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## How much initial investment is needed and how much profit will I get?

Goat raising is highly profitable. With minimal initial capital investment of P 67,250 for 25-doe level; P 174,500 for 50-doe level; or P 349,000 for 100-doe-level, positive net income and return-on-investment (ROI) are realized, even as early as the first year. The ROI for 5 years is 67% from a 25-doe level operation under semi-confinement scheme and 60% from 50- and 100-doe level operations under pure confinement system. Payback period is 2 years.

The projected income statement by type of operation is plotted below:

	25-doe Level <sup>1</sup>	50-doe Level <sup>2</sup>	100-doe Level <sup>2</sup>
Total expenses for 5 yrs (P)	373,262	762,002	1,524,004
Total income for 5 yrs (sale of stocks + stock inventory value (P))	623,750	1,219,500	2,439,000
Net income for 5 yrs (P)	250,489	457,498	914,996
ROI (%)	67	60	60

<sup>1</sup>Under semi-confinement scheme.

<sup>2</sup>Under pure confinement scheme.

Note: Figures used in this material are based on 2006 data.

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

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Considering these, goat production is indeed a promising venture and anyone interested to go into this business is expected to reap positive rewards.

### What products do I get from goats?

The following table briefly discusses the possible business enterprises one can focus on, the required investment, the final product and estimated income, and the potential market for the products:

Business	Investment	Product	Market
 Sale of breeders	Pure or upgraded Nubian, Toggenburg, or Boer buck (P7,500–12,500/hd) + Native or upgraded does (P1,500–4,000/hd)	Pure or upgraded breeders for sale (P3,000–12,500/hd)	Private multiplier farms and government institutions
 Sale of goat meat or live slaughter goats	1 upgraded Boer for every 25 females + 100 does for every 1 slaughter goat for sale per day; 200 does for 2 goats/day sale; and 300 does for 3 goats/day sale	Live animal for sale (P120–180/kilo or minimum of 4,500/hd per day) Processed meat like “tapa,” “tocino” or “satey kambing”	Meat vendors in the wet market  Kambingan restaurants, hotels  Supermarkets
Buck-for-hire	Pure or upgraded buck	Buck service (P50–150/ service)	Goat raisers in the village
 Sale of products from goat’s milk	Pure or upgraded goats of the Anglo Nubian (AN) or Saanen breed  Tools and equipment for pasteurization of milk	Goat milk (0.7–2 kg in 215–250 days of milking)  Yogurt, cheese  Soap, lotion	Market where fresh milk is sold  Cosmetic manufacturing companies

### Why invest in goats?

Goats are very popular among Filipinos because they require low initial capital investment, fit the smallhold farm conditions, and multiply fast. Culturally, goats are integral to every special occasion such as birthdays, baptisms, weddings, and fiestas. Hence, they command a higher price compared with other meats in the market.

Goats require low maintenance because they eat tree leaves, weeds, grasses, and agricultural by-products. They are not only a source of protein for Filipinos, but they also provide the much-needed income. In fact, goats provide livelihood to about 15 million Filipinos across the country today.

As goat production requires low initial investment and small risks compared to other livestock species, it is thus an attractive undertaking among resource-poor families. Moreover, women and children can raise the species, making it a sound option to augment the country’s programs on livelihood.

At the moment, there is an increase in demand for goats. Although total goat inventory in the country is steadily increasing at 2% per year, still there is not enough supply to meet current demands. It is expected that this increased demand will last to 2020, the year when supply is projected to meet demand.

### How do I start my goat business?

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

For backyard operation

- Investment
  - Goat house
  - Breeding stocks
- Operating expenses
  - Veterinary medicines
  - Vaccines
  - Concentrates
  - Additional feed supplements

For commercial or large-scale operation

- Fixed investment
  - Land
  - Goat house
  - Fences
  - Pasture area
  - Water pump
  - Feeding trough
  - Spade
  - Wheelbarrow
  - Ropes
- Stocks
  - Breeding does
  - Breeding bucks
- Operating expenses
  - Veterinary medicines, drugs, and vaccines
  - Feed supplements and goat rations
  - Labor: fixed and seasonal
  - Repair and maintenance of goat house, fences, equipment, and pasture