Abstract

An Analysis toward Fluctuation of Costs and Selling Prices of Broiler Chicken
(Case Study of Rahayu Poultry at Lido-Sukabumi)
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The fluctuation of DOC and broiler feed prices had influenced the total production cost to move volatile. These conditions, combined with fluctuation of selling price of broiler, brought many poultries, especially small and medium scale poultries to confront with many difficulties to developed reliable business planning. The aims of this study were to determined relation between selling price of broiler with DOC and feed prices. The financial data were collected from a small scale poultry company, Rahayu Poultry. This poultry was situated in Lido-Sukabumi.

Two methods were used to determine the net profit: accounting and EVA. Data and its calculation were classified into some conditions. The classifications were based on: capacity, mortality, capital structure, and rate. The results of the study showed that the selling price of broiler was more sensitive toward feed price movement compared with DOC prices, EVA approached was better than standard accounting when used to analyze investment and its return, and increased in capacity will increased sensitivity of selling prices toward DOC and feed prices.

The study also recommends paying more attention to the variable cost especially the DOC and the feed cost due to their significant impact on the level of minimum selling prices. Other recommendations are to keep focusing on DOC cost due to its extremely fluctuated prices, perform an appropriate production management in order to push mortality rate as low as possible, keep feed consumption below the standard line, and prepare alternative action or some scenarios when the cost increased unpredictable due to the characteristic of DOC and feed cost.