

**Economic Analysis of The Production And
Marketing Problems Facing Poultry Projects
In The Central Region, Saudi Arabia**

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ABSTRACT

To identify and analyse the production and marketing problems facing broilers and layers projects in the Central Region of Saudi Arabia, this study covered 40 broilers projects and 25 layers projects representing 93% and 69% of the working projects in the area, respectively.

Results showed that: [1] Production and invested capital were concentrated in a small number of projects working at a higher production capacity levels. [2] The percentage of projects that paid back more than 60% of the loans were 76% and 75% for the broilers and layers projects, respectively. [3] It is found that managerial efficiency measured by the educational level and years of experience is an important factor that affects poultry production. [4] The most important production problems facing broilers producers are: high mortality rates, diseases, harsh environmental conditions outside the farm, low operating ratios, longer fattening periods than normal, and lower weights than optimum. On the other hand, only the spreading of diseases constituted a production problem to layers projects. [5] The most important managerial and financial problems facing these projects are high feed costs, difficulties in paying back loans,

high maintenance costs, high costs for the heating and cooling systems, and labor instability. [6] The most important marketing problems facing both broilers and layers producers are: the competition of imports, low marketing margins, low retail prices, price seasonalities, and competition of projects outside the region.

To help these projects reach higher levels of efficiency and profitability, the study suggested the following: economic feasibility studies for the projects should be conducted more carefully, importing the best and most unified breeds, initiation of producers' associations, more government contributions of veterinary supplies and personnels, more control on vaccines and drugs and forage producers, more dependence on domestic labor, keeping farm records, and the initiation of a marketing agency specialized in poultry marketing along with providing marketing data and information systems.