

THE ANALYSIS OF BROILER AGRIBUSINESS IN THE DISTRICT OF TASIKMALAYA

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ABSTRACT

The theme of this study is the agribusiness of broiler production in Tasikmalaya District. The study was accomplished in eight months, from April to November 2008. Its purpose are twofolds; firstly, to identify the characteristics of broiler agribusiness system; and secondly, to describe the key factors likely possible to have an effect on its profit. The data were collected through survey. Descriptive-analytis technique was employed to describe the status of agribusiness, while subsequently cost-structure ratio for identifying the factors. The analysis revealed that the system of agribusiness have benevolently performed in the area. Subsystem of input have been identified as a strategic point within the system. In addition, broiler was considered as a financially viable farming business. In this context, the continuity and the bavailability of inputs, and the stability of its prices were likely to have a significant impact upon the level of profit.

Keyword: agribusiness, broiler, cost-structure ratio.

ABSTRAK

Tema yang dimuat di dalam penelitian ini adalah agribisnis usahaternak ayam ras pedaging di Kabupaten Tasikmalaya. Penelitian ini dilakukan selama delapan bulan, dari bulan April sampai dengan November tahun 2008. Maksud dari penelitian ini adalah untuk mengidentifikasi keragaan agribisnis ayam ras pedaging dan faktor-faktor yang mempengaruhi keuntungan usahaternak ayam ras pedaging. Metode penelitian yang digunakan adalah survei. Analisis terhadap keragaan agribisnis dilakukan dengan menggunakan pendekatan deskriptif analitik, sementara rasio struktur biaya dijadikan dasar untuk mengidentifikasi faktor-faktor yang mempengaruhi keuntungan usahaternak. Hasil analisis menunjukkan bahwa sistem agribisnis telah berjalan dengan baik pada usahaternak ayam ras pedaging di Kabupaten Tasikmalaya. Simpul strategis yang akan sangat mempengaruhi kinerja sistem tersebut secara keseluruhan adalah subsistem hulu (penyedia input). Selain itu, usahaternak ayam ras pedaging terbukti layak secara ekonomis. Faktor-faktor yang akan mempengaruhi tingkat keuntungan usaha adalah kontinuitas ketersediaan input (DOC dan pakan) serta kestabilan harga-harga input tersebut.

Kata kunci: agribisnis, ayam ras pedaging, rasio struktur biaya

BACKGROUND

The potency of broiler business had better to be developed in society. Its purpose are two folds; firstly, tradition of poultry farm in rural is its pledge of economy life supporter. Livestock function as the saving in society become a tradition, which its to be strong. Secondly, human resources in ranch area quite acceptable, even in case of developed the capital system of poultry livestock profitable, which its can is separate interesting power. Moreover now development of poultry livestock predefined race and disseminate in rural. Third, nature resources like farm and the other that related to levying system of poultry feed for condition at this time relative can be justified. The farmer of maize plant, paddy plant and the plant other, look there is its contribution by direct or indirect (Sulistiyati, 2005).

In its linkage with region development, Tasikmalaya District, is one of centra broiler production with population amount in 2005 are noted 3.322.859 tails (Disnak Propinsi West Java, 2006), broiler agribusiness development in potential will be able to integrate in economics of Tasikmalaya District with

West Java economics, even broader economics. In the future, by system of development and agribusiness, livestock subsector to be expected, specially the broiler agribusiness, can fulfill by itself need in country and no longer hung from outside and at the same time can vie with product from outside. Starting point from description above, then considered necessary existence of research to analysis of broiler agribusiness in Tasikmalaya District. This research aimed : 1) to identify the characteristics of broiler agribusiness system; and 2) to describe the key factors likely possible to have an effect on its profit level. This Research was conducted in order to problem solving in development (The category : research II). For the reason from this research expected can become guidance for broiler breeder in Tasikmalaya District in its operation and effort development, and for local government in will determine policy broiler agribusiness development in the future.

CONCEPTUAL FRAMEWORK

Definition of broiler agribusiness. The first time, the concepts of agribusiness emerges in 1950s as the mention for industry bunch (cluster industry) that centre around utilization of hayati resources. Saragih (2001) said that agribusiness was a new approach way in seeing agriculture. There had indicated that agriculture activities didn't on farm only, but off farm activities too. So the agriculture didn't orientation at production only, but market orientation too, not demand side only but supply side too. In this case, agriculture in perspective of agribusiness consist of on farm, and off farm, namely how provide its production medium, how process its output, how market its output, and how involvement of supporter institute.

Subsystem of broiler agribusiness. At poultry agribusiness system were existed 4 (four) this the following agribusiness subsystem. **Subsystem of upstream off-farm agribusiness**, which the activity of this subsystem is to produce raw material for poultry feed and its commercial. Into this subsystem, such as upstream off-farm agroindustry : breeding firm, industry of poultry feed, industry of drugs and vaccine and industry of livestock equipments. According to data of Ditjen Peternakan (1995), at subsystem of poultry upstream off-farm agribusiness existed breeding industry : DOC begin at PL/GGPS, GPS, PS, FS, with amount each: industry of Pure Line (PL)/Great Grand Parent Stock (GGPS) 1 unit; industry of Grand Parent Stock (GPS) 13 units; industry of Parent Stock (PS) 94 units. Besides, there are 54 units of poultry feed industry; 1521 units company in production or distribution drugs and vaccine livestock. The poultry only that have upstream off-farm agribusiness structure so strong and complete in country. **Subsystem of on farm agribusiness.** This Subsystem consist of activity broiler and layer farm. In the past, this Subsystem was called poultry farm. According to data Ditjen Peternakan (1995), at this subsystem existed 37 core companies that construct 1666 plasmas, with rate of production around 500 million broiler every year and 900 ton of eggs everyday. **Subsystem of downstream off-farm agribusiness.** This Subsystem have activities on farm of broiler and layer and its commercial. Into this subsystem, such as : abatoir industry (RPA/TPA), industry of flesh canning broiler, and the other derivate industries of poultry. **Subsystem of service institutions.** This Subsystem have activities that provide service is required poultry agribusiness (broiler and layer). Into this subsystem were counselling institute, transportation, banking, insurance, research and development, and government wisdom (Saragih, 1998).

RESEARCH METHODOLOGIES

The method of sampling. The method was used in research by survey. In general, survey had done in all centra of production broiler livestock in Tasikmalaya regency to get picture and information about performance of broiler agribusiness system as a simultan, while to get information about performance of broiler livestock finance had done by survey specifically in Singaparna and Pagerageung district, with consideration as follows : the both of the district were referred as centra of production broiler livestock in Tasikmalaya regency, and many stakeholders have the location in area referred, so it's facilitate data intake and information dig very easy be found. The data were used in research consist of the primary and the secondary data. The technique of collecting the primary data were obtained by interview with

questionnaire, whereas the secondary data were found by government institutions, extension agents, and government officer on duty ranch in rural.

The measurement of variable. Variable be used in this research consist of variable qualitative and quantitative. Qualitative variable has the character of descriptive, be next used to analysis performance of broiler agribusiness system in Tasikmalaya District, while quantitative variable is used to analysis performance of broiler livestock finance. The variables that measured shall be as follows : 1) the components of farming cost, revenue and profit in broiler livestock, in rupiahs per unit of farm scale; 2) the value of feed, equal to feed price is multiplied with volume of feed had used in farming business, in rupiah per unit; 3) the costs of drugs and vaccine, that medicine price and vaccine are multiplied with volume as used in broiler livestock, in rupiahs per month; 4) the costs of external family labour, equal to wage to be payed by farmer, in rupiah per month; and 5) the costs of cage and equipments is assessing invesment for cage and equipments, in rupiahs per set.

The model of analysis. To analysis performance of broiler agribusiness system were used qualitative analysis and descriptive, whereas to describe the key factors likely possible to have an effect on its profit :

$$Q_i = f(X_j, Z_k) \dots\dots\dots(1)$$

Where : Q_i = Commodity production i ; X_j = Amount of variable input j ; Z_k = Amount of fixed input. Equation 1 can be expressed in the production transformation function, that is :

$$F(Q, X; Z) = 0 \dots\dots\dots(2)$$

Where : Q = Vector of output input amount; X = Vector of variable input amount, Z = Vector of fixed input amount. Analogical in equation 2 and at level of input price and output price, then farmer had done maximize L as follows :

$$L = \sum_{i=1}^m P_i Q_i - \sum_{k=1}^n R_k X_k - \lambda (Q, X, Z) \dots\dots\dots(3)$$

Where : P = Output prices; R = Input prices; λ = Lagrange multiplier. Then, optimum advantage at :

$$\lambda = \sum_{i=1}^m P_i Q_i \cdot (Q, X, Z) - \sum_{k=1}^n R_k X_k \cdot (Q, X, Z) \dots\dots\dots(4)$$

RESULT AND DISCUSSION

The dynamics of broiler population. In its constellation to West Java, the population of broiler in the District of Tasikmalaya relative more less than the other region. Upon perception during three last years, the pangsa of population owned by by Tasikmalaya around 5.3 percentage of totalize population only in West Java; with growth number as high as 1.22 % every year. Table 1 shows position of broiler population dynamics owned by Tasikmalaya District relative to other region.

During last years, the population of broiler in Tasikmalaya District about three million tails. In West Java, the population amount owned by Tasikmalaya District relative more less than the other centra of broiler production regions, like that : Ciamis District, Subang District and Bogor District. Nonetheless, in spasial, broiler livestock industry can't be limited by administration region. Industry Performance review of its usually conducted base activity linkage region. Relate to the usual geographic division used by input producer, population and production region of broiler livestock in West Java divided into three region, namely : 1) Regional I : Bogor District, Sukabumi District, and Cianjur District and its surroundings; 2) Regional II : Bandung District and its surroundings; and 3) Regional III : East Priangan, equal to Ciamis District, Tasikmalaya District, Cirebon District and its surroundings. At the present, in general the

population of broiler tends to disseminated flatten in regional I and III; upon Ciamis District, Bogor District and Sukabumi District as the centra of broiler population for each regional. On base geographic division of its, Tasikmalaya District upon regional III, which on its fact is the biggest in centra of broiler population at West Java.

Table 1. The Dynamic of Broiler Population In West Java

District	Amount of broiler population (million tails)			Growth (%)
	2005	2006	2007	
Bogor	7.03	8.29	8.26	7.82
Sukabumi	4.45	5.44	5.88	13.60
Cianjur	4.65	4.92	5.13	4.90
Bandung	4.10	4.05	4.05	-0.61
Tasikmalaya	3.24	3.28	3.32	1.22
Ciamis	11.77	13.73	12.89	4.38
Subang	14.94	17.23	13.12	-6.03
Purwakarta	1.43	1.00	1.53	3.79

Source : Dinas Peternakan Jawa Barat (2007), to be calculated..

Subsystem of upstream off farm agribusiness. System of upstream off farm agribusiness in poultry industry in definitive cover producer of produce raw material and input for livestock; producer of produce seed, feed, drugs and the others (Saragih, 2000). Tasikmalaya District, and the other region be joined in Regional III, are one of target region for poultry shop be found in subsystem of upstream off farm agribusiness. By perception, many poultry shop (DOC and feed) as main supplier for broiler livestock in Tasikmalaya District, have the character of integrated, while business for livestock product and drugs and vaccine most selfsupporting or have license from multinational. In addition information, upstream subsystem in national industry of poultry is only filled by some livestock companies have the scale international. There are some reasons upon this situation. Firstly, economic of scale at input producer will take at very big production volume. Secondly, the dependancing national industry of poultry to import raw material to be caused by not linkage between maize and soy farm to industry of poultry (Yusdja, 2002). Finally, invesment to be needed by producer upon upstream subsystem – license to use grand parent stock and unit development of hatchery very high.

At the present, there are some input producers getting Tasikmalaya District as its production domain and marketing area; for example are Charoen Pokphan, Samsung, and Comfeed. The all of input producers are producer of seed and feed for poultry industry with distribution area of its product to all Indonesia region. Further, be existed the other companies produce seed of broiler and layer, for example are Grup Cibadak, Cobbindo, Cipendawa, Mangosteen and Multibreeder, while Gold Coin more focus at production of feed to broiler and layer, and other poultry. Besides seed and medicine industry, poultry shop (PS) is one of component subsystem of upstream agribusiness, which its have a role very importance upon supply chain in the District of Tasikmalaya. PS is an estuary that combine between raw material distribution and its output distribution, especially at broiler livestock. To get a point of focus, production pattern of broiler livestock by partnership be common activity in all West Java, which it's fenomena be caused by PS. The amount of PS in operating of Tasikmalaya District were noted 7 (seven) units; which the all activity of its covered all district of broiler production centra, such as :PS Andhika, Ada Jaya, Suka Hati, Gunung Jati, Taman Sari, TAnjung Mulia, and Martha.

In upstream subsystem, there are some issues very relate to performance of broiler livestock in the District of Tasikmalaya, and West Java generally. Some issues were presented as follow : The first, decreasing offer a maize plant – and soybean plant too in international market be shown by price fluctuation often happen at market of feed raw material. In several last years, increasing of maize price to 46 percents; followed increasing of soybean price about 100 percents cause cost of poultry feed production increase until 75 percents. To be predicted that price fluctuation of feed is fully caused by dependable manufacture of feed to import materials getting higher. This condition also means the price no longer be determined upon production structure of input producer by otonomy, but also macro-economy

condition at exporter countries of raw material. The second, fluctuation of price day old chicken (DOC). Rather differ with feed of poultry industry, not found accurate information about specific cause of its fluctuation. There is indication that the input market by a few input producer the large scale, then existed tendency the happening of practice leader-follower in getting of DOC price. To be known, the biologis industry in general can't done adjustment quickly to distortion be happen in the international market. If fluctuation of feed raw material price get a shock, then volume of input production can't be accomodated at once because input producer have production character joint product; which be predicted existed certain proportion between feed production volume and DOC be supplied to the input market. Saragih (2000) said that without existence of inter the large company then input industry have tendency to become a cartel.

No less important about issue of price fluctuation, be grow to the number of business units (strategis business unit; SBU) as the subsidiary company of input producer have come to separate problems. At the present, expansion strategy of input producer company are conducted pass by SBU, that its function look PS but the both of them sharply differentiated at its operational. Previously, PS is protagonist in input market. PS functioned as the main consumer of DOC and feed; so company of input producer only conducts transaction with PS. Further, PS acts as nucleus/core for plasma breeder; where in its transaction mechanism PS plays some roles – as the input dealer, as the investor and among others as the product buyer that produced by its plasma. The model like this of course can minimize transaction cost be faced by input producer because not must directly deal with individual breeder that plenty of the number and disseminated in various of regions.

Subsystem Primer. At the present, primary subsystem (on farm) in broiler industry are filled by three protagonists, namely : individual breeder, PS and SBU. Previously, primary subsystem are predominated only by self-supporting breeder and individual; self-supporting breeder (not partnership), which PS only as the source of input purchasing and individual breeder (plasma) like units be owned by PS as its nucleus company. Existence of distortion in broiler industry in the end last years cause the happening of change of institute structure in primary subsystem. Upon the fact in the centra of production regions, can be no longer existed breeder be categorized as the self-supporting breeder. According to the fact, nothing like self-supporting breeder can be follow changes – especially price – that happened at input market nor output because many factor; especially capital. As the its implication, industry of broiler can operate on at this time is only lengthening of enchain production from PS nor SBU; where individual breeder just has role as the preserver in livestock with cage as the main capital of its. Upon volume of broiler production in regional III, include in The District of Tasikmalaya, 70 percent of individual breeders to SBU, while the rest to PS.

Second pattern “partnership” that embraced by PS and SBU at this time no more differ. In principle, incentive has accepted by individual breeder come from its achievement in enlarges DOC up to old age to sell; be measured by achievement index. Nevertheless, some components have difference among two forms of partnership are the pixing of selling price. Individual Breeder to PS accept “wage” per tails plus some bonuses from PS as “imbal”service in enlarges DOC. This Pattern is called a makloon system; or often also called with “cage rent”. This Term describe condition actually; which at the finally individual breeder actually rental of cage only be owned to PS, whereas the all production input and outputs is responsibility of PS. Other Pattern is “price contract”; be applied by SBU to individual breeder. At this pattern, all the price of input and output had established by SBU upon prediction to the real price (market price) in the short term. In fact, this phenomenon also indicates that individual breeder as a partner of PS and SBU on safety position. The breeder have the partner with PS get incentive be called “wage” that level of fixed without influenced by market price. In this case, individual breeder just consider eligibility of incentive (wage) will be given by PS before started a production process; in other word, profit will be created breeder at the end of production had been determined in rupiahs per tails. Also the things of with pattern be applied by SBU. Individual Breeder have opsi too before started production process through considering of selling price will be accepted at the end of production. Though pattern of partnership went

into effect today can be give a safety for individual breeder, nevertheless the continuity of production period to period not be guaranteed by nucleus/core company. PS and SBU are protagonist in broiler industry, the both of them have freedom to determine output volume into market. Determination of output volume will be give by PS usually based on the behavior of consumer in market (behavior of demand side). At specified period, a PS can lessen its production to 50 percents base its prediction to demand trend of broiler. Reducting of production will affect to reduce production volume on individual breeder, which its quantity the same as PS. Differ to PS, SBU have volume of production go to market based on input behavior at its parent company. Such as those which has been known together, at certain periods input producer will experience of excess or insufficiency production as the impact from movement of row material price be happened in the market international. In case of oversupply, suppling of input will tend to aimed at SBU; which is on its innings will improve request to cage owned by individual breeder. On the contrary, when rate of production of input producer in a state of stabilize then request SBU to cage will be downhill drastic.

The performance of broiler livestock finance. There are three of production patterns common conducted by breeders of broiler; individual pattern (usual called with self-supporting breeder) and partnership pattern to PS and SBU. The main difference among various of this patterns upon behavior the usage of capital and costs in production structure. At self-supporting breeder, capital (asset) and costs (fixed and variable) come from breeder it self, whereas capital to be used by breeder of partnership pattern comes from a partner. In general, capital division be conducted by breeder of partnership in form of input loaning (seed and feed) before production period is started, while self-supporting breeder tends to buy input in cash payment be required to produce its. The difference among of third of production pattern will produce implication who also differ in financial structure production of broiler. Tables 2 will show the performance of financial from broiler livestock with the three of pattern referred as. In analyse of its, breeder have business scale be samed (+/- 15 thousand tails per period) from each production pattern selected become sampel. This condition had been conducted to compare among of third production patterns referred as.

Table 2. The Performance of Broiler Agribusiness Finance

The Structure of Cost	Self Supporting (%)	Production Pattern	
		Partnership PS (%)	Partnership SBU (%)
CAPITAL			
Day Old Chick (DOC)	17.96	22.78	21.73
Feed of starter	26.14	16.77	16.45
Feed of Finisher	30.73	37.59	36.84
Drugs	2.00	0.91	1.05
Total capital	76.82	78.06	76.07
OPERATION COST			
Brooder	0.32	0.36	0.35
Litter	0.20	0.23	0.22
Listrik	0.12	0.14	0.13
Labour	1.92	0.91	1.10
Depretiation of cage & equipment	0.13	0.15	0.16
Total operation cost	2.69	1.79	1.96
The sum of total capital & Operation cost	79.51	79.85	78.04
REVENUE			
Selling of broiler	99.59	99.66	99.68
Sellinf of pupuk	0.19	0.34	0.32
Selling of karung	0.22	0.00	0.00
Total revenue	100.00	100.00	100.00
INCOME (Net Revenua)	20.49	20.15	21.96
BENEFIT -COST RATIO	1.26	1.25	1.28

Keterangan : Persentase dihitung berdasarkan Total Penerimaan (=100), kecuali Rasio Manfaat Biaya.

At capital, the costs be allocated by breeder in various of production patterns range from 76 – 78 % from total revenue. On a more detailed, there are some findings at sub component must be considered. Cost allocation at sub component DOC indicates that relatively breeder with self-supporting pattern get cost advantage more than the others pattern. This phenomenon upon effect from pattern of cash transaction had been done by breeder. On based the perception, selling price of DOC had been accepted by self-supporting breeder range from 10 12 % lower than the others pattern. Purchasing DOC at partnership pattern of PS nor SBU, be conducted by credit transaction; which the payment of DOC be conducted by breeder after post harvest period. At sub component of feed, there are two differences must be explained. At the first phase of production, the costs had been allocated by self-supporting breeder greater than the others pattern. Whereas, at final phase of production, the costs of feed must be released by self-supporting breeder relative lower than the other pattern. The difference of costs allocation referred as is an implication from difference feed price of the pattern. The comparison of costs referred as indicate that price of feed be accepted by breeder with pattern PS and SBU were seen cheaper. Nevertheless in real, the floor price of feed will relative same at all production pattern if the costs of feed at final phase production were also figured in. At final phase production shown that price be accepted by pattern breeder PS and SBU more expensive than self-supporting breeder. The costs had been allocated for operational activity tend not differ the both of production pattern. Operational Cost allocation ranges from 1.7 – 2.7 % from total revenue. At sub component of labour, there is a few differences for self-supporting breeder. Especially at phase of post harvest, self-supporting breeder have consequence to release surcharger (especially labour) because its output market not to partner, but by breeder of partnership that all outputs its marketed return to its partner.

On based the perception, the performance of broiler livestock finance at each pattern not show difference; difference be happened between pattern referred as exactly layed in aspect performance of on farm. Though not can be generated to all breeders sample, there are some differences in technical aspect between production pattern be found in the region research, like : interval of production cycle, level mortalitas, feed conversion ratio (FCR), broiler weight upon post harvest, and production risk. At aspect the duration production cycle, self-supporting breeder tends to have longer interval of production. This phenomen was very relates to characteristic of output market owned by self-supporting breeder. As the same as self-supporting breeder usually have marketing channel by it self, then risk of entirely marketing diserap by producer. This phenomenon was a justification to differ the broiler weight at post harvest; which the broiler weight be produced by self-supporting breeder tend to higher. Relate to its market, then be found delay market demand causes longer period for broiler in cage. Found on difference level mortalitas and FCR have the character were very subjektif, and not such a public tendency in research region. Yet, there are some cases be indicated that self-supporting breeder have level mortalitas and FCR higher than partnership breeder. On based information be obtained from one of breeder sampel, level mortalitas had been experienced by self-supporting breeder to 6 %, whereas at partnership breeder ranges from 3 – 4 % only. At level FCR; it was indicator of usage efficiency of feed at broiler livestock. Self-supporting Breeder tends to have value FCR higher than partnership breeder; its mean that self-supporting breeder needs the feed to produce 1 kilogram of broiler weight more than partnership breeder. Level FCR at sample of self-supporting breeder around 1.4, whereas at partnership breeder ranges from 1.2 – 1.3. As a whole, broiler livestock in Tasikmalaya Districtis is a competent conducting activity economically.

Got out of production pattern had been adopted by breeder, value of benefit cost ratio from broiler livestock show value of benefit cost ratio equal to more large than one (B/C ratio > 1); that means its referred as can give economy reward (advantage) be quite competent for its perpetrator. Be there a few differences in production structure of broiler had been caused by institute factors and transaction cost must be accounted by perpetrators in industry is referred as. Self-supporting breeder tends to face production risk (the same as marketing) more large than ones in its broiler livestock, but it have market

incentive more large than ones at selling price. On the contrary, production risk be faced breeder of partnership relative smaller, nevertheless must accept the price has been determined by its partner. From analysis previously, there are some findings can be justified the factors who give the most influence advantage level in broiler livestock. On based by production cost structure, DOC and feed (starter and finisher) seems as main node will be give influence to the performance of broiler livestock. Besides, primary subsystem have a dependancing level to upstream subsystem seen very strong. This condition very relates to level of effort susceptibility; where there is a shock at upstream subsystem likely to have an economy implication to primary subsystem. Such as cases of input price fluctuation, DOC and feed, have been justification for phenomenon are referred as.

CONCLUSION AND POLICY IMPLICATION

In general, this research had some important informations about performance of broiler agribusiness in The District of Tasikmalaya. The performance of every subsystem in agribusiness and performance of financial had explained by detail. There were some conclusions be found by this research :

- 1) The livestock of broiler in Tasikmalaya District was a case as example, which its shown agribusiness system bases on livestock had run by good. In its system, integration between subsystem, begin at upstream subsystem up to downstream subsystem, has been formed by establish. There were two patterns system of broiler agribusiness; that is self-supporting broiler livestock pattern and partnership broiler livestock pattern. The simpul of strategic likely possible to have an effect on its performance system by holistic are upstream subsystem (input provider); and broiler agribusiness economically; to be indicate by value of benefit cost ratio. Upon base its enterpasing pattern, there was a few differences in production cost structure; between breeder on the both of pattern system of broiler agribusiness (self-supporting and partnership pattern). The Structure of production cost also indicates that the factors influence profit of broiler livestock were continuity of input availability (DOC and feed) and stability of input prices.

According to the goal of broiler livestock development in Tasikmalaya District, support of the more government policies of course very required, especially by the state government or province government. Broadgauge the policy of government scope be required, because broiler livestock isn't limited by administratively government, but disseminated follow request pattern. Marginally, policies that believed can support successfulness of broiler livestock development program covers some aspects, as follows :

- 1) Improvement of competition in input market. The goal of its is to create input supply system of broiler agribusiness stable and efficient. To create input market upon perfect competition nearly be needed a few of all policies linkage with organizing of invesment in broiler industri, international trade mechanism, and fiscal policy;
- 2) Scale transformation of self-supporting pattern of broiler agribusiness. The goal of its transformation was to push the farmer of broiler to get economic of scale, which it have the impact upon economic of size condition at subsystem of on farm broiler livestock. The policy be required relate to repair of input quality to be used, regionalization of broiler livestock, and accesesibility to capital market;
- 3) Minimization of risk the livestock of broiler at subsystem on farm and post harvest. The biggest risk in broiler industry were existed in subsystem on farm and post harvest. To be needed the policies to stimulate the service institute, such as : insurance, to cover the risk in industry of broiler. Besides, ought to have mechanism of risk division between subsystem in industry of broiler; and
- 4) Forming of broiler processing industry at marketing subsystem. The biggest added value in broiler industry be there at processing subsystem. This Strategy aimed to grow processing industry of livestock product, such as : processing of post harvest and by product, that produced by industry of broiler. The policy be required to push growth of broiler industry more linkage to incentive creation at activity processing.

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