



GLOBAL AGRIBUSINESS MANAGEMENT & ENTERPRNEURSHIP CENTER ALUMNI CASE STUDIES

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Certificate Program in Management and Innovation for Agribusiness Entrepreneurs Alumni Case Study booklet

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BACKGROUND

This case study booklet has been developed as an impact assessment for the certificate training program for small scale agribusiness entrepreneurs. It's been tailored to be used for classroom training in order to serve the needs of farmer organization leaders, managers of small and medium size Agribusiness Enterprises, carrying out business in the agricultural value chain. The case studies outlines how the 168 contact hours' course impacted on the agribusiness enterprises of the participants. The program aimed at equipping participants with analytical tools, market oriented skills and information to increase the quality and productivity of their agribusiness enterprises. In the long term the skills gained was expected to lead to improvement in efficiency and effectiveness of the agribusiness enterprises, thereby, positively impacting on the various players along the value chain.

This program addresses deficiencies in trainings currently available in the market, which are typically programs mounted by business schools and directed toward the needs of medium and large-scale enterprise. By building leadership and management skills of the small scale agribusiness entrepreneurs, the program facilitates an environment that makes the agricultural sector more effective in improving the lives and livelihoods of over 75 percent of Kenyans whose households directly or indirectly depend on the agriculture.

The case studies were randomly selected to give a representation of over 300 entrepreneurs who have gone through the certificate course. The training participants had 14 contact hours with the trainers which involved using case studies, group activities and individual projects. The whole course was delivered in four weeks spread over a 4 months period.

Acknowledgement

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KANUNGA AQUA FARM

NAME: John Waweru Njuguna

NAME OF BUSINESS: Kanunga Aqua Farm

NATURE OF BUSINESS: Fish farming

LOCATION: Kanunga location, Kiambu County

Background

When John Njuguna retired from the civil service, he was looking for a place to relax. He would have friends over on the weekend for barbeque on one of his farms, and would mostly prepare red meat. He later started a few fish ponds and would have friends over to enjoy tilapia from his fish farm. “To me, it was just a hobby and not a business.”

In 2012 Njuguna saw the advert in the newspaper on the USIU-Africa Agribusiness course. “I thought, let me try my hand on it, after all I am so free. “ The Agribusiness course showed Njuguna the business potential of his thriving fish farming hobby. “I started the business after I graduated. USIU-Africa itself opened my fish farm to the world.”

Staffing & Business Model

The first step Njuguna took after graduation from the Agribusiness course was employ technically trained staff on fish farming. But after sometime, he realized that his staff was withholding information and embezzling his resources. Njuguna recalls one Agribusiness class that highlighted the need for entrepreneurs to better understand their business, and that is what he did.

Njuguna enrolled in courses at Jomo Kenyatta University and Technology (JKUAT) for technical training. This was also where he was introduced to a network of African fish farmers and partnered with Kaizen Management group from Japan, where he receives training on new technologies to improve the yield of his fish farm.

Njuguna changed the management and staffing model which was cost effective. He currently has 5 permanent staff and 22 casual staff in the business. He is also training his sons to run his business for posterity and this model in turn runs the business better and has directly increased revenue. This employment opportunity has got many smiling, and most of all Njuguna’s sons. One son he heard joking with a teacher; stating that he earns more from the farm than his teacher probably does.

Njuguna has now optimized his yield of fish; he produces 10 tonnes of fish every 4 months and twenty days, and this forced him to re-strategize his business. Focusing on another key lesson he learnt during the Agribusiness course; Value addition.

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Value Addition

“When it comes to business, I had to look for that which can bring money to me and more so in value addition.” Initially as a hobby Njuguna reared Tilapia. After research he realized that Catfish would make more commercial sense. Njuguna researched at length and discovered that he could harvest 28 tanks of fish; approximately 300 tonnes of fish a month. He also sells fingerlings to those interested in fish farming alongside the fish that he harvests. Njuguna saw the growth potential of fish farmers in the Kiambu Fish Farmers Association that he chairs, for fish fingerlings. This association, of 248 fish farmers from across Kenya, produces 50 -70 tonnes of catfish monthly.

Through the association’s production and processing arm, Njuguna hopes to draw more farmers into value addition, and specifically in the creation of a unique and innovative product in the market; fish sausages. “Our product will be unique in shape and taste. We do not want people to confuse our sausage.” This is in addition to the demands for raw cat fish fillet, smoked catfish fillet and whole raw and smoked catfish.

With this new product Njuguna targets the large Muslim clientele in Nairobi and Mombasa. He also hopes that non- Muslims will also be drawn to the catfish sausages for nutritional value and a healthy snack that also children can enjoy.

Njuguna also works closely with the Kenya Industrial Research and Development Institute (KIRDI) where he hopes to produce tanned catfish skin for fashion accessories. He is also aware of a shortage faced by the Kenya Defense Forces (KDF) in the supply of fish and hopes that his association of fish farmers will be able to close that gap. This will help cut the KDF costs of supply from Namibia, Rwanda, Burundi and Namibia as well as other countries around the globe prefer cat fish opening an abundance of export markets for Njuguna and his fellow fish farmers.

Marketing

Njuguna credits the Agribusiness course for his progression on the use of computers simply from email to a research, communication and marketing tool. Njuguna’s [website](#) has drawn clients from across the globe to his products. Some clients from Japan have been drawn to provide him technological advancement for his yield. Njuguna has also received a request from the Burundi government to provide training on fish farming.

He has received an order from Dubai of 25 tonnes of smoked fillet catfish monthly, but needs more farmers to support produce the yield. A company from DR Congo would like 5 tonnes of whole smoked catfish. He has also been approached by a UK company to provide fresh and

smoked catfish fillet. “I believe all this exposure has been born from the USIU-Africa Agribusiness program.”

Njuguna is keen to draw in more fish farmers to equally benefit from this vast market demand. He does this primarily through offering training to anyone interested. This is a threefold win for him, he teaches a class of no less than 5 people at a minimal fee, sells them the fingerlings and also draws them into the association. This threefold win for him is also a win to fish farmers, because with the increase in yield, through active membership, will directly lead to a boost in the fisheries industry and the farmers pockets.

Njuguna’s phone is always busy with phone calls from several people interested in training from across Kenya; Bungoma, Mombasa, Malindi, Machakos, who have heard him on radio shows and seen his commercials in the newspapers. Njuguna is very keen to market fish farming as much as possible. The Agribusiness training opened his eyes to the ripe potential his former hobby. “From USIU-Africa where I was, is not where I am right now.”

Njuguna offers weekly training on Thursdays, Fridays and Saturdays at his farm to farmers, institutions and schools who are interested in fish farming.

Book Keeping

Njuguna credits USIU-Africa for learning how to keep records. Njuguna never kept any records of his fish farm. “I was not business minded at all” The whole concept of running every aspect of business was made apparent to him with the Agribusiness course. Prof. Njuguna also followed up with Njuguna to ensure he acted on his business plan proposal and balanced his books. Njuguna now keeps track of his operational costs which he has been able to creatively cut down.

He spoke to the water company to provide an industrial flat rate for his water consumption and received a 45% decrease in water consumption. This has also cut down his 147,000 shillings monthly overheads drastically, opening Njuguna up to an average monthly profit of 70%. Njuguna is comfortable seeking various offers from financial institutions to boost his business. Njuguna hopes to receive 6 million shillings to set up a fish processing plant on his farm. He hopes to do that soon with a favorable financial institutional package. He hopes to be able to meet the demand for catfish, draw in more fish farmers and also have a successful innovative product locally with his catfish sausages.

DIAL-A-KUKU

NAME: MOSES MUCHIRI

NAME OF BUSINESS: Dial – A- Kuku

NATURE OF BUSINESS: Chicken Meat Farming

LOCATION: Nyeri

History of the Agribusiness Enterprise

In December 2010, Moses Muchiri started his business by hatching kenbro chicks which had a huge shortage from the supplier, and farmers would wait up to 2 months in order to get the chicks. He decided to get the parent stock, have them lay eggs, hatch the eggs and supply chicks to other farmers. However, his first try was unsuccessful as the incubator he got only gave him 1 chick out of 500 eggs. He then acquired another incubator that gave him better results than the previous and with this he was able to meet his previous demand.

Moses started to get complaints from his clients that some of the chicks were dying and this was attributed to the mishandling of the 1 day old chick by the farmer himself. This made him change from supplying day old chicks to month old chick which guaranteed the farmers better chances of survival and relieve the stress of the farmer in taking care of the sensitive day old chick. However after a non-profit organization started supplying chicks to farmers at a very subsidized price, farmers stop buying his chicks and thus he decided to change to chicken meat production.

Rearing

His business started with 50 broilers that were underweight which did not meet the market requirements and nobody within his locality was willing to give him any information. This was solely because of his youthful age as farming was perceived as an activity for the older generation. This forced him to seek knowledge from farmers in a different county from his, and that is how he learnt how to rear the broilers and he was able to increase his stock to 500 birds.

Moses still had a problem with accessing his market since he was supplying to a local brokers at the Nairobi City Market. This market was influenced by cartels which would sometimes drive him to losses. This prompted him to approach Trattoria, a hotel in the heart of Nairobi city which he was able to secure a suppliers contract as they liked his chicken very much.

Agribusiness Development after Training

After the agribusiness training, his way of thinking changed as he became more business minded and decided to expand his chicken market. This he did by promoting his products to

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other outlets rather than assuming that the consumer knows his products. He then acquired 2 butcheries in Kayole which is located in the outskirts of Nairobi. He bought the butcheries from one of his classmates at the university's agribusiness program. The outlets gave him direct access to his customers. Moses, is also supplying to a fast food hotel within the city as well as supplying to an outside caterer as he maintains his contract with Trattoria. This forced him to increase his stock to up to 2000 chicken which he is able to slaughter every week.

Management of the Enterprise

To ensure better management of stock and his business, Moses initiated the use of a bin card which he learnt from the USIU Agribusiness training. "The bin card help me ensure that I never run out of feeds for my chicken since I will have already stocked up before the feeds get finished. This is something I never used to do". He states excitedly. The ICT skills learnt have helped him in accounting and record keeping which he does every two months. This also gives him an indication of the business position and the progress so far. Moses has realized that after the regular evaluations, he is able to do a SWOT analysis which helps him improve on the business. His turnover has since increased and the profit margins have also grown from Ksh. 60,000.00 per month to Ksh. 250,000.00 per month. He has 2 permanent staff, one woman and one man who take care of the chicken and gets casual workers from time to time especially when he is slaughtering the chicken.

He acquired a KEBS and HALAL certification for his product. This gave his customers confidence that his product is of high quality and hygienic as well as registering his business as Kenbro Meat Suppliers. He also had to get a veterinary letter and a certificate for transportation in keeping with the laws and regulations of Kenya. This has led to smooth operations and reduced delays and losses that could have otherwise be caused if he was not compliant to the regulations.

Challenges Still Faced

One of the biggest challenge Moses faces is late payments from hotels since they make the payments after 2 weeks thus delaying the business operations. This prompted him to establish the website <http://dialakuku.co.ke/> for his business and rebrand to Dial-A-Kuku. The website enables his customers to place orders for chicken meat that will be delivered to their doorstep. This increased the liquidity of his business as his plan was that his business be 50% liquid, as well as increase direct access to his market. Moses, adds that; "Part of my plan is to deliver cooked or marinated chicken based on the feedback I have received from my customers".

Future Plans for the Business

With the exposure gained from USIU Agribusiness and high demand of chicken meat in Kenya, he plans to contract farmers whom he will provide for chicks, feeds and vaccines. He will then take up a small commission as well as provide a market for them. This will give him help him generate revenues at every stage of the production process and marketing.

Moses Muchiri also plans to make chicken feeds for his farm and to also supply to his contracted farmers. This he affirms will lower the cost of production as it could save them up to Ksh. 1,000.00 per bag. He has already engaged the Ministry of Agriculture in this venture to assist him to write a proposal to produce chicken feeds. He would also like to construct a cold room that will be used to keep his chicken and will also open up his market as some hotels prefer frozen chicken meat.

Conclusion

Moses is grateful for the USIU Agribusiness program since it has opened up his mind on the opportunities that he can access using his business. He also appreciates that he is able to utilize his networks to grow his business.

NALAI FARM

NAME: Cynthia Makena

NAME OF BUSINESS: Nalai Farm

NATURE OF BUSINESS: Pig Farm – Value addition; sausages, manure, pork carcasses, ribs, chops

LOCATION: Thika; Gatanga constituency

History of the Agribusiness Enterprise

“You create your customers. Create a product, the customer will buy.”

This is Cynthia Makena’s new maxim from the concluded 4 month USIU program, in Management and Innovation for Agribusiness Entrepreneurs.

Cynthia is a young mother, and a fiery driven pig farmer whose age would make most rethink their lives. At 24 years, she runs a fast growing pig rearing and value addition farm. She has 5 employees between the age of 26 and 32 years. She has clients in hotels and restaurants across Kenya that would make any business person green with envy. And she seeks to grow her business into a fully-fledged slaughter house and pork production company.

But besides the delicious annual profit of 1 million Kenya shillings annually over the past two years, Cynthia wants to uplift her peers in Gatanga. And give them the economic freedom they so badly need. “I thought if I start this project they saw me I am a young girl and I do this. They can do this.” She enthuses.

Controversy was the name of the game when Cynthia decided, three years ago, to start pig rearing. “Pigs have issues; they say they are dirty animals.” She says. But the real controversy for most was to reconcile pig business and a well-manicured, fashion conscious lass, in one sentence.

Agribusiness Development after Training

Cynthia has always loved agriculture and she opted to do what not all young people choose to do. At the age of 21 Cynthia opted to make use of her 3 acre farm in Gatanga and rear pigs.

Cynthia’s knowledge on pig farming, has been drawn from what most would call the digital age. She spent time researching on the internet and in books. She also consulted practicing farmers. The hugest eye opener was her trip to Guangzhou in China. “When I saw that China was big on agriculture I set my mind that I must go to China.”

She saved up and bought a low season air ticket to see how large scale farmers in China do it. She also consulted her husband, a fellow entrepreneur, who supported her in the steps towards getting her business off the ground. They visited Farmer’s Choice Factory in Nairobi to familiarize themselves with the operations of the farm, as well as what specifications Farmer’s choice required for the pigs they used for their products.

Cynthia came across a newspaper advert for a certificate program in Management and Innovation for Agribusiness entrepreneurs at USIU earlier in the year. This she hoped would direct her to the answers to her challenges in business. Three months later, the course has opened her eyes to important lessons in management, finance and legal best practices for her business.

But what stood out the most for Cynthia was the customer service course and what is now her business maxim from the advertising course. She became more aware that her customers were her business. “The moment you do not have that relationship with the customer, your business is doomed.” She observes.

With regard to advertising; she found out just what she needs to do to finally break into the market.

But it wasn't just the lecturers and the classes that she benefited from. The age diversity in class was something she enjoyed. She benefited from her class mates experiences. She learnt basic business etiquette and has struck potential business partnerships.

“If you have knowledge you can do anything.” Cynthia grins. With her already ‘can-do’ attitude, Cynthia is ready to take on her community and the world.

Management of the Enterprise

Cynthia and her husband bought two pregnant pigs at 30,000 Kenya shillings each. Their starting capital was only 120,000 Kenya shillings which they used to purchase the pigs, build the shed the pigs would live in, and buy feed for the pigs.

“Starting is usually the hardest thing.” Cynthia points out. “But once we started it was easy to expand.”

As the mothers gave birth to the piglets Cynthia built more sheds for them to live in. As the piglets grew into Baconers she would sell them for slaughter to local Butcheries in Thika. And with the money; buy more pregnant Sows.

Despite the potential of local markets, Cynthia was not getting value for her money. In Thika butcher would buy 1kilogram of pork at 180 Kenya shillings and sell the same at 340 Kenya shilling per kilogram.

Cynthia knew she would get more value for her money if she worked with larger businesses like Hotels. She spoke to Intercontinental, Pan Afric, Safari Park Hotels and San Valencia restaurant all in Nairobi. Some were receptive, but most clients she approached were dismissive and in one case, abusive to her.

Challenges Still Faced

Gender stereotyping and monopoly of one large pork production firm has made things difficult. “One place I went to, I was told, ‘we do not buy handbags here,’ when I walked in.” Cynthia recalls.

People see her as a woman and see it almost unfathomable that she would be in the business of pigs. Others think she is a middle man seeking for a quick cut. And others, who do speak to

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her, quickly brush her off. They state that her company is not 'big enough' for them to want to do business with.

Currently she sells 200 to 600 kilograms of pork a week, to a restaurant chain and supplies two beach hotels. She has also been invited to conduct a seminar on the importance of pig rearing and pork consumption as a white meat this August, at one of the beach hotels she supplies.

But despite having this clientele base, Cynthia believes there is more she can offer. "I would like to start a production farm; like a factory, just a small one first. And my slaughter house definitely." This would cost her 20 million Kenya shillings. She believes running an ultra modern automated factory will increase production yield. "In order to achieve in this industry, I have to be daring." She states. "Nothing is impossible. And people love eating."

Future Plans for the Business

Cynthia is now focusing on growing her value addition product chain, she would like to supply sausages and Italian ham in the Kenyan market. And frozen pig pieces by order to China.

These are what she hopes to achieve but there is another setback; advertising. She currently spends half a million Kenya shillings a year to advertise and market her product. But it is not yielding much return.

Cynthia has spoken to 50 people in her community who she will give 5 piglets to and assist them to rear. She will then buy the full grown pig from them at the end of 5 months, and pay them a handsome sum. She has begun this venture with 2 people interested. She believes that eventually she will be able to grow a community of pig farmers and build a unique co-operative in Gatanga.

Conclusion

Cynthia does not believe in the "I cannot make it attitude." She insists, just like herself, that anyone interested in getting into any business, should take the first step; approach the people who work in your area of interest. And finally for all the young people not sure of where to begin, Cynthia has this to say to them; "start with what you have, no money is less money. You cannot make a million without a shilling. Nothing is impossible in this world!"

PATNA VENTURES

NAME: Nancy Kimata

NAME OF BUSINESS: Patna ventures

NATURE OF BUSINESS: Farmer of Vegetables and Fruits

LOCATION: Kiserian, Kajiado County

Background

In August 2008 Nancy Kimata started farming in her 7.5 acre farm after running two botched businesses; wholesale items supply to hawkers and a taxi business. Her farm thrived for a year, but after a two week trip to Israel in August 2009 she returned to a plundered farm. Everything she had worked for was undone and she went into depression.

In 2012 her husband saw a newspaper advert for the USIU-Africa Agribusiness course and encouraged her to apply which she did successfully. “When I realized I was going to the University after having never been in one, I got sick but I decided to learn.” Kimata is very pleased with what she learnt from the Agribusiness course, she believes out of all the students she walked away with the most. “I knew I wanted some skills, but I wasn’t sure what skills they were”

Supervisory Skills & Farm Best Practices

Attending the Agribusiness course boosted Kimata’s confidence. She was afraid of her employees who also stole her produce. “Other times I would realize they have stolen, I would fall sick and disappear from the farm.” But thanks to the Agribusiness course, Kimata is now able to manage her personnel better and communicate her needs and expectations better. Her 13 member staff also relate better with her. “Nowadays when I see there is a problem I can pass by and resolve it.” This also spilled over in other businesses that her husband runs. Kimata realized that they had a real estate business which had not been supervised or audited in a decade. Her husband is now keener; he’s hired a real estate consultant to manage their property. Kimata intends to employ a farm manager and recruit more equipped staff. She also credits her crop yield to Prof. Muniafu who taught her the importance of intercropping; which she does with onions and tomatoes and this has boosted her yield tenfold.

Book Keeping

“When I went to USIU-Africa I remembered that I had done some book keeping.” Kimata credits Ms. Mwanashehe for her refresher in basic accounts which she had forgotten and now executes in her farm. Kimata keeps track of her weekly wage payments to staff and keeps cash receipt books, order books and invoice books to manage her cash flow. She admits that before the course there was a general lethargy towards book keeping on the grounds because no one would ‘police’ her for not keeping her books. But now she sees the benefits of it with an average monthly revenue stream of 500,000 shillings net, which she hopes to double by year end. Kimata’s new found management and book keeping skills has impressed her husband who has

also joined a management course to improve his skill. “I even miss going back to USIU-Africa.”

Gender in Business

Kimata also credits Dr. Caren Ouma and Jane Araka who impressed upon her the necessary confidence she needed to run her business, through the Transformational Leadership course and Gender Issues course. Kimata believed that farming was a man’s business, but after learning that she could do what men do just as well she got the courage. “When you see them [Ouma and Araka] the way they present themselves, they are very confident, why should I not be, and they are ladies like me?” were her closing remarks.

FELVIN TRADING COMPANY

NAME: Stanley Gathuru Muniu

NATURE OF BUSINESS: Farming

NAME OF BUSINESS: Felvin Trading Company

LOCATION: Githunguri

History of Agribusiness Enterprise

Stanley started his agribusiness in 2011 where he invested a leased plot in Muthaiga North in Nairobi. He constructed 8 green houses and planted tomatoes, cucumbers, capsicum and a few green vegetables for rotation. He had employed 5 permanent employees and 6 casual workers who helped him in his day today activities.

Agribusiness Development after Training

After the agribusiness course, the lease for the land expired and the landlord decided to sell off the land. He was forced to remove his greenhouses and store them as he looked for another piece of land to lease. This prompted him to venture into large scale potato farming in Narok County where he rents 10 to 15 acres per planting season. Since Narok is a wheat growing area, he takes advantage of the time between harvest of the wheat and planting as they can plant their potatoes on the wheat fields before the next planting season. This may be a slight deviation from the business plan he had drafted in class that was specific to growing and supplying of horticulture but still uses the same guiding principles in his production of potatoes.

Management of the Enterprise

Stanley used to keep records for the farm but they were not as detailed and accurate as he did after the agribusiness course. He now files all his receipts and does reconciliation of his accounts regularly thus able to use his money in the business more wisely. He adopted the use of technology for business by keeping records on a computer. This has helped him to be more organized and more in control of his business.

Stanley acquired an office in Nairobi city where he uses it as a focal point for his business in the supplying of agricultural and non-agricultural products. He also does other side jobs like offering printing and branding services to boost his income.

After the training, He started using the internet for marketing his products and also for looking for inputs and various supplies for his business, something that he never thought of doing. This has greatly increased his market reach for his goods and services at a very low cost.

Another important thing that Stanley claimed to have learnt in the management class is to delegate as he does not always have to be at the farm to work on it. He employed a supervisor from the locality to supervise work at the potato farm while he is in his office in Nairobi. He also learnt to manage his employees in a way that they respect him and they deliver as per his expectation.

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His market for his potatoes is Wakulima Market in Nairobi where he hires transport to deliver the produce from the farm. This cuts off the middle men and thus realising a higher profit than if he sold his potatoes to middlemen at the farm gate. Stanley has also ventured in greenhouse farming in Kiambu Town. He currently has greenhouses with a capacity of 6,000 plants.

Challenges Still Faced

Stanley still faces challenges on proper storage facilities for his potatoes. He is therefore forced to sell immediately after harvest making him susceptible to lower market price at the time, and sometimes realize losses. Also the price of inputs is quite high due to the distance between Nairobi and Narok coupled with the poor conditions of the roads.

Future Plans for the Business

Stanley has approached USIU Agribusiness program to give him a letter of recommendation so that he can also train other farmers on agribusiness. He has also done proposals to 7 counties to give him the opportunity to train. He wants to involve his fellow classmates from the USIU agribusiness class to help in training.

Conclusion

Stanley has gained from the training and networks formed at the USIU agribusiness class. He has especially learnt how to relate with his employees in order to increase productivity and have mutual trust and respect. He is driven by this motivation to give other farmers the same knowledge he acquired from the agribusiness course.

MIXED FARMING

NAME: Rose C. Koech

NATURE OF BUSINESS: Farming

LOCATION: Bomet

History of the Agribusiness Enterprise

Rose and her husband started dairy farming in keeping with their customary traditional that one must have cattle in order to be respected in the community. However after both of them attended a farmers' field school, they both decided to retire and take up farming as a business by which they do mixed farming with more emphasis on dairy.

In 2005, they both attended a training in their village where they learnt a lot about feeds for dairy cows that took 30 days. They planted various crops that give the cows a balanced diet as well as provide food for themselves. This increased the milk production, however they did not have anywhere to take their milk as the milk brokers were irregular and did not pay on time. This changed when a sponsored cooling plant was built in their locality where they take their milk till today thus giving them a constant market and a good price for their milk as the cooling plant had a link to a dairy processor. It was through the manager of the cooling plant who introduced them to the agribusiness program at USIU and they agreed that Rose should go for the training.

Agribusiness Development after Training

Through the agribusiness training, she was able to implement most of what she learnt and her husband has always been supporting her and even helped to write their business plan. Rose believes that by them working together has led to a successful implementation of the business plan with more than 50% of the objectives achieved. This includes building a zero grazing unit that has 4 cows and improving their breed. They also dug 4 wells in order to harvest water which is used for their farming and their domestic use thus being able to sustain their livestock even through the dry spell.

Rose shared with her husband the knowledge she acquired at USIU of writing a business plan and through their co-operative were able to receive a sponsorship for a cool storage for potatoes. This will be used in their farm and with other farmers as they plan to build their own infarm temporary storage made from charcoal for their vegetables.

Management of the Enterprise

Most of the work in the farm is done by both of them including their children since their home is at the farm and this makes it easier for them to carry out their activities. However during times of high labour intensive activities on the farm, she employs casual labours to help out. Due to the success that they achieved on their dairy enterprise within their region, they have been approached by organizers of the world food day to host their events at their farm. This is because the farm has almost everything required as a demonstration farm and for teaching other

farmers in the region. Rose also was appointed as a regional representative for the Heifer international county office.

Through the networks formed during the agribusiness training at USIU, Rose decided to diversify to banana production. This was influenced by a fellow classmate, introducing her to the Kenya Banana Association. This will give her extra income from her farm and also provide foliage for her cows.

Challenges Still Faced

She still finds it difficult to keep records as she is a pastor in a local church and at times the church demands so much time that she has not been able to keep or reconcile proper records. However, she has maintained her milk sales records.

The fluctuating prices of milk is still a challenge as they have only one outlet for their milk and they are highly susceptible to market forces making their profit variable. Also, the tomatoes were greatly affected by white flies which reduced their quality and quantity.

Future Plans for the Business

They plan to buy a pick up that will be used to transport their milk to the cooling plant. They currently use a motorbike to transport their milk and this becomes challenging especially during the rainy seasons since the roads get slippery.

“I plan to accomplish all that I wrote in the business plan since I have been following the plan so far and have seen a great increase in profit”. She smiles. Also she would like to install a biogas digester to provide clean sustainable energy within the farm.

Conclusion

The program has helped Rose expand her farm. She and her family have been able to increase their income from their enterprises. She believes she can expand much more especially if she follows the business plan that she developed during the USIU Agribusiness training.

VEGETABLE FARMING

NAME: Njoroge Kiarie Wanyoike

NATURE OF BUSINESS: Farming

LOCATION: Naivasha

History of the Agribusiness Enterprise

Njoroge started his agribusiness career by supplying Naivas Supermarket and StageMart Supermarket green vegetables in Naivasha under the business name Lakefoods and General Distributers. He would source the vegetables from his farm, the local farmers and also from Marikiti market in Nairobi and pack them in a presentable and hygienic manner for the supermarkets. He also planted onions and potatoes that he would supply to local hotels and their own cereal shop in the town that was managed by his wife.

Agribusiness Development after Training

After the classes, he decided to grow snow peas and sugar snap on a half-acre land which after research he realised that there was a high demand for the product and was able to get into a contract with East African Growers, a company that exports snow peas. The company has contracted him to produce snow peas, whereby they sell him the seeds for him to grow and they buy the produce. Due to the contract, Njoroge had to recall how he was trained in record keeping at USIU coupled with his experience as an accountant to be able to keep records on each and every activity that happens on the farm, which was part of the contract agreement.

He has dairy cows and sheep that he keeps for his own personal consumption and uses the snow peas that were rejected by the contracting company as fodder for his animals. He also wants to pack the snow peas that were rejected due to being over size, to an upcoming supermarket in his home town.

Njoroge has used the knowledge gained in leadership with the workers he has and mobilizing people in the farm in order to get the desired results that satisfy both him and the contracting company. He has 2 employees working in the farm. This is a married couple that have opted to live within the farm thus making it cheaper and easier for him to manage the peas as they are sensitive. He also hires casual labourers during peak season, to help in activities like weeding and harvesting.

Challenges still faced

Njoroge Kiarie faced challenges with getting trusted labourers. For instance, his previous employee became his competitor and started using his suppliers and clients. Also he has difficulty in accessing capital for his business since agriculture is seen as a high risk venture and financial institutions are unwilling to share the risk with him or if willing, they offer very high interest rates.

Future Plans for the business

Njoroge has plans of expanding his pea's production and has written a business plan which he presented to the Agricultural Finance Corporation for funding and is awaiting approval. This will enable him to increase his supply of snow peas to the East African Growers and also supply to the local supermarkets.

He also plans to plant 10 acres of hay that will be sold to dairy farmers as there is a high demand for it and yet does not need much starting capital but brings in great returns. This will increase his farming income and use it to expand the peas business even more.

Conclusion

3 key concepts that he took up from the USIU Agribusiness course and has been applying in his day today business is good management and leadership. "It is important to know your market before you produce and ensuring your products are of the highest quality." He concludes.

WATERMELON FARMER

NAME: Raymond Menza

NATURE OF BUSINESS: Farming of Watermelons

LOCATION: Malindi

History of the Agribusiness Enterprise

Raymond Menza started carrying out subsistence Agriculture in 1996 at his farm in Malindi. The farm produce was mainly for his own personal consumption but this changed in the year 2012 when he decided to plant tissue cultured bananas. He states that these always had market and so he leased land next to a river in order to produce watermelons together with the tissue cultured bananas. He acknowledges that the market for water melons was good and the duration for the watermelons to reach maturity was quit short which gave returns sooner than other agricultural products. He started his farming with half an acre of land where he planted the water melons and later increased to 1 acre. He has also kept a nursery in order to sell capsicum and eggplant seedlings to farmers. This has helped to boost his income since most farmers prefer to buy the seedlings rather than to have their own nursery.

Agribusiness Enterprise after Training

After going through the agribusiness program and in line with the business plan he presented for his enterprise, Menza increased his acreage of land under watermelon from 1 acre to 2 acres. This was to help him increase his production and generate more revenue. This however did not go well as the market became saturated with watermelons and he was unable to fetch a good price for his melons which resulted in a loss.

Management of the Enterprise

Mr. Menza then started keeping records for all the expenses incurred during the production process. This include costs of hiring casual labours, to the cost of inputs and fertilizers and with this, he was able to keep track of his business performance which helped him know when he made a profit or loss. This, he states was not his usual practice since he used to remove money from his pocket for work to be done and he was not sure if he made a profit or not. He still does not have a computer to keep soft copy records, since the electricity infrastructure is yet to reach his farm.

Raymond only hires casual labourers as his family helps in the management of the farm. His family are the only permanent staff since his farm is close to his homestead. He sells his produce in Malindi town centre and he usually does his marketing through his phone. He also pays regular visits to the market and surveys the prices and standards required by the buyers so that he may implement in terms of size, packaging and price.

After interacting with his fellow classmates from the USIU agribusiness class, he was able to acquire a niche market in Nairobi and Kisumu. However this did not materialize since he was unable to meet the high cost of transport. Nonetheless, he plans to pursue this niche market in

future after he has increased his production capacity and acquired a more stable transportation system.

Challenges still Faced

Raymond Menza has had a few challenges in accessing the necessary inputs and fertilizers needed for the healthy growth of the melons due to their high prices as well as their usage. Even though his melons have turned out healthy due to the fertility of the soil, he believes that with proper usage of these inputs, the production will improve significantly.

He also has a challenge of transporting his farm produce to the market. This is because of poor road infrastructure as he comes from the rural parts of Malindi. The only means of transport is auto rickshaws which are normally driven badly. By the time he gets to the market, his produce may be rejected because of mishandling and this leads to a great loss.

Future Plans for his Business

Mr. Menza wants to increase his acreage on watermelon to 4 acres as this will give him more melons that will be able to meet the cost of transportation. He plans to take the melons to the main market in Mombasa town because he will get a better price than the market in Malindi. He plans to take up a loan from his Sacco. He also plans to seek more training on the usage of the necessary fertilizer and inputs for his melons.

As a growth strategy and to mitigate post-harvest losses, he plans to add value to his watermelon by making juice which will help especially when the market prices are not good and thus give him a buffer from the fluctuating prices of the fruit in the market. Together with his wife who is undergoing training for orchard management, they would like to do seedling production of coconut, mango and casuarina which has a high demand within Malindi. This and the fact that the nearest supplier is more than 50 kilometres away, is a motivating factor to venture into seedling production of the aforementioned crops. He also plans to produce pringles which he has already identified the land to pilot this new venture.

Conclusion

Raymond believes that his studies at USIU gave him an entrepreneurial mind that has enhanced his Management skills as well as his marketing skills. “I am now wiser when looking for my market, and more aware of what my customer wants”. He concludes.

FISH FARMER

NAME: Philip Thoya Baya

NATURE OF BUSINESS: Farming

LOCATION: Malindi

History of the Agribusiness Enterprise

Philip was a long distance public transport driver for 23 years before the training at USIU. He then thought of a venture that was less prone to risks as public transport has grave risks that would easily end one's life. Therefore in 2003, he rented two acres of land and planted tomatoes from which after a few years bought him over ten acres of land at a flood zone next to the river which meant that he did not need to rely on rainfall or need to do irrigation for his farm. He set up 13 fish ponds next to the river and planted 32 bananas trees which gave him enough income to sustain his family and maintain his business and also some pawpaw trees. He later learnt about the Bill and Melinda Gates Foundation Agribusiness Course being offered at the United States International University-Africa in 2013. He applied and was successful admitted

Agribusiness Development after Training

He learnt about writing a business plan which has recently helped him approach a bank and has promised a loan in case he may need to borrow. He also learnt about supply and demand which has helped him access what to plant in order to satisfy a demand and what the important of not to plant if the supply is higher than the demand. He also learnt the importance of keeping records as they help him space his planting periods properly according to market demand and the weather as his farm is prone to flooding. This he does on a computer which he learnt in USIU.

The most important thing that he learnt was that before venturing into commercial agricultural production, one should look into the market. He stopped producing pringles had many producers within the region yet the market price was barely break even and the demand is not good. He decided to produce his tomatoes so as to sell at the month of December when all farmers other have already sold theirs and this gives him a higher bargaining power over his tomatoes.

The 13 fishponds that he had next to the river were destroyed by the flooded river however he was able to salvage his fish before they were swept away. He then decided to make other fishponds a distance from the river and was able to get 3 fishpond liners from the government through meeting the set requirements by the ministry of agriculture.

He also rears rabbits which he sells to local hoteliers to supplement his income. He plans to increase their number as the demand for rabbit meat is high and he is in the process of increasing them as he has been approached by a meat processing company for export to supply rabbit meat to them. This he is doing with the help of the Agricultural Extension Officer of his area who has been advising him on how to rear the rabbits He also started breeding goats to

sell which he started with two goats and now he has over 30 goats and have started planting watermelons for commercial purposes. One thing he is very thankful of is that he does not need to look for buyers for his products but they come to him and this reduces the costs incurred in transport and storage.

Management of the enterprise

He says that his income has doubled since the training as it equipped him with invaluable knowledge that has helped him to better manage the farming and improve on production. This income has enabled him build a better house and also he has managed to take his children to boarding schools. He has also not taken a loan since he begun agribusiness but only ploughs back the profits into the business.

He has two permanent employees but regularly seeks the help of casual laborers when need arises. He says he prefers women for employment as they are more hardworking though in labor intensive tasks he employs men. He has been able to manage them well a skill he learnt from USIU and this has increased their work efficiency. Through his record keeping which after the agribusiness program he had to buy a computer and solar panel to power it and other electrical appliances, he keeps a hardcopy and a softcopy of all his records.

He also has maintained contact with fellow cohorts who sell to him what he needs such as mineral supplements and organic fertilizer at a cheaper price for his farm animals and he also sells to them his farm produce.

Challenges still faced

The river next to his farm sometimes floods more than anticipated resulting to the destruction of his banana and pawpaw trees which results in lower yield that season.

Future Plans for the business

Philip plans to expand his farm and add the acreage so that he can increase his overall production in order to gain a higher income. He also would like to do value addition to his produce especially his bananas and fish that he may gain a higher income.

Conclusion

What helped Philip the most from his agribusiness training was record keeping and marketing as he now he knows if the venture he is undertaking is profitable or not and when to plant in order to reap more benefits.

OIL PROCESSOR

NAME: Mwaura Wallace Ngugi

NATURE OF BUSINESS: Processing of Cooking Oil

LOCATION: Nairobi

History of the Agribusiness Enterprise

Wallace started his business of sunflower oil production in 2010 in which he would train farmers on good sunflower farming practices. He would then contract the farmers to supply good quality sunflower seeds for his business where he would then process to make cooking oil. His market at the time was mainly local retailers and supermarkets. At the time, Wallace had 5 employees who would help him in the production of sunflower oil.

Agribusiness Development after Training

After his classes at USIU, Wallace's business was marred with lack of consistent supply of sunflower seeds from farmers to his processing plant and lack of capital to contract more farmers thus making his product inconsistent in the market. Also, some farmers were not willing to plant the sunflower as they did not trust if the market that he promised was genuine or not since he's venture was still new.

He initially decided to source for funds from financial institutions who looked at his business as a new venture and were unsure about funding it. This led him to close down his processing plant in 2013, go back to the drawing board and source for more funds so that he could start afresh.

Currently, Wallace Mwaura is an employee of Urithi Housing Sacco where he heads the agribusiness unit that trains property owners on land utilisation by engaging in agri-business. He develops and trains the property owners on different agri-business ventures they can engage in to earn extra income from idle land that they may have, for instance chicken production or green house farming.

Before he put his business on hold, he used to supply sunflower cake which is a by-product of sunflower oil. This gave him an extra income and the business was very profitable and on demand since his customers still request for the sunflower cake.

Challenges Still Faced

The main challenge that Mr. Mwaura faced was getting capital in order to expand his business. This was one of the major causes for him to put his business on hold. However, after developing his business plan, he realized that he could engage other partners to invest in the business and he also injected some funds from his salary. This together with networking and being linked to the rights channels, gave him enough capital to kick start the business in February 2015.

Future Plans for the Business

“There is a huge market for sunflower oil and I plan to import some more to add on my current production” this he says after confirming his purchase for an oil processing plant. He has already procured a packaging machine that will make the process more efficient as well as uphold high biosafety standards. He also has gained the necessary licences to start up the business.

Conclusion

Wallace learnt a lot in the agribusiness course but two things that stood out for him was that he should take up responsibility and have a vision for his business that solves a particular problem in the society.

GAD-EDEN GREENHOUSE & NURSERIES

NAME: Lister Kemunto Kinuthia

NAME OF BUSINESS: Gad-Eden Greenhouse & Nurseries

NATURE OF BUSINESS: Seedling Propagation

LOCATION: Kiserian, Kajiado County

History of Agribusiness Enterprise

Lister Kinuthia started with a Green house in 2008 with 150,000 shillings from friends and family. She planted and sold capsicum and tomatoes though she had a problem getting seedlings and agronomists. “They were hard to come by and the few that were available were unaffordable” she says.

She struggled in transporting and marketing her products, and finally managed to get market at green groceries in Nairobi. Kinuthia still struggled to keep the greenhouse afloat, capital was a huge challenge. But in 2011 she attended workshops and seminars, sponsored by friends, and her work was finally recognized by Syngenta, an agricultural firm, who offered to provide support. Syngenta provided her with affordable hybrid seedlings and insecticides to control any diseases.

It was during one of the numerous Syngenta workshops that she met the program manager of the USIU Agribusiness program. Kinuthia applied for the course and successfully joined. “I am proud to say I am changing my life, my family and other people.”

Following the completion of Agribusiness program, Kinuthia is currently setting up kitchen gardens for various people and institutions including churches and schools. Kinuthia also works as a consultant to others interested in starting greenhouses and opening seedling nurseries. She gets a huge amount of support from Syngenta.

Just before she graduated from the Agribusiness program in 2012, Syngenta brought her visitors from Israel, who were impressed by her nursery and the progress she had made with a rudimentary greenhouse. A month later, USAID set up a greenhouse for her to assist in her seedling propagation.

Business Focus

Kinuthia had also been running a mini café. Through the Agribusiness program she learnt that there was a need to focus on productive business to bring out its full yield. Kinuthia then chose to close down the café and focus keenly on her green-house and nursery. With that, she has no regrets whatsoever! Her first set of customers received good yield from her seedlings and so she began to steadily grow her customer base from word of mouth advertising from success stories. She then opted to focus on seedling propagation as her core business. She got her niche.

Branding

Following the Agribusiness course, Kinuthia learnt the importance of professional accreditation in her field. This would build trust and credibility with clients, and was one of the first things she did after graduation. HCDA has now certified Kinuthia as a registered Horticultural seeding propagator. Graduating from the Agribusiness course has boosted Kinuthia's credibility. "Through the learning and experience I am combining, clients have the confidence that you have the knowledge and when you talk. It is really something big. It earns you a lot of marks."

Management and Client Service

Kinuthia has now employed 10 casual and permanent people from the community and has provided them with meals and board. "They are my stakeholders." She has also shared with them her business model, which has now given her employees the confidence to sell products to clients and also run the business when she is away on training. Kinuthia's daughter also works as her marketing manager who is also learning the ropes of the business to keep the business growing into posterity. Courtesy of the Agribusiness course, she managing a clientele base of 300 happy and satisfied farmers.

Book Keeping

Through the Agribusiness course Kinuthia is also able to track her finances. She has a monthly profit margin of 200,000 shillings with running overheads of an estimate 400,000 shillings. Kinuthia hopes to grow her profit margin by 150% with the increase in demand of her seedlings through her successful marketing strategy.

Marketing

Kinuthia grasped the marketing module in the Agribusiness program to successfully market her business through networks with fellow graduates and other avenues. She also found available market, such as fellow graduate from the agribusiness class and customers Dorcas in Kitengela. Through Kinuthia's business and marketing, Dorcas no longer has to go all the way to Naivasha to get seedlings since she has seedlings closer to her from Kinuthia's nursery. Kinuthia has also been able to retain customers like Dorcas because of her wider variety of seedlings keeping her a step above her competition.

She took advantage of workshops that she heard of to seek out clientele and market her nursery of seedlings to potential buyers / farmers. She prepared marketing material such as CDs and pamphlets with the help of her family. "It was small but it was beautiful. I like it." She laughs. Kinuthia has marketed herself on TV and radio shows focused on agriculture, *Mkulima Young*, on Coro FM is one of them. She has also received phone calls from far and wide. She is currently supplying another graduate of the USIU Agribusiness course in Nyeri, with seedlings that are sent via shuttle as a cheaper courier service. Kinuthia also has clients in Kampala - Uganda, Bungoma, Garissa and Kisumu who she supplies in the same manner.

She has also spread her partner reach with organizations such as world Vision who are setting up poverty eradication programs based on agriculture. Using the knowledge she acquired through her training in the CEED agribusiness program, she supports World Vision agribusiness sponsored program in Garissa to help a school run a sustainable greenhouse. Kinuthia credits the training she received at the USIU agribusiness program as the backing of her solid training manual for her clients. “I have to refer to my notes and quote. They are in my head.”

Kinuthia hopes to grow her business model further, now she has incorporated a youth arm to facilitate youth groups, across the country, into agribusiness. “We are also donating seedlings for the youth who want to start farming.” She states proudly.

MAFAD FARM

NAME: Lawrence Njuguna Munyua
NATURE OF BUSINESS: Dairy Farming
NAME OF BUSINESS: Mafad Farm
LOCATION: Kiambu County

History of the Agribusiness Enterprise

Lawrence started his farming business with 2 cows in 1982 and after 12 years through buying and breeding his livestock, he increased the number of cows to 60. He then decided go for further training in dairy production both locally and international. It is through this, that he came up with a plan to reduce the number of cows to 40 due to the limitation space on his quarter an acre land that he has and yet get more milk than he previously used to produce.

Agribusiness Development after Training

Lawrence was not in need for external funding for his business, since his business has been able to finance most of the requirements and purchase of assets. After the training at USIU Agribusiness, he decided to inseminate using sexed sperm which is a selective insemination based on the desired sex thereby only getting female cows and not inseminating hoping to get a female cow. With this and as he improves his breeds, he has seen a 20% increase in milk production.

He also started using his books to help him manage his staff in the farm and also the effective usage of farm inputs to maximize on his profits. He has divided the farm duties with his wife as he takes up the management of milk production whereas his wife takes up the management of milk sales and distribution and this has led to be a more effective manager.

At first, Lawrence had started with one outlet for his milk that was the Dairy Co-operative in Ndenderu by which he decided to expand and diversify his market to a local high school in the area and also individual sales to people of the locality that has helped him expand market and lower his risk as compared to having only outlet.

He also had started adding value to his milk and making yoghurt as per his business plan that he developed while in the USIU agribusiness training. He started supplying yoghurt to local supermarkets within his region. This was short lived as he was forced to stop due to the high competition in the market and the shrewd behaviour of his competitors. They were arranging his products at the back of the shelves of supermarkets where they were not visible to his customers.

Lawrence has started producing yeast that will be used as a feed additive for dairy cows both for his cows and also for selling to other farmers. This will boost his income and due to this, he has been appointed the regional distributor for the yeast in his region and is currently pursuing a licence for animal feed distribution from the county government.

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Challenges still faced

One of the challenges Lawrence is facing is dealing with clients who do not pay on time, or do not pay at all. His other main challenge is seasonal loss of demand like on school holidays where the high school that he supplies to closes. At the age of 70 years, he would love to have the young people to take up agriculture. According to Lawrence, he states that, “I feel like age is catching up and I won’t be able to maintain the farm as I do now, yet my children have shown no interest in the business”.

Future Plans for the business

Lawrence intends to buy a pasteurizer that he may add value to his milk and distribute it to supermarkets or milk bar that have milk dispensers. He also would want to buy a mixer that will enable him to make his own foods from raw materials thus giving the cows the nutritive value needed to keep the healthy and productive.

Conclusion

He learnt a lot from the Agribusiness course about human relationships especially in dealing with his workers. He learnt to deal with his employees in a way that is solution oriented and not being fixed on the problem at hand.

PHININA VEGES

NAME: Katana Christine Kibibi

NATURE OF BUSINESS: Farming

NAME OF BUSINESS: Phinina Veges

LOCATION: Malindi

History of the Agribusiness Enterprise

Christine Katana had a passion to do agriculture as a business and decided to register a business name; Phinina Enterprise in 2007, but it was until 2013 with a capital of 1.8 million that she took her farming as a business. However, she was not properly organised and did not know how to manage the workers and thus had a lot of capital wastage and theft, and this was a huge blow to her business. She planted Watermelon, Capsicum, Frijoles, Green Maize, okra, tomatoes though she stopped doing watermelon after they failed to be profitable.

She learnt about the USIU Agribusiness program through the Ministry of Agriculture Extension Officer who was advising her on her farm work and decided to take the risk despite having no money to be able to sponsor herself as at that time, she was reviving her farm.

Agribusiness Development after Training

During and after the course, she changed her focus from the horticultural crops that were more labour intensive and needed strict supervision to fruits like Papaws, Bananas, Passion, coconut, Pineapples, Mangos and Bananas that were less labour intensive and did not need that much supervision since the farm was far away from where she lives.

She has also started to rear indigenous chicken and ducks which she uses to generate revenue from both their eggs and meat. Christine Katana is planting butternut and pumpkin commercially as there is demand for them and they also have a long shelf life. Katana keeps a few dairy cows and goats for personal consumption as well as providing manure for the farm.

Management of the Enterprise

Katana learnt that record keeping is very crucial and so she started proper record keeping which helps her track her operational costs as this has led to minimum wastage and better efficiency in her management skills when dealing with labour, production and markets. This has made her realise more profits from the farm while using less effort in management, marketing and time and this has made farming fun for her rather than the stressful ordeal it was before.

“Before the classes”, she states vividly, “I had about 15 labourers working at the farm which was very expensive and yet unproductive. After the classes however I remained with one permanent worker who stays at the farm and hires casual labours when need be which drastically reduced my cost in labour and increase productivity.”

Katana also had a community based school that offers formal education to 52 vulnerable children that was not growing as she planned. However using what she was taught in the leadership class, she was able to secure funding through her newly gained networking skills for constructing a building for the centre from the Constituency Development Fund. She was also able get volunteers from both Switzerland and Japan to teach in the school. She has also helped other women to start a Sacco using her coaching and consultancy skills.

Through her networks from the agribusiness course, Katana was able to source for her banana suckers from Raymond Menza which she has successfully planted and is even making more profits than she had anticipated.

Challenges still Faced

The transport system to her farm is very unreliable and so she has to use a motorbike. This is not very safe since the area is bushy and being a woman, sometimes she has to spend the night at her farm which increases the security risks.

Future Plans for the Business

After doing her market research on coconut farming and visiting other successful coconut farms, Katana plans to increase her acreage under coconut. She also plans to involve the Coast Development Authority together with the Coconut Development Authority in order to get the best variety and get the best out of her trees.

Conclusion

Katana found the program to be beneficial since it was very practical and motivating. She also adds that “The course has helped me achieve more and I would love to do a masters’ degree in agribusiness. Let me know when it starts and I will be there!” she laughs.

AGROVET

NAME: Joseph Makumi Kioi

NAME OF BUSINESS: Agrovvet

NATURE OF BUSINESS: Agrovvet

LOCATION: Gilgil Town, County

History of Agribusiness Enterprise

Joseph Kioi has been running his Agrovvet for 5 years, but has been in the business for 17 years. He started off by running an Agrovvet for a banker after being retrenched from government. By the time he handed over the Agrovvet to its owner, the business had acquired Lorries, personal vehicles and other huge assets. He wanted an Agrovvet of his own.

Kioi started his business in 2008 with a Ksh. 60,000 capital injection which he acquired from his retirement benefit scheme, then began calling all the farmers he had worked with over the years and suppliers. Kioi would get the supplies on credit and take weekly orders from the farmers enough to fill a 10 tonne lorry. He would deliver the orders to farmers who in return would pay him and he would pay his suppliers. “If I did not have good customer relations I would not have started my business because I did not have enough capital to keep me afloat.” Kioi attests to a huge boost that he received when he attended the USIU-Africa Agribusiness course in 2012.

Customer Service

“I have gained more customers because of my relationship with my customers.” The biggest testament of learning that Kioi received from the Agribusiness course was from the customer service module. Kioi gets involved with his customers farming business with an aim to boost their yield with his products. Product knowledge as an Agrovvet, Kioi, believes is key in customer retention. “This is not a supermarket.” He says with a smile.

Kioi believes that a customer needs advise on products for specific concerns and running an Agrovvet, that knowledge is key, customers shouldn’t buy blindly. Kioi keeps abreast with the latest products and services offered in livestock and crops primarily through the brochures and workshops he attends. It has made him much more credible and respected in Gilgil. “When you learn you teach your farmers, and when you tell them the truth and it works; next time they will just come.”

He also endeavors to ensure that his customer is satisfied when they walk out of his shop and because of that, the word of mouth advertising has worked wonders for his business. He affirms that customers know him by name. Anyone in need of agrochemicals or feeds in Gilgil town simply says “go to Makumi’s place.”

Kioi has put his employee on a retirement benefit fund and hospital insurance to ensure his employee’s care and well being. He credits the Agribusiness course for helping him realize that

his employee is his internal customer, and a happy employee means a happy business. “I learnt that my employee is part of the business; that is my internal customer and I have to handle him/her very well.” Kioi also caters to the employee’s meals during the work day.

Finance

The Agribusiness course him taught various lessons on finance. One Kioi recalls most is the need to create other streams of income to support his key business to keep afloat. That principle coupled with Kioi’s good relationship with the bank, has made his business a grand benefactor. Kioi’s bank, offered him an opportunity to run an Equity agency at his store. This in itself has brought in another revenue stream that assists in the cash flow of his business.

Kioi also recently got a loan from the bank with which he intends to open an M-pesa agency as another supportive revenue stream. These two streams in addition to Kioi’s gross monthly sales of two million Kenya shillings, he hopes to keep his cash flow steady and grow his business further.

Marketing and Branding

Kioi has studied the market and is aware that with Agrovets there are seasons for certain products. From the Agribusiness course’s highlight of branding and creating a market niche, Kioi is spot on with his core business of chicken. His supply for chicken is diverse as it is colossal. “The chicken demand is throughout.” He states vividly.

Kioi has natural business acumen, and serves as an agent who also sells chicks for those rearing chicken. Kioi has beaten the challenge of the middleman and has also become a wholesale supplier as well as retailer of other products giving him a huge edge over his competition.

Record Keeping

This was a strong lesson that Kioi learnt through the Agribusiness course and has got him to where he is today. Kioi is now very pristine in his record keeping and this has endeared him to the bank, which is now more open to give him loans time and again. With the most recent loan, Kioi intends to automate his entire accounting system.

He hopes to graduate his Agrovet and begin work in agronomy with farm visits supporting farmers, as well as build a transport fleet. He hopes to get a 3 tonne lorry and pickup truck to begin farm deliveries of products as new service packages as well. Kioi strives for one key thing in his business; “If you sell something that is quality and you give the customer the right thing, that customer will come back again, and will tell another one.”

STOCKIST

NAME: Joel Njoroge Mucia

NATURE OF BUSINESS: Production of Mineral Supplements

LOCATION: Thika

History of the Agribusiness Enterprise

Joel started his business of processing and supplying of animal mineral supplements and feeds called BioSciences Kenya in March 2004 with one partner and 3 employees. The business started at a place called Kabati in Muranga county where they could easily get dairy farmers as customers for their products. But as the demand increased, there was need to find a place more suitable for their increased production needs. They decided to move to Thika town and also increase the number of employees to 10 as they still supplied to Muranga county and also to Kiambu county where Thika is located. With this growth, their small partnership business matured into a more incorporated one.

Agribusiness Development after Training

After the agribusiness training, Joel decided to register their product with the Kenya Industrial Property Institute to protect their products from their competitors who would either rebrand their products as theirs or use the Bioscience label on low quality products for their market. He also certified his products with the Kenya Bureau of Standards thus ensuring consumers that his product are of high quality.

With his plan of expanding his market to the whole of Kenya, he increased his number of employees to 20 of whom 10 are employed on permanent basis whereas the others are on contract basis. He carries out regular training on how to handle the minerals, especially to the employees who are in the production section, in order to avoid any compromise in quality of his product. Also, he has hired a sales team that markets and sells his products in various parts of the country which are Coast, Western, Nyanza, Meru, Nakuru, Thika and Kinangop.

Joel still uses the business plan that he developed during the agribusiness training and it has helped him and his partner to stay focused to their goals. They were able to acquire land financed through a loan for the construction of their business premise rather than keep on renting. They also have partnered with financial institutions to give them advice on how to invest and advice on good financial practices that they may be able to maximize on their profit. They also employed a staff who will manage the sales team on the ground so that he may concentrate on the production. Joel Mucia has now diversified into the production of dog feeds which has a high demand and good returns.

Also, from their training, there was a need to adopt information technology in order to keep their records rather than use of the traditional filing system that he agrees was cumbersome and inaccurate. He incorporated computers in their business premises and employed 2 additional staff, an accountant and a secretary who do the book keeping using the necessary software.

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This was something that he is grateful of as it is easier to retrieve financial records and make sound management decisions. He also uses a bin card which enables him to never run out of stock and keep up with the demand.

Joel always knew that he has a good product but through the agribusiness training, he has found it important to find out what his customers think and not just rely on good sales figures. Due to this, he is keen in attending farmer field days that are held within the regions where his product is and engages with the farmers on what they think of his product as he also markets them.

Challenges still faced

Though having complied with the set regulations by the Kenya Bureau of Standards, he finds his competitors still distributing their products without the certification even though it is illegal making their production cost lower which is translated to a lower product price. He also has one competitor who has imitated his product and so he feels that his product is not fully protected.

Another challenge to his business is that he sometimes has difficulty getting quality raw materials. Transporting of this raw materials to his premise can sometimes be very costly as he currently hires transport. Finally, he also has challenges dealing with unproductive staff, especially those who are in charge of sales thus causing a reduction in sales volume.

Future Plans for the business

Joel plans to seek training on Animal Health in order to improve his knowledge of his market and improve his products. He also wants to diversify into water purification plant and supply drinking water to Mombasa based on the research he has done as he grows his company to supply to the Eastern African region and beyond.

Conclusion

Joel found the business plan that he developed for his business being very helpful. This has given him a clear and more structured road map of where he wants his business to be and how he will get there.

KWEST MILLERS

NAME: Joan Mwaura

NAME OF BUSINESS: Kwest Millers

NATURE OF BUSINESS: Miller

LOCATION: Juja Town, Kiambu County

History of Agribusiness Enterprise

Joan Mwaura's dream of running her own mill came true in October 2007. Mwaura's initial cereal, maize, was ground in two grades of flour; refined and non-refined. She started with seven 50kg bags of maize; part of her harvest from 10 acres of family land in Nakuru which would be ferried to her shop in Juja town. The initial set up cost of her business was 1.5 million shillings.

But Mwaura only operated for two months before she closed shop again following the post-election violence. After the country settled and resumed business in 2008, Mwaura still had more problems. She was unequipped in human resource and book keeping which had disastrous effects. She kept having run-ins with staff who stole from her. She was making losses and did not have a way of tracking any of the transactions.

After 3 years of operations Joan fell ill for 2 months, during which she had left a lady in charge supported by 6 staff. But without a proper operations model Joan's business was being run down. On her return she laid staff off and the struggle to recovery begun.

In 2012 while with a friend, she was informed of the four month USIU-Africa Agribusiness course. That was the good news Mwaura's business desperately needed.

Business Recovery

Mwaura's mill needed an entire jolt in its capacity, products and operations. For Mwaura the first lesson she learnt during the Agribusiness course was to get her stock back on the shelves, she learnt how to access credit. "I came back with a lot of confidence and applied for a loan."

After learning key lessons in business revival through recruiting adequate and capable staff, it forced her to lay off some staff, and she is more confident with the staff she currently has. The Agribusiness course also provided Mwaura with insights on recruitment. Some of her classmates were open enough to share their challenges of recruitment and best practices in staff management.

Marketing and Brand positioning

Mwaura sells five products of grain; refined and unrefined maize meal, germ, bran and Mwea Pishori rice. "My customers are convinced that my rice is always fresh." Mwaura sells her maize in both retail and wholesale at the most competitive prices drawing more clients to herself.

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She heavily relies on word of mouth marketing but her branding has still been muffled by the previous owners'; people refer to her business as Mavuno millers a more established name in Juja town. People are yet to get used to the new name, but she makes the most by branding her sacks of cereal with her brand name Kwest Millers.

Mwaura also started getting a lot of requests from clients looking to buy rice from her. "I got tired of saying no." she says and that is how she also began to retail Pishori rice from Mwea also adding value to her product chain. Mwaura hopes to come up with a stronger brand positioning in the next 2 to 5 years and also grow her product line, with keen focus of growing rice brands.

Having a network of farmers to provide quality produce for her customers has helped her in maintaining credibility. This network is in Nakuru and has spread to other towns in Western Kenya. "The farmers come and ask if they can sell their maize to me." In a week she sells an average of 200 bags of maize.

Cash Flow & Book Keeping

Mwaura maintains her cash flow by taking periodic loans from the bank. This has enabled her to keep afloat and manage her Ksh. 150,000 of monthly operational overheads. She believes that by doubling her operational hours, the mill will be more productive and profitable, something she is looking to explore in the coming months.

Mwaura was also fortunate to be approached by Equity bank to open up as an agent in her store. But it was after the Agribusiness that she was able to manage this arm of her business with several accounts; Equity, and mobile money transfer systems; M-pesa, Airtel money, as well as running the mill itself. "From the learning I got at USIU-Africa, I am able to balance my accounts. I realized that without keeping records you will not be doing any business."

Mwaura recalls one of her lecturers in the Agribusiness course; "I will never forget Prof. Mayaka and his notes. Mayaka told me I have to work no matter how I feel." When Mwaura remembers his advice, her energy is revived. She is also in touch with one of her fellow classmates who she has formed a support group with, that helps keep track of each other's business and provides the necessary moral support.

LURI FARM

NAME: Janepher Owino

NATURE OF BUSINESS: Farming

NAME OF BUSINESS: Luri Farm

LOCATION: Siaya

History of the Agribusiness Enterprise

Janepher started with selling pigs to Farmers Choice after her friend pushed her to start it up but did not get good returns since the market price kept fluctuating and the price for feeds was high. This made them resort to facing out pig farming and together with the husband they decided to keep cows. The dairy cows they acquired at first from Nandi hills and Kapsabet were good producers at first but due to poor animal husbandry from her workers, she lost all of them and this discouraged her from farming. However despite of all this, she and her husband decided to pursue dairy farming as the demand for milk is always there. “There is always market for milk” she retorts, therefore there is no need to give up. She acquired 3 more dairy cows which she is still keeping for milk production till now.

She mostly supplies her milk mainly to the informal sector as this gives her a better income and keeps her more liquid than when she supplies her milk to the local cooperative that either delays her payments or does not pay her at all. She also has 2 greenhouses that she grows tomatoes and capsicum and also grows kales which she supplies to the local market and middlemen who supply to the urban towns in like Kisumu.

Agribusiness Development after Training

After the Agribusiness course, she decided to expand her market coverage and got a contract to supply to Uchumi Supermarket that was in Kisumu city. This was a major breakthrough that even though did not last long due to the increased cost of supplying, she was able to acquire other clients like Moi University in Yala and a small resort that are within her region and makes economic sense to supply to them. Also she also has gotten 2 high school who also have requested for cereals that she buys from other farmers and supplies to the schools.

She also is building a 3rd greenhouse which she will use to expand her tomatoes and capsicum production. She was able to acquire financing from a local cooperative that deals with horticulture that provided her with the materials and the labour to build the greenhouse as a loan and also supply to her the needed inputs for her production at a reduced price.

Management of the enterprise

The program has helped her balance accounts and also assess the economic viability of ventures that she might want to engage in. Record keeping is also a skill that she values from the training as it has helped her in assessing the worth of the business and the position thereof as she has been able to effectively evaluate the opportunities that she gets with its benefits.

Management has improved especially in dealing with her 2 workers who one takes care of the cows as the other takes care of the horticultural crops. The turnover has increased as she also sources from other farmers when she has to supply more than she can produce. This is due to the increase in demand of her products as she has now managed to package them well and also market her goods more vigorously a skill she learnt from the training.

She still has been communicating with her cohorts and exchanging ideas especially on dairy farming especially with Janecate who was in her class and this has challenged her as well as being educational in her dairy production.

Challenges still faced

She still has some challenges especially with casual workers who see her as a naive urban lady who knows nothing of how things are done and thus try to get more from her than what is due to them. Also, employing family members to her farm who expect to be paid more than other workers.

Future Plans for the business

She plans to set up an irrigation system at her farm as it is near a river and it is very labour intensive and time consuming to fetch water by hand to water her crops. This will also enable her to be able to produce more even in the dry seasons and keep her clients supplied all year round.

Conclusion

Janepher has been recommending the program to her friends who are farmers as she got a lot from it and has improved her management and marketing skills and now she is realizing profits and not losses.

CHICKEN TREAT DEN

NAME: ANNA MBARIA

NAME OF BUSINESS: Chicken Treat Den

NATURE OF BUSINESS: Wholesale and Retail of Chicken and Chicken Products

LOCATION: Ruiru town, Kiambu County

History of Agribusiness Enterprise

In August 2010 Anna Mbaria opened her first chicken supply shop. “I thought there was something missing in the market. I thought I would do chicken alone.” She started with a stock of chicken worth 10,000 shillings that she had bought from a Kenchic distributor, and within two days her stock had run out. Her business started with a table, a butcher’s knife, a fridge and weighing machine.

When Mbaria joined USIU-Africa’s Agribusiness course she walked in with one thing in mind; to thrive. At the time Mbaria only had one shop in Saika estate in Nairobi. But by the end of the Agribusiness course she was on a mission to expand. She now has two other stores in Kayole estate, Nairobi and in Ruiru town. The reason for her choice of these locations lay very heavily on the population density and the class of the people in this area. “My concept mainly is to use kilos. If you want chicken for 50 shillings I still cut and weigh it.” Mbaria created her niche which is to offer a delicacy to the masses at an affordable rate. Mbaria believes what one lecturer told her during her Agribusiness course, “Create a product then the customers will come to you.”

Business Financing

Through the Agribusiness course, Mbaria learnt different financing options to help boost her business. The first boost she gave her Ruiru store, was an income boost. Mbaria runs an m-pesa outlet in the shop and also sells a few snacks and house hold sundries. “Just add value and you get more profits, even if it is 2 shillings, I will still go for it!”

Mbaria’s business was in need of a car to deliver products to her clientele. She approached a banking institution, which she was initially hesitant to, and took a loan to purchase a car that now assists her to make timely deliveries. Mbaria was initially concerned that she would not be able to afford making the loan payments but with the growth in business, she discovered that servicing her loan was not a problem. Mbaria then spoke to her bank on mutual areas of partnerships and eventually Equity bank expressed their interest to open an agency at one of her outlets, reflecting an extra source of income for her business!

Book Keeping

“They had to ask me for the receipts for these items.” This was one of the requirements Mbaria was requested to present at the bank when she was applying for the loan for her car. She realized, through the Agribusiness course that keeping her accounts in check built credibility for her business when approaching financial institutions for loans. Mbaria also hopes to soon

acquire quick books to automate her accounting system. “Thanks to the ICT course!” she adds with a smile.

Mbaria also learnt the importance of tax compliance through the Legal and Regulations in Agribusiness course and its long term benefits for her business. Mbaria proactively found out that she could access weekly training free of charge from the Kenya Revenue Authority (KRA) on tax compliance for small scale businesses such as hers which she now intends to start soon. Mbaria is now keener when sourcing products at lower costs for better profit margins.

Marketing & Branding

Mbaria relies heavily on word of mouth advertising and whenever she opens a store she ensures that she brands it with distinct brand name and colors. She also has a listing, at the entrance of each store, of key products she sells to boost immediate visibility. She also proudly brands her packaging with a distinct logo to build awareness.

Mbaria decided after the USIU-Africa Agribusiness course to expand her target market from retail consumers to wholesale customers such as caterers and restaurants. She was opened up to this market by taking advantage of the alumni networking forums organized by the USIU-Africa Agribusiness program. During the event Mbaria sold out her stock and would definitely wish for many other forums since she reported to have opened up her business to numerous clientele who she still serves to date. Mbaria has several requests for free range (Kienyeji) chicken which she now stocks in addition to broilers and eggs; expanding her core product range.

Management & Customer Service

Mbaria learnt the importance of running a cost effective business through the Agribusiness course. Unfortunately she realized that there was a lot of redundancy at her shops, which forced her to lay off some of her staff. Mbaria visits each and every branch on alternate days of the week to gauge both the business and the staff performance. In the long run it was a win-win. Her internal customers, the three employees she currently has, made Mbaria keener to understand their needs and concerns as well as sell the business vision to them. “Employing these people is something. It is building the nation and helping them find something to eat.” Secondly, with happier staff, Mbaria got happier customers at her stores. This also helped her cut down on cost; when her staff is off duty she takes over running the business. It is during this time Mbaria finds out any concerns of customers and also potential input on how to improve both service and product delivery.

“Long term I would like to grow and rear the chicken in the farm and get tenders.” Mbaria would like to get a loan after servicing her current one to buy a plot in Ruiru town and rear broilers for sale. She believes she can maximize more on larger orders that will service her loans faster, if she rears the chicken. This in turn will also boost her gross income of close to Ksh. 300,000 from her three stores. “With food you can’t go wrong.” Mbaria concludes.

LIMATEC (K) LIMITED

NAME: Ben David Mahui

NAME OF BUSINESS: Limatec (k) Limited

NATURE OF BUSINESS: Agroveter and Medical Supplies

LOCATION: Thika Town; Kiambu County

Background

Ben David Mahui and his wife Elizabeth are trained veterinarians and started their Agroveter business in 1996 in Thika town. The Mahuis also run a medical and laboratory equipment supplies as an extra business. For 16 years, they have run the Agroveter but the fluctuating market prices and middlemen undercutting clientele; Mahui's business has run on fits and starts.

In 2012, Mahui was having a normal conversation with his neighbor, a lecturer, Professor Nduati from USIU who informed him of the four month Agribusiness course at USIU-Africa. This was perfect timing following a just concluded one month course in Israel on international trade in Agribusiness.

Book Keeping & Security

Mahui was keen on book keeping before the Agribusiness course; but thanks to what he learnt he is now working to incorporate a point of sale system to run a proper automated system to keep track of stock and sales volumes. Mahui is also glad to point out another thing that the course helped him with, "I never had a CCTV, now I am in the process of growing and...it is now here." He is not always present at the office and relies on the CCTV to keep track of supervision even in his absence. "Initially we were at 40% and now we are at 60% compliance!"

Mahui is keen to ensure that any loopholes that sabotage business such as stolen stock will be eliminated. Mahui's knowledge of book keeping from the Agribusiness course has assisted him to also keep track of his accounts. This has resulted to his accounts staff to be keener to ensure the books are well balanced.

Staff relations and recruitment

Mahui points out that the Agribusiness course helped improve his staff relations. It gave his staff a sense of ownership of the business. He also provides new staff proper orientation on customer relations which has further assisted his business retain clientele and draw others to it. Mahui and his wife, who manages the store, are also more careful now with their recruitment. "You have to get someone who has an agriculture background and the other who has some knowledge in veterinary." The balance of recruitment of staff with this expertise Mahui believes has helped his customers get the quality service they need. It also provided staff more conversant with the latest plant and animal product knowledge. This has kept the business abreast with market products and best practices that customers need.

Marketing & Expansion

Mahui is interested in expanding to other neighboring towns but is currently held back for one key reason, growth of real estate. Because of the booming real estate market in the country Agrovets like Mahui's are under threat and in need to adjust to the reduction in the number of farms and farmers opting to real estate for higher returns.

Mahui is looking to employ a sales team to seek and keep track of customers at their farms. The business, for the past decade, has relied heavily on walk-ins. He hopes to grow his annual growth from 10% to 15%. "We have better grounds because we have been here for long." Mahui believes that with this he still keeps a slight edge over the competition and retains customer loyalty.

‘A’ PRIME BROILER CHICKEN FARM

NAME: Charity Wangui

NAME OF BUSINESS: ‘A’ Prime Broiler Chicken Farm

NATURE OF BUSINESS: Poultry Farming and Seller

LOCATION: Ngong, Kajiado County

Background

Charity Wangui is a trained IT professional who worked for telecommunication giant, Ericsson. But all the work travel and running a young family took a toll on Wangui and she opted to try a hand at something different that offered a better work – family balance. Wangui joined her father in poultry farming in 2011. She started with 1,500 broilers.

“The course was timely.” Wangui observes that when she worked with her father she realized there was a challenge with the fluctuation of market demand which made business tricky. She needed the knowledge to balance and inject “something new” to her father’s decade’s long business. “I was torn between expansion, looking for new markets, new products, what next?” Wangui found her timely answer in the USIU – Africa’s Agribusiness course.

Business Plan

Wangui states that the business did have a business plan but it was not as detailed as what she left the Agribusiness course with. “I came here with so many questions and now I am leaving with answers.” She was able to plan the execution of her poultry business to the ‘T’ with step by executable step. “I remember I took that business plan course very seriously.” After the course, Wangui sat her father down and they shared suggestions on the next step the business should take.

The clearest move Wangui realized for the business, on graduation from USIU-Africa’s Agribusiness course, was to explore completely new markets. The next step that she explored was to develop new products for her market. Wangui knew they had to go beyond selling raw chicken. She credits the Agribusiness project manager for helping her see the business potential, she recalls his statement vividly. “We are teaching you farmers so that you don’t concentrate on the quantity but how much money you get from your products.” She was now able to see the need to focus on product quality and optimizing what she had.

Marketing & Branding

Wangui then began her research and discovered what markets, such as India, offered when it came to poultry value addition. Her new product was influenced by what she researched on, on the internet and identifying gaps in the Kenyan poultry market. Wangui zeroed in on a niche market; caterers and hotels. Wangui is now producing ready to cook poultry products. She realized that hotels are currently cutting costs and would prefer more ready to cook products. Her plan also offered a secondary target niche for her product; home delivery. Considering she resides in a middle class neighborhood, she hopes to target her neighbors eventually.

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She eventually hired a caterer of whom she is working with on a trial basis with on her marinated chicken. She also works closely with a professional gourmet chef who prepares the variety of marinades for the broilers to produce her ready to cook chicken. Wangui is also using word of mouth to sell her product, but she intends to expand to the internet by setting up a website and social media sites and use promotional calendars for clients' offline.

Gender Issues & Transformational Leadership

Wangui has been able to balance work and family, despite the early start to business where she collects and delivers slaughtered broilers by as early as 5.30am. "Both family and work is you", Wangui no longer feels guilty about working. She apportions her week days; some days to work other days to stay home with her son. Wangui credits the transformational leadership course for teaching her how to delegate roles between herself and her father which has worked well for the business. "Just let go you don't have to be there, and share a common vision with your partners."

Risk Management

From the Agribusiness course, Wangui learnt how to manage various risks in the business especially when it came to cash handling. It was also a sacrifice they had to make as a business; to give preference to clients who pay by cheque to avoid staff stealing cash payments when sent to collect payment from clients. Wangui's business also had to cut down on any exploitative clients who deceived payments against weights of broilers received. Through this new system, as a business, they have been able to keep a closer eye on their books. Wangui intends to continue selling 1,500 broilers per month and grow her current profit margin of 75,000 monthly with an estimated profit increase of 100 shillings per Kg of chicken sold to her current clients. "I need to do something different!" she states vividly.

FRESH AND HEALTHY GROCERIES

NAME: Cosmas Githinji Karani

NAME OF BUSINESS: Fresh and Healthy Groceries

NATURE OF BUSINESS: Green grocer

LOCATION: Karen, Nairobi County

History of Agribusiness Enterprise

Cosmas Karani has a degree in Commerce with a marketing concentration. After graduation he ran a farm in Kabaru and a green house in Kitengela, where he would grow and sell vegetables. Karani realized that with a farm, there was a lot of free time in between harvest and planting, so he gave export a try. He exported courgettes to Saudi Arabia and Dubai but that slowed down. He realized that he needed to place himself strategically in the Kenyan market which was equally as lucrative.

In 2012 Karani was on his way to his farm in Kabaru, in a *matatu* when he heard an advertisement on radio of the USIU-Africa Agribusiness course and visited the USIU-Africa website. He successfully applied and walked away with what he believes is his business' strongest asset.

Networking

In July 2013 Karani set up two grocery stores in Karen residential area, Nairobi and in a 24 hour supermarket in Umoja Estate in the east side of Nairobi. His Karen grocery is open 7 days a week. Karani credits the Agribusiness program for his steady supply of vegetables and fruits from his fellow graduates; Geoffrey Githima and Sammy Githongo, who supply him with cheese and a variety of traditional vegetables for his grocery stores respectively. "When I need anything I just call someone."

Karani recalls a time when a client called him asking for mushrooms, he gave one of his suppliers a call and received the mushrooms. Karani's business is now perceived as a trustworthy and a consistent supplier of quality products courtesy of the networks Karani established during the Agribusiness course. "I managed to get more information on sites and applications that can assist me grow in my business and network with suppliers." Karani adds. But in addition to the grocery stores, Karani would like to boost yield on his farms on specific products such as cabbage. In his last yield of 34,000 heads he made a 100% profit on sale.

Book Keeping

"Those were things that I didn't take so seriously earlier." Karani admits that before the Agribusiness course, after any sale from his farm, he would bank money and mix his personal and business expenditures from his business income. Now he keeps an automated account of his daily and weekly cash flow. Since Karani opened his store in Karen he currently makes a 50 – 70% profit margin for every 100 shilling spent. "Here I make profit daily."

By keeping his books, Karani is able to get better bargains in the market when purchasing supplies to the shop, which allows a lucrative profit margin for his sales. Karani targets to grow his daily average sale of 3,000 shillings to 10,000 shillings a day with a 50% profit from sale.

In addition, he is now in a position to use his well-documented accounts to seek new business opportunities in food supplies. Karani plans to supply government institutions with produce. He is taking advantage of the new government policy; providing 30% of government tenders to youth. He has sought information on the procedure and with the required treasury certificate that he currently possesses, Karani is in the process of bidding for a government tender.

Marketing

He prepared his own fliers and has distributed them across the Karen area surrounding his grocery shop. He also has a steady flow of clientele around the area, most of whom are a major student population and families. Through the time duration that he has been in Karen he has also seen the opportunity for home deliveries as an added value with his motor bike.

Karani is more aware of his clientele base and their needs and with this added service, he believes, he will grow his brand immensely. “Eventually I would like to open more outlets across the city. Once my brand name is known you win over people’s confidence. That is what I am currently working on.”

NJORO ANIMAL FEEDS

NAME: Esther Njeri

NAME OF BUSINESS: Njoro Animal Feeds

NATURE OF BUSINESS: Retailing of animal feeds, pharmaceuticals and farm equipment as well selling milk and milk products

LOCATION: Njoro

History of Agribusiness Enterprise

Since the year 1998, Esther Njeri has had a passion for dairy farming. After being a teacher for a couple of years, she decided to go for training in artificial insemination and health management. After the training, she decided to resign and join her husband so that together they could carry out agriculture as a business.

In 2001, Esther had some little knowledge in farming but didn't know what to do with it. She decided to help the community by opening a resource center to offer advice and sell feeds. Her entrepreneurial spirit nudged her to open Njoro Animal Feeds in July 2001. She continued running the business till 2013 when she joined the Bill and Melinda Gates Foundation Agribusiness Course being offered at the United States International University-Africa in 2013

Nature of Business and Training

With the agribusiness skills and knowledge she gained from USIU, she was able to apply this in her business. The fact that she kept records and used ICT for that matter was exciting to her since this was emphasized in the ICT class. Esther notes that, "Competition wasn't there at farm level because farmers would purchase products from two other shops other than Njoro Animal Feeds." She added that learning about taxes, cash flow and supervisory skills were very enlightening topics.

As strategies for risk management and business expansion, Esther has since moved from Njoro Animal feeds to Njoro Dairy Parlor where she sells milk. She handed over Njoro Animal feeds to her son and his new bride as a wedding gift. This decision was hard for her to make since she was attached to the agrovet shop for almost 12 years.

Esther Njeri has not experienced any issues with the Kenyan law because she ensured that she was compliant and that she met all required regulations. Before her training in USIU-A she introduced quick books in her business. This has helped her greatly especially in planning for overhead expenses like rent, electricity, salaries amongst other costs.

Currently, she has two permanent employees including herself as the manager and her husband, who is a maize and dairy farmer.

"I get milk from my husband's farm", she beams proudly.

Esther's management skills have greatly improved as she runs her business more efficiently since gives good customer service and more attention to her customers. She is more aware on how to handle customers and conflicts as they rise. She is also able to account for profit as well as expenses.

After the Training

After the agribusiness training at USIU, Esther says she found ways of managing her staff and clients. She supervises her employees much more effectively than before. She was also able to repay her loan which she got from Jamii Bora Bank after making a pitch of her business plan. This was done during the training as a business plan presentation in front of her classmates, trainers, financiers and other industry experts.

Esther opened up a milk bar under the name Njoro Animal feeds. In this space she is an agent of Cooperative Bank, Kenya Commercial Bank, Equity Bank, Safaricom M-pesa Agent and Airtel Money Transfer Agent. In future she would love to be an agent of all banks in Kenya. She has approached Family Bank who are waiting for her to renew her Certificate of Good Conduct before allowing her to be their agent.

She clarifies that all her businesses are separate entities in that they all have certificate of registration but so far she is riding on the fact that the law permits one to have several businesses under one name.

Quotable Comment

“I would encourage my daughter-in-law to apply for the USIU-A Agribusiness course since I am a beneficiary. As soon as the undergraduate course is advertised, I will be among the first applicants to apply for the course.” Esther Njeri; USIU Agribusiness alumni

KOFAR KENYA LIMITED

NAME: Evelylin Wangui Munyi

NATURE OF BUSINESS: Production of Processed Organic Manure

BUSINESS NAME: Kofar Kenya Limited

LOCATION: Sagana

History of the Agribusiness Enterprise

Evelyn Munyi and her partner Francescah started off by selling organic manure, organic folia and organic soil treatments in Sagana at their premises. This business was born due to farmers misusing and using conventional fertilizer for a very long time thus making their soils acidic and infertile. After researching on organic manure and knowing the benefits it carried like adding humus in the soil and increasing fertility as well as the market potential, Evelylin and Francescah were joined by two other partners who came together and started making commercial organic manure by the name Kofar Kenya Limited.

Agribusiness Development after Training

The Kofar organic manure has seen some challenges especially when sourcing for approval from Kenya Agricultural & Livestock Research Organization (KALRO) and the Coffee Research Foundations that cost approximately 2 million Kenya shillings for each product and which also takes one year for trials. However through her business plan that she developed with the guidance of the USIU agribusiness program, she was able to present her business plans to other institutions that have the process partly funded.

Evelylin decided to diversify into tree tomato thus earning an alternative source of income for the business. The intake of the organic fertilizer by farmers was slow since many of them were clinging to chemical fertilizers and it took a long time for the fertilizer to go through testing. The tree tomatoes have been planted in 3 acres of land that she and her partners leased for 10 years. "This," she claims "has really boosted my income as there are a few farmers who plant tree tomato in the area and the demand is high." Evelylin distributes the fruits to supermarkets in Thika, Nairobi and Muranga. She is also contracting farmers to plant the tree tomato in order to increase supply and meet the demand for the fruits.

Management of the Enterprise

After gaining lessons on transformational leadership and management to change course, Evelylin Munyi decided to employ one lady who assists her in the day to day running of Kofar shop as well as a farm manager to take care of the tree tomatoes. She has kept open communication with 10 of her former classmates from the agribusiness course in USIU who through their interaction have opened up her market share. Her networks have created demand of her products by buying from her for personal use and also for commercial gain as they sell to other consumers in their region.

Challenges still Faced

The uptake of organic manure is still slow in the market and thus the sales have not been as high as they expected. This has led to a slow growth in the expansion of the organic manure business than what she had anticipated. Also, Evelyn confirms that “getting credit or a loan from a bank for the expansion of the business has been difficult since most financial institutions require security that can match the amount being borrowed.” The banks she approached claim that lending to the agricultural sector is seen as a high risk venture.

Future Plans for the Business

Evelyn plans to add value to the tree tomato to make Juice and Fruit jam, thus increasing her income. She is also looking for partners to enable her to start up a manufacturing plant for their processed organic manure thus increasing their processing output.

Conclusion

Evelyn eventually realized that her previous plan was very ambitious and through the training and presentations in the USIU agribusiness program, she was able to make her business plan using the SMART goal principles and has attracted more people to fund her business.

KAMUMO PRODUCTS

NAME: Frederick Kiilu

NAME OF BUSINESS: Kamumo Products

NATURE OF BUSINESS: Food Processing Plant

LOCATION: Machakos Town, Machakos County

History of Agribusiness Enterprise

In 1988 Frederick Kiilu started Kamumo Products as a business partnership with four friends, 3 of whom have since passed on. For over two decades Fredrick produced tomato and chili sauce that he sold in Machakos and other neighboring counties. “In 2010 we realized there was also market for fruit concentrate.” That was when Kamumo products began creating fruit concentrate for other food companies that did not have direct access to the farms that produced the fruits.

Despite the growth potential of his company Kiilu had hit a snag. He has been working closely with prestigious organizations such as the International Labour Organisation (ILO). It was through ILO that Kiilu heard about the USIU-Africa’s Agribusiness, four month, course in 2012 and applied.

Through the Agribusiness course Kiilu has been able to make several strides in various areas of his business. Because of the challenge of cash flow, Kiilu was cash averse to risk. Thanks to winning a 500,000 Kenya shilling agribusiness grant from the Safaricom foundation in early 2013 after the Agribusiness course, Kiilu has learnt how to take healthy risks for his business.

Risk Management

Kiilu gives credit to the risk management class, of the Agribusiness course, as the launch pad for his business’ move to larger premises in the industrial area of Machakos town. This space provides more room for equipment, better and reliable water and electricity supply and connections to produce his tomato and chilli sauce and juice cordials. Kiilu further upgraded his equipment; from using a charcoal stove to prepare concentrate to a modern pasteurizer to produce larger volumes of concentrate at better quality. With the pasteurizer his productivity has also grown 100% to 750 litres of concentrate produced daily. The risk management class also sensitized him on the need to take up property insurance for his equipment which he had not considered earlier.

Marketing and Branding

The Agribusiness course provided Kiilu with steady insight on directed marketing and branding of his products. Kiilu is now working on a rebrand of his products logo to align his brand image with the quality exuded by his products. Kiilu has also grown his customer base in Makueni, Kitui and Machakos counties tenfold. He points out a more proactive effort in seeking unchartered areas such as Nairobi where his business has now acquired 10 new customers with a promise of growing market share there.

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Kiilu has also seen new opportunities with access to more farmers and products that he can create. Despite the growth and potential products, he does not want to get ahead of himself. His challenge, quite positive, is his inability to meet the demand. This is one reason why his marketing strategy is more geared towards customer retention as opposed to drastic expansion.

Minding customers

As expressed in his marketing strategy, Kiilu's focus has been to maintain his 500 strong farmer clientele base from who he buys his products from, to create his cordials and sauces. He has also networked with distributors of his product who have opened up Kamumo products to new areas for wholesale and retail. Kiilu currently retails to hotels and restaurants in Nairobi. Courtesy of the Agribusiness course, he is also keen on ensuring his 12 casual employees in production and 5 permanent employees, based at the factory, are paid better. Kiilu is also keen to have his staff not only see Kamumo products as employment but also buy into the vision of the company.

Book Keeping

"At first I did not care how I kept my books because no one would ask how they are." Kiilu points out, but after the USIU-Africa Agribusiness course, he became keener. "The government needs your books well kept because you have to pay tax." Kiilu isn't just concerned about government returns but to also better accounts of his own business cash flow and balance sheets. With this, Kiilu has been able to make a gross profit of 4 million Kenya shillings annually. This is almost a 3 fold growth from 2010 when their gross profit was only at 1.5 million shillings. Kiilu attributes this to the expansion of products his company now produces.

He hopes to grow his staff three fold and grow sales to 100 million shillings in the next 5 years. Thus far Kamumo products has grown simply by Kiilu ploughing back profits from sales into the business, which he is now aware still needs a boost. With better book keeping, Kiilu is confident that this would assist him acquire reasonable credit terms from financial institutions, to meet this dream of expansion for Kamumo products.

Kiilu believes that with 10 million shillings he will be able to get the produce from farmers to process the juice concentrate and grow his staff and product line yielding his target 100 million shillings. "I am very optimistic that we will excel." Kiilu concludes.

REGALO FARMING ENTERPRISE

NAME: Matthew Njihia Kamau

NATURE OF BUSINESS: Supplier of Goods and Consultation

NAME OF BUSINESS: Regalo Farming Enterprise

LOCATION: Nairobi

History of Agribusiness Enterprise

By the time Matthew was joining the program, he only had a business name by the name Regalo Farming enterprise and was a sole proprietor. This started in 2009 with vegetables like Broccoli and Cabbages as he constructed a greenhouse for tomatoes production. He however met challenges like accessing water for his 2 acre farm. That is when he constructed his second greenhouse in 2011 where he expanded his tomatoes which were able to pay off the initial capital and realise him a profit. However, in 2012 he ventured into fruit farming where he would have an upper market and get exposure to export. He started sourcing seedlings from Malindi in the coastal region and planted 200 yellow passion fruits in the central region.

Agribusiness Development after Training

Before he joined the USIU program, Matthew used to keep a daily diary for his records. This included records of the cost incurred in the businesses supplies, the cost labour used and any other expenses that has being incurred during operations. However after the training, he started keeping records in his computer that made it easier to retrieve and also to ensure there are no missing or incomplete information. Through his properly kept records and together with his business plan, he managed to secure 2 loans, one with Faulu Bank and the other with Family bank. This helped him start his current supplies business.

Matthew remembers what he was taught in class that, “most likely your business ideas will change after the training by either becoming better or you will start a new venture all together.” He therefore put more focus on the networks he formed in class and the opportunities presented. He also used his experience in the farm and the lessons learnt in the previous operations to elevate and grow his company.

Management of the Enterprise

“The course broadened my mind as I could only think of farming business but I noticed there are other services that are attached to farming” he states. Matthew used his newly acquired company to supply to the United Nation where he had to register his company and meet the requirements stipulated by the United Nations and by the Kenyan law in order to start supplying to them.

He also diversified to outside catering for the National Irrigation Board who were his fruit customers. This made Regalo farming enterprise to strategize and broaden their scope to value addition and not just focus on basic production. This also broadened their market share and diversified their products. “The modules that I have learned in school in terms of what I am doing in the company was very relevant.” He says with a smile.

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Matthew then registered his business to be a limited company where he had to get other directors on board with 4 divisions namely IT, Accounts, Procurements and Management. Currently, his company has 5 employees as he realised that he cannot be hands on with everything. He gained great management skills that have helped with establishing a team spirit in order for the company to thrive. This is because they plan to expand as they increase their customers.

Through collaborations with his classmates like Stanley Muniu, Esther Wamaitha, Esther Kirungu among others, he was able to get a bigger water pump for his farm. He was also able to meet the demand for his tenders, support each other through various challenges introduce each other to new markets.

Challenges still faced

One major challenge that Matthew still faced is especially when they receive large tenders. The financiers are usually sceptic to give them large amount of money and more often than not, they are denied financial assistance. This then makes the company not able to meet the customer's need and thus they lose out on some tenders.

Future Plans for the business

As the clientele grows, they will need to move to a bigger office space and more employees to deal with the growing demand for their services. They plan to also partner with other companies' in order to assist in meeting the growing demand. Regalo Farming Enterprise plans to start a consultation services in agribusiness and procurements so as to help other farmers from the experiences learnt. Matthew also plans to go back to the farm to produce fruits.

Conclusion

To Matthew, the objective of the program was very clear and the course was very practical and relevant sine he applies it in his day today business activities. The course exposed him to networks which has made his company gain great visibility thus elevating him to be a better entrepreneur.

KAHUHO FARM SHOP

NAME: Geoffrey Githima Ndung'u

NAME OF BUSINESS: Kahuho Farm Shop

NATURE OF BUSINESS: Agrovet & Veterinary services

LOCATION: Kahuho Centre, Kikuyu, Kiambu County

History of Agribusiness Enterprise

Geoffrey Ndung'u started his career in Agribusiness as an assistant to a veterinarian in 2007 after completing college. After a year, the veterinarian sold Ndung'u his Agrovet in Kahuho for a stock of 15,000 shillings and assets worth 20,000 shillings. And at just 21 years of age Ndung'u was in business. But the Agrovet never really kicked off, stock was dwindling and Ndung'u had a sketchy idea on just how to market his business. Ndung'u mostly served as the 24 hour on-call veterinarian.

In 2012 Ndung'u's Uncle informed him of the USIU-Africa's Agribusiness course advertised in the newspaper. Ndung'u successfully applied and is now reaping the benefits of the course.

Book Keeping

Some of the first key lessons Ndung'u learnt in the Agribusiness course was the need to keep track of his accounts. Being youthful and tech savvy Ndung'u has gone the extra mile and automated his stock keeping system. He uses a tablet with software adapted to monitor his stock which has eased his daily operations. Ndung'u targets a monthly sale of no less than 180,000 shillings.

Marketing

Ndung'u's target will bear fruit with his new found grasp on marketing through the Agribusiness course. He intends to use his veterinary services to introduce clientele to his Agrovet. He directs farmers to buy, what he prescribes to them, from his Agrovet. He also developed business cards as well to allow his customers to keep in touch with him and share contacts with other farmers in need of his services and products. Ndung'u has also made use of radio as a medium to market his services. He was hosted on the popular and broadly listened to agricultural show on Coro FM, *Mkulima Young*. Following the interview on radio, his credibility was raised and Ndung'u's received numerous calls from farmers in the area interested in his services.

Risk Taking

"The Agribusiness course taught me how to take calculated risks." Ndung'u believes joining the Farm Shop Franchise was a calculated risk he would not have taken had he not had the information he got from the course. "I challenge myself to do greater things."

Ndung'u opted to franchise his Agrovet because of the value addition it had to his set up. The Farm shop franchise model provided him with a 200,000 shilling loan for stock and received a

free facelift for his store. His current total stock has grown immensely and now stands at 500,000 shillings. Ndung'u's shop now has neon branding that stands out in Kahuho shopping centre in Kikuyu. This draws a lot of people to him, causing quite a stir to his competition in the area. "It's like a supermarket, you can take anything. It is friendlier to the client. The color is attractive, people will definitely come!"

Strategic Partnerships

Ndung'u observes that his interaction with other graduates in the CEED Agribusiness course opened his eyes to bigger business. "The Agribusiness [course] helped me to be focused on the business. I met people who are far much ahead of me." Ndung'u has partnered with another graduate of the CEED course, Cosmas Karari, to open a grocery shop in Karen, Nairobi.

Karari has supplied the capital investment, and Ndung'u will use his network of farmers to supply the vegetables to stock the grocery. Ndung'u also works with another graduate from the Agribusiness program, Catherine Waturi, a distributor of animal feeds, who supplies to his Agrovet.

He has big long term plans for expansion in Kikuyu and Limuru towns. "I want to grow to move from the small business to a bigger business in other centers." Ndung'u plans to turn his daily turnover from 3,000 to 15,000 shillings a day. So far since graduating and adopting key learning areas, his daily turnover has increase to 8,000 shillings.

He also intends to grow his veterinary business and purchase a pick-up truck to transport products to his customers. Ndung'u also hopes to manufacture his own brands of animal feeds. At only 26, Ndung'u's following his dreams - one successful day at a time.

BALM GROWERS

NAME: Irene Wainaina

NAME OF BUSINESS: Balm Growers

NATURE OF BUSINESS: Dry food processing; mushroom, collard greens, chilli & spinach

LOCATION: Nakuru town, Nakuru County

Background

Three years ago as Irene Wainaina was recovering from a long illness; she was living with her parent's and needed a source of income. She decided to sell mushrooms since she had been told of its golden returns. With her parents assistance of a 30,000 shilling cash injection she bought mushroom spawn and was given a room by her parents to grow them. That is how Balm Growers began.

In 2011, 2 year later, Wainana had been working very closely with the District Agricultural Officer who recommended her for the USIU-Africa Agribusiness course. This course Wainaina believes was the beginning of a promising business.

Business Dynamics

During the Agribusiness course, Wainaina realized that there was a lot she could offer in Agribusiness save for products. "I didn't know that business is in three dynamics." She could share the skills and principles from the course as part of her business model, aside from manufacture and distribution. Armed with knowledge on Agribusiness, Wainaina has received opportunities to boost her cash flow through training.

She offers training to youth interested in Agribusiness in church and through a local NGO; Ermis. "I took those notes and remembered USIU-Africa." Wainaina has been complemented severally by her trainees on the expansiveness and detail in her training material. The Agribusiness course training Wainaina has shared with others has exposed more people in her area to best practices in Agribusiness, and in turn given Wainaina more income.

Value Addition

Wainaina believes herself to be the queen of value addition; she has based her business model on it. Wainaina has been running a nonprofit; Balm of Hope, where she has over 20 active farmers producing mushrooms. There had been a huge problem with low demand versus a huge supply of mushrooms. The Agribusiness course exposed her to other options for products, like in Wainaina's case she went the extra mile. "With mushrooms especially the oyster mushroom there is no waste." With Oyster mushrooms Wainaina and her team of farmers are producing mushroom mix flour for porridge, fortified mushroom cookies and mushroom burgers. "For me my heart is value addition. The bigger picture is to have a vegetable cottage industry here." She also sort to diversify products and is currently specializing in selling dried vegetable, so far she has been selling dried collard greens (*sukuma wiki*) which has drawn interest from

clients in northern Kenya and Dubai. “Somebody just saw them (dried collard greens) in the supermarket and called and we had a deal. He has given me an order of ten cartons to Dubai!”

She spent a lot of time researching on drying of vegetables on the internet and slowly and steadily began drying various vegetables; cabbage, spinach, chillies and collard greens. “That is the concept of drying (with water) it goes back to its original form.”

Marketing & Sales

Wainaina credits the Agribusiness course for opening her eyes to creating a marketing strategy. She has employed four sales people who go door to door selling mushrooms. “You have to take your product to the consumer and create that awareness”. Wainaina also celebrates being able to give people a chance to an income however small. She also sells her mushrooms at 3 leading supermarkets in Nakuru town and select restaurants courtesy of her strong sales and marketing team.

In a scope of three months Wainaina has received requests for orders from Dubai, South Sudan and Eldoret. “To me that is success. It means someone appreciates it.” Wainaina has also considered approaching the Kenya Red Cross and other NGOs working in arid areas, with her dried vegetables, to supply them with this as a healthier option for emergency relief food. Wainaina’s target group in the local market for her dried vegetables is primarily busy city people who want a quick, healthy meal to fix or those travelling to arid areas where vegetables are scarce.

The hugest challenge Wainaina needs to combat and overcome has been consumer awareness of mushrooms and generally dried vegetables. “If there is something that is a challenge is pioneering something. Someone argues, why can’t I buy meat or eggs instead of mushrooms?” Wainaina believes that with the progress made thus far with her marketing and sales team she will make more headway into the plates of Kenyans with her range of products.

Exports

Wainaina is determined to grow her budding cottage industry with the right paper work. Through the Agribusiness course she was exposed to the opportunities available in export. With that she currently has an export license allowing her to export her dried vegetables to a destination of choice. “The UAE market is very ripe because it is a desert.” Wainaina’s only concern is being able to meet the demand.

Finance

Despite the growing business opportunities Wainaina hopes to boost her meager monthly gross returns of 15,000 shillings tenfold. She intends to work even closer with the ministry of Agriculture to get a hold of more farmers to produce dried vegetables to be able to meet the export market demand she anticipates. She believes that with every effort she makes she will flourish. She hopes to resolve issues of household food security nationally with her range of

dried vegetables, but she also has something else in mind; “Next year a time like now I will be doing tonnes (of vegetables) and there will be a factory here.” She smiles.

DAIRY FARMING

NAME: Janecate Nduta Mbuti

NATURE OF BUSINESS: Dairy Farming

LOCATION: Westlands

History of the Agribusiness Enterprise

Janecate learnt dairy farming from her grandparent and parents who kept cows in their quarter acre land in Westlands as a hobby. Most of the milk produced was either used for domestic consumption or for giving out to their neighbours and friends. However that changed in 2006 when they realised that there was potential of generating income through the selling of milk. She also at the same time started rearing broilers for chicken meat that she distributed to hotels within her area though after fluctuations of the demand for chicken meat and irregularities with the buyers, she decided to do away with the broilers and concentrate on dairy production.

Janecate had started with six cows which she later reduced to three, making it easy for her to manage. She states that, “labour is very irregular and expensive within my area and the feeds are quite expensive too”. Jane proudly says that most of the work is done by her with the help of her parents.

Janecate was informed about the USIU Agribusiness classes when she approached the Kenya Livestock Finance Trust (K-LIFT) for a loan to expand her enterprise. Her name was then submitted by K-LIFT to USIU for enrolment into the program.

Agribusiness Development after Training

Janecate admitted that she had never done a business plan before coming for the Agribusiness course and her initial thought were that a business plan is usually done by big established businesses. Her thinking changed after the agribusiness classes, where she successfully developed a business plan for her dairy business.

Her business plan involved growth and expansion of her dairy enterprise which included adding the number of cows and increasing the production of milk. “This” she adds, “will involve putting up a new shed for the cows, improving the breeds for the cows and obtaining a milk dispensing machine that is to be used as a point of sale for my milk in supermarkets”. The construction of the new shed is currently going on and she is also sourcing for improved breeds to inseminate her cows.

Management of the enterprise

Janecate has used her business plan to source for funding where she successfully presented her ideas to potential investors. She also managed to get a small loan from the youth fund as seed money to start off the construction of the new shed.

With the education gotten from the Agribusiness program, Janecate learnt to use her computer for book keeping rather than just as an entertainment hub for her movies and music. She admitted to have never kept records for her farm and sales before she joined USIU. She adds with a laugh that “if anyone could ask me how many litres I produce in a day, I would give a blank look”. All that changed as she now records every detail regarding her business and she has documented a 50% increase of her income.

Janecate market share is at a local grocery store that buys in bulk so as to sell to other stores, she delivers her milk to a local school and she also sells to individuals from the neighbourhood. She also stated that she used to distribute to the dairy creameries near her home, which she stopped due to the low prices and decided to concentrate on the local market.

In terms of sources for feeds, she has decided rather than relying on the forage that is produced locally which is expensive and supply is irregular, she can also source for good quality hay to complement the local forage from other regions of the country that is not as expensive and will still give the cows the necessary nutrients thus improving milk production.

With the new rules that were recently implemented in Kenya regarding the licencing of milk distributors in the country, she is in the process of obtaining one so as to keep her business compliant to the laws governing the dairy industry.

She has also started planting vegetables within her farm which she has been selling to one of her classmates who processes vegetables and also to individuals around the neighbourhood in order to make an extra income.

After the classes, she has taken up a more hands on approach in client service in that she will want to know what they think of her products every now and then. She will once a week do the deliveries instead of sending someone to do it for her that she may be able to interact with the clients and know if her product meets their expectations.

Challenges still faced

Currently she does not have a permanent employee working at her enterprise as labour in the region is too erratic due to the opportunities within the urban centres thus she hires casual workers to do most of the work in the farm. However, she plans to hire workers on contract basis which will bind them to the farm for a certain period and also contributing towards the workers social security fund and medical fund to entice them to stay.

She was once interviewed to supply for a huge order to provide milk to schools and when she said that the cows are hers, they asked her if she was sure and if she had a husband which she assured him that the business is hers alone. Due to this, she was not taken seriously and lost that opportunity.

Getting a loan from financial institutions has been a challenge due to the lack collateral under her name as they require a certain asset to be held as security for the bank and the land that she carries out her business is in her father's name.

Future Plans for the business

Janecate plans to build a biogas digester in order to provide electricity as it has been a challenge to dispose of the animal waste and with it save money consumed by electricity and cooking gas bills. She also plans to keep poultry again for egg production rather than meat as there is a larger demand for eggs than for chicken meat.

She also plans to do large scale farming for potatoes where she is in the process of looking for land to lease and also is in the process of meeting an exporter of fresh fruit and vegetables as well as value add her milk to process yoghurt and also long life milk that she believes will open up her market for her milk.

Conclusion

The Agribusiness program has opened up her way of thinking in that she does not see farming as a hobby but as a business that can grow big.

TEA FARMING

NAME: Paulo Kipkoskey

NAME OF BUSINESS: N/A

NATURE OF BUSINESS: Tea farming

LOCATION: Kapkatet/Kipkabus*

History of Agribusiness Enterprise

Paulo Kipkoskey was passionate about farming at a very young age but started pursuing it while he was in high school. He loved farming so much that he studied horticulture at Egerton College in the year 1971-1973. From 1974 to 1978, he worked at a Research station in Thika before travelling to Holland for to study potato and vegetables diseases for a period of 12 months. He resigned from Kenya Agricultural Livestock Research Organization (KALRO) formerly known as KARI in Molo farm where he worked as a Manager in pyrethrum/horticulture research department for two years however he was chased away because of clashes in 1992.

He later joined Tea Research Foundation as an Estate Manager, worked for 4 years got a promotion as a Senior Manager at Kipkebe Tea Company. He retired in 1996 and selected as a Returning Officer to work in the Electoral Commission of Kenya in Chesoni as it became a constituency registration Centre in 1997. He resigned from his previous position and travelled to Botswana, stayed in a horticulture farm in Tswana to carry out a project that didn't take off. He decided to come back to Kenya to concentrate on farming in 2002.

Nature of Business and Training

While he was pursuing his career in agricultural research, Paulo purchased land in 1979 and started tea and dairy farming in small scale. His cows produced up to 100 liters and he would take his milk to Kenya Cooperative Creameries (KCC). Later on KCC collapsed causing the closure of several dairy businesses around his home area. He decided to focus solely on tea farming. Paulo's wife who is an alumni of the 10,000 Women Program informed him about the Agribusiness certificate course being offered at USIU-Africa.

Lessons from the Training

From the training, Paulo has improved his record keeping and he is working with his son to purchase a laptop so as to computerize all his farm records by April 2015. He wishes to expand his farm by not only planting tea but also planting napier grass for his dairy cows. His future plans is to use artificial insemination to increase the current number of cows from 29 to 50

After the Training

He developed a business plan and that he presented during his training at USIU-Africa. In his plan, he indicated that he wishes to increase his farm to 2-3 acres, create job opportunities by hiring 10 more laborers and provide housing for his staff. Since he was not successful in getting a loan during his training. He plans to approach a local bank to get a loan and the proceeds

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from the sale of tea to be used to repay the loan. Paulo harvests approximately 10,000kg of tea per month for sale at the local tea factory where he is a member. During the training he met other farmers and so far he has partnered with his former classmate Mr. Mwangangi to discuss the option of venturing in fruit business.

Challenges

“The price of selling tea is quite low”. He makes very little or no profit at all. He added that once he trains his workers, they resign and he ends up starting the whole process repeatedly. He mentions that, tea farming is expensive and if the tea is not well plucked there is a decline in growth. He is considering the option of hiring a graduate who has expertise in animal health since his expansion plan is on increasing his herd.

Conclusion

“I am looking forward to finishing my business degree before 2017 since it is worth investing in education to improve my business!”

KISUMU APEX AGROVET

NAME: Jacob Otieno Odida

NATURE OF THE BUSINESS: Agro vet

NAME OF THE BUSINESS: Kisumu Apex Agrovvet

LOCATION: Kisumu

History of the Agribusiness Enterprise

Jacob was formally employed prior to 2011 when he and his friend decided to venture out and start their own business. After a study on the market opportunities available they decided to open an agrovvet business within Kisumu city as there were not many such businesses and the demand for the service was high. When starting up, they were met with a few challenges like getting an affordable and well located premise for their business enterprise as well as capital. However since they were formerly working in the agrochemical industry, it was easy for them to acquire stock from the main suppliers on credit and their market were the farmers that they had interacted with before.

Jacob learnt of the Agribusiness program from one of his suppliers who had attended the training and recommended that he attends and helped him apply for the course that he claims it really helped his enterprise greatly.

Agribusiness Development after Training

The business was also very manual as all their records were hardcopies and they were not tax compliant. All this changed after Jacob went through the program and currently he can proudly say that his enterprise is fully tax compliant which was one of the requirements for a tender he won. They also formulated an IT system for all their records and books that has helped to keep track of the business and helped them grow. It's easier for him to see where they started and where they're going as they had started with a capital of Ksh. 400,000/- with one branch and have now grown the business to be worth Ksh. 3.5million with 3 branches.

Management of the enterprise

He began with a staff of three but currently has five as they have an employee who operates the computers and field agents who link the business with potential customers. He claims the training helped him on staff management and also on public relations as he's now more able to deal with customer complaints and also formulates incentives that attract and retain customers. He has expanded their customer base and has increased his turnover by 12.6%. Jacob has also applied for an m-pesa paybill number which will help in cashless payment of goods enabling them to service customers who cannot reach either of their shops or agents.

He saw the need to insure his stock in order to reduce on the risk of loss by fire or theft that in the event this happens without insurance, it would be a devastating blow to their business. He was also able to acquire 2 loans form Jamii Bora and Equity bank that he used to increase his stock and able to serve his client better.

He has managed to keep contact with fellow trainees around the country and he has started a dairy farming project, an idea he got from one of his cohort partners. This supplements his income as he sells the milk produced within Kisumu town as well as he can be able to consume any spillage from the agrovet.

Challenges still faced

The space they operate on is small but they have plans to expand it in order to accommodate more stock and serve clients with ease. The business is capital intensive and acquiring capital is also a challenge especially from banking institutions as they ask for security which is not always available. Competition is also rife as there are more and more people venturing into the same business within the town.

Future plans for the business

He therefore plans to expand the business by having another branch in a strategic place within the town which will serve the growing town. Also, having their own business enterprise rather than renting one would give them room to expand much more as well as acquiring a vehicle to transport their goods to their branches and customers. He also plans to participate in more tenders as this is very profitable and indirectly markets his enterprise to other institutions and farmers.

Conclusion

The program helped him develop a blueprint for the enterprise that would help them achieve their target goal and it inspired him to diversify to dairy through the interactions of other class members. He also learnt how to treat his customers well from the program that has seen his customers increase.

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