better outcomes for children
- Food security

## ENVIRONMENTAL

- Micro-local food production systems and practices
- Green solutions for energy and production inputs





Holding Company

Subsidiaries

Country Operations

Franchises



**Dr. Adebayo Awoyele**  
**CHIEF OPERATING OFFICER**

Responsible for technical operations and compliance oversight.  
Leads R&D

Adebayo is a Veterinary Doctor and tech entrepreneur in the livestock sector. He is the co-founder of BIMS, which leverages AI, Data Science and Biomedical expertise to support small-scale producers of Livestock and poultry in Nigeria.

He is the founder of ENSAPUH Veterinary Services, and an advocate for "Clean" meat production, with fewer antibiotics and synthetic additives.

Adebayo has previously operated in Financial services targeted at agri, and currently produces broiler chickens.



**Ms. Flo Mosoane**  
**CHIEF EXECUTIVE OFFICER**

Represent The Company with stakeholders. Responsible for the performance of the business and general oversight.

Flo is a Consultant in the Pan African Startup Ecosystem and a Small Business Mentor and facilitator. She is also an ecosystem builder with a focus on AgriFood innovation.

Flo is qualified as a Medical Scientist and has had a career in Sales, Sales Force Effectiveness, Marketing and Business intelligence in corporate multinational pharmaceutical companies.

She has also farmed poultry and fresh vegetables on a small scale commercial basis.



**Mr. Mpumelelo Ncwadi**  
**CHIEF ??? OFFICER**

Responsible for strategic partnerships, and the people business (partners, talent, franchisees, farmers)

Mpumelelo is an engineer qualified at the University of Texas with an MPhil in Engineering for Sustainable Development from Cambridge University and an MBA from UCT.

He works with rural communities at the intersection of food security; economic opportunity; sustainability; social equity; environmental well-being and resilience.

Mpumelelo has used a whole systems approach to enable smallholder farmers to identify and capture profitable business opportunities.