COMPARISONS OF THE PROFITABILITY VALUE OF THE BROILER FARMING ON THREE MODELS OF PARTNERSHIP SYSTEM WITH CLOSE HOUSE SYSTEM IN MALANG REGENCY

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Abstract

Three models of partnership system with close house system was used in this research consists of : 1) profit sharing, 2) sub-contract, and 3) management fee. The aim of this research was to (a) formulated production cost and cost structure was used for producing chicken meat, (b) analyzed profitability value based : GPM (Gross Profit Margin), NPM (Net Profit Margin), ROA (Return of Assets), and ROE (Return of Equity). The method of this research that is case study. Sampling data was used consists of survey method, observation, and direct interview with farmers. The result showed that (a) production cost has spent by farmers for producing one kilogram at partnership system with profit sharing system on Rp. 21.006, sub-contract system on Rp. 21.132, and management fee system on Rp. 14.610; (b) GPM value at partnership system with profit sharing system on 7 %, sub-contract system on 3% and management fee system on 11%; NPM value at partnership system with profit sharing system on 7,01 %, sub-contract system on 3,20 % and management fee system on 10,74%; ROA value at partnership system with profit sharing system on 6,59 %, sub-contract system on 5,93% and management fee system on 19,42%; ROE value at partnership system with profit sharing system on 14,15 %, sub-contract system on -5,63% and management fee system on 18,47%.

Keywords: partnership system of broiler, profitability analysis.

BACKGROUND

National poultry industry is growing rapidly along with advances in technology and information. The need for animal protein to meet the nutritional value of the community is increasing in line with the growth of the national economy. The consumption of national chicken meat is higher in line with the purchasing power of Indonesian people towards chicken meat.

The development of the poultry industry is increasing rapidly, especially in the broiler sector. This is supported by the development of partnership system in Indonesia pioneered by big companies against small farmers.

The objectives of developing agriculture and livestock sectors through farming partnerships are: 1) increasing revenues, 2) balancing farming, 3) increasing group resources, 4) increasing farming scale, and 5) increasing farming capability, making it strong and independent (Akinola 2014).

The partnership used in the research is the close house system. Close house system is also called enclosed pen which is a pen system where all conditions inside the pen are not influenced by the circumstances outside the pen (Heise et al., 2015), such as temperature,

humidity, wind speed, and climatic conditions in the pen can be arranged in such a way to suit the needs of livestock by using a controlling machine such as fan and cooling pad to facilitate technical care, land savings, and minimization of labor. The models of partnership system commonly used by farmers in the close house system are profit sharing, sub-contract, and management fee (Amam and Pradiptya, 2017).

Farmers gain benefits through the sale of chicken meat with various model of partnership system are for the welfare of farmers and maintain the continuity of poultry farming (Banjoko et al., 2014). The profitability of farmers is obtained from profitability analysis measured by GPM (Gross Profit Margin), NPM (Net Profit Margin), ROA (Return of Assets), and ROE (Return of Equity).

Profitability analysis is used to measure the overall effectiveness of management as indicated by the large and small profit levels obtained in relation to the sale of livestock to production capital. Production capital consists of fixed costs and variable costs. Fixed costs are relatively fixed costs and will continue to be issued even if the production obtained a lot or a little, while the variable cost is also called the cost is not fixed and is a large cost and small is influenced by the resulting production.

The objectives of the research are: 1) to formulate the cost structure and production cost used by farmers to produce chicken meat, and 2) to analyze profitability value based on: GPM (Gross Profit Margin), NPM (Net Profit Margin), ROA (Return of Assets), and ROE (Return of Equity).

The researchs are useful: 1) to the study material of poultry industry in the livestock farming, 2) as the material of broiler farming evaluation on various models of partnership system, and 3) as reference source for students, researchers, lecturers, and government in determining policy partnership for broiler farmers.

METHODS

Location and Time of Research

The location of research in Malang Regency, it refers to the consideration that Malang Regency is the second largest broiler production center in East Java as much as 27.642.192 (Ditjennakkeswan, 2016) after Lamongan District with density 7,830 tails / km^2, and with 3,530 area, 65 km^2 with 27 sub-districts, so it has potential of supporting area for the development of broiler livestock, while East Java Province is the second biggest broiler production center after West Java.

Operational Definition and Variable Measurement

1. The profit-sharing is a model of partnership system in which the nucleus company provides pens, operations, and labor. Marketing is done by nucleus and plasma parties.
2. The sub-contract is a model of partnership system in which the nucleus company provide sapronak (feed, DOC, vitamines, and medicines) and technical advisors (PPL and veterinarian), while the farmer as partner to provide pens, and labor. Cooperation is set forth in the contract documents containing sapronak price, broiler selling price, achievement bonus, and SOP.
3. The management fee is a model of partnership system in which the nucleus company provides sapronak and plasma provides pens and labor. The large and small profits of plasma farmers are based on IP (Index of Production) set by the nucleus calculated per harvest period over the plasma agreement.
4. Production costs represent costs associated with the production function, or the processing of raw materials into finished materials, and related to the manufacture of goods or the provision of services.
5. Revenue is the result of multiple between production and selling price.
6. Revenue is the difference between total revenue minus the total cost incurred during the

production process.

7. Profitability is a measure used to determine how much income before interest and taxes resulting from the total utilization of farming assets and sales. Profitability is the company's ability to profit from its farming activities, as well as measure the level of profit generated by the company.
8. GPM (gross profit margin) is used to know the gross profit of the company from the sale of each product. The ratio is strongly influenced by the sale of each product.
9. NPM (Net Profit Margin) is a measure of the company's profitability from sales after taking into account all costs and income taxes.
10. ROA (Return of Assets) is an analysis used to measure the ability of the company with the overall fund invested in capital used for the company's operations in obtaining profit.
11. ROE (Return of Equity) comparison between total of profit that available to the owner of the modal in the one side with total of modal that produce the profit in the other side or rentabilitas of own modal to produce profits.

Data Analysis

Production cost

$$TC = FC + VC$$

TC : total cost
FC : fixed cost
VC : variable cost

Revenue

$$TR = Pq \times Q$$

TR : total revenue
Pq : price of quality
Q: quantity

Income

$$\pi = TR - TC$$

π : income
TR : total revenue
TC : total cost

Gross Profit Margin

$$GPM = \frac{EBT}{TR} x\ 100\%$$

GPM : gross profit margin
EBT : earnings before tax
TR : total revenue

Net Profit Margin

$$NPM = \frac{EAT}{TR} x\ 100\%$$

GPM : net profit margin
EAT : earnings after tax
TR : total revenue

Return of Assets

$$ROA = \frac{EAT}{\text{total modal}} x\ 100\%$$

ROA : return of assets
EAT : earnings after tax

Return of Equity

$$\text{ROE} = \frac{\text{EAT}}{\text{total independent modal}} x\ 100\%$$

ROE : return of equity
EAT : earnings after tax

Sample Collecting Method

Research respondents were participants of nucleus-plasma partnership from broiler farming with partnership system that consists of profit sharing, sub-contract, and management fee. Criteria of farmers who made the respondent are: 1) farmers cooperate with nucleus-plasma partnership with the partnership system for one year or six periods, 2) have complete recording data, 3) livestock farming conducted in Malang Regency, 4) Farmers has a minimum three years of farming experience, 5) livestock farming using a close house system, and 6) broiler population at least 10,000 for each period.

Method of Collecting Data

Data were collected using survey method, observation, and direct interview with farmer. The method is used to collect primary and secondary data.

RESULT AND DISCUSSION

Livestock Fund Farming Report of Partnership System

Malang Regency consists of 33 districts which are divided into several villages and sub-districts. Respondent is a farmer type distinguished into a partnership system and the type of DOC it maintains.

The financial statements on broiler farming with close house system of profit sharing, sub-contract and management fee consists of four main components: 1) fixed cost, 2) variable cost, 3) revenue, and 4) income.

The fixed cost of the broiler farming with close house system in profit sharing, sub-contract, and management fee includes: depreciation expenses, labor costs, costs of the pens care, and equipment care costs. The variable cost of the broiler farming with close house system in profit sharing, sub-contract, and management fee includes: DOC costs, feed costs, vitamines and medicines costs, electricity costs, transportation costs, husk costs, LPG costs, consumption costs for labor (Amam and Pradiptya, 2017).

Revenue of broiler farming with close house system that consists of profit sharing, sub-contract and management fee includes: chicken sales, feces sales, feed sales (sacks), FCR bonuses, mortality bonuses, and incentives. Income of broiler farming with close house system that consists of profit sharing, sub-contract and management fee includes: EBT, VAT (5%), and EAT (Amam and Pradiptya, 2017).

Table 1. Livestock Farming Fund Report of Partnership System

Report	Profit Sharing			Sub-Contract			Management fee		
	Rupiah/ 1.000 tails	Rupiah / kg	%	Rupiah/ 1.000 tails	Rupiah / kg	%	Rupiah/ 1.000 tails	Rupiah/ kg	%
Fixed Cost									
1.Decrease	201.646	94	0,79	300.800	151	1,16	280.914	126	1,01
2.Labor Wages	420.000	113	1,64	275.000	127	1,06	125.677	56	0,45
3.Pen care	15.385	7	0,06	15.000	7	0,06	15.081	6	0,05
4.Equipment care	7.692	3	0,03	5.000	2	0,02	5.027	2	0,02
Total Fixed Cost	653.723	217	2,55	595.800	287	2,29	426.699	190	1,53
Variable Cost									
1.DOC	5.492.388	3.001	21,43	5.125.000	3.153	19,69	6.011.662	3.520	21,53
2.Feed	18.732.138	10.245	73,1	19.452.187	11.83	74,74	20.623.617	12.080	73,88
3.Vitamine and medicine	172.118	94	0,67	335.558	204	1,29	159.494	95	0,57
4.Electric	198.718	108	0,78	173.222	107	0,67	299.137	181	1,07
5.Transportation	13.248	7	0,05	16.805	10	0,06	14.956	9	0,05
6.Husk	170.000	92	0,66	101.694	62	0,39	199.025	118	0,71
7.LPG	126.308	69	0,49	153.000	94	0,59	107.346	62	0,38
8.Labor Consumption	66.239	36	0,26	73.611	50	0,28	74.784	45	0,27
Total variable cost	24.971.157	13.652	97,4	25.431.077	15.51	97,71	27.490.021	16.110	98,47
Total production cost (fixed cost + variable cost)									
	25.624.880	13.869	100	26.027.877	15.804	100	27.916.720	16.300	100
Revenue									
1.Broiler Sale	27.628.934	14.582	96,7	28.679.426	15.985	98,14	31.715.444	17.884	96,44
2.Feces Sale	446.714	235	1,56	128.228	74	0,44	543.347	311	1,65
3Feed sack Sale	117.040	61	0,4	102.722	57	0,35	116.349	66	0,35
4.FCR Bonus	226.667	120	0,79	194.339	68	0,67	189.775	48	0,58
5.Mortality Bonus	149.998	79	0,53	116.927	22	0,40	148.365	38	0,45
6.Incentive	0	0	0	0	0	0	173.044	99	0,53
Total Revenue	28.569.353	15.077	100	29.221.642	16.206	100	32.886.324	18.446	100
Income									
1.EBT	3.083.442	1.143		3.487.178	563		4.824.646	2.093	
2.PPn (5%)	154.171	57		199.726	80		241.232	105	
3.EAT	2.929.251	1.086		3.312.819	535		4.666.748	1.993	

Source : Data Processed (2017)

Revenue

Revenue is anything generated by a production process called a gross income of a livestock farming or a production value defined as the total product value of a livestock farming in a given period of time, whether sold or not sold. Revenue of broiler farming in profit sharing and sub-contract of partnership systems are sale of broiler, stalkers, sale of feeding sacks, FCR bonuses, and mortality bonuses. Revenue of broiler farming in management fee are broiler sales, feces sale, feed sack, FCR bonus, mortality bonus, and incentive bonus.

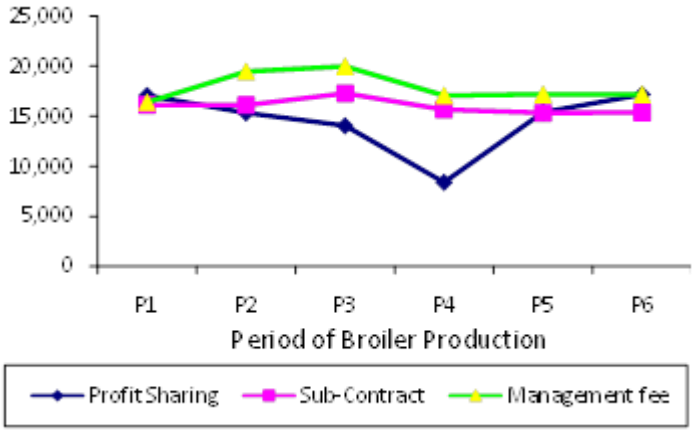

Figure 1. Broiler Sale

The highest number of farmer's income from broiler sales resulted from the profit sharing system during the six-period spent in the first period of Rp 17,715 / kg, due to the high demand for chicken meat at the beginning of the year. The lowest number of farmers receiving broiler sales from the broiler farming with close house system from profit sharing of partnership system during the six month spent in the period 4 of Rp 8,764 / kg, where the condition was influenced by the decrease of farmer's expense, feed cost, DOC cost, and cost of vitamins and medicines (Amam and Pradiptya, 2017).

The highest number of farmer's income from broiler sales of broiler farming with close house system in sub-contract during six periods spent in the period 3 of Rp 18,080 / kg, due to the increase of farmer's expense, feed and DOC cost, while the cost for vitamines and medicines treatment tends to be lower. The lowest number of farmer's income from broiler sales of broiler farming with close house system of profit-sharing during six months spent in the period 5 of Rp 15,469 / kg, where the condition was influenced by the low purchasing power of the broiler due to the high mortality rate and the stress level on the broiler. This is supported by the absence of (0%) mortality bonuses and incentives received by farmers in sub-contract of partnership systems in period 5.

The highest number of farmer's income from the broiler sale result of broiler farming with close house system in management fee during six periods spent in period 2 of Rp 20,099 / kg, due to the high cost of farmer's spending on vitamins, so the chicken produced is healthy and fat. The lowest number of farmers received from the broiler sale of broiler farming with close house system in sub-contract during six periods spent in period 1 of Rp 16,884 / kg, which is influenced by the low cost of farmer for feed and DOC.

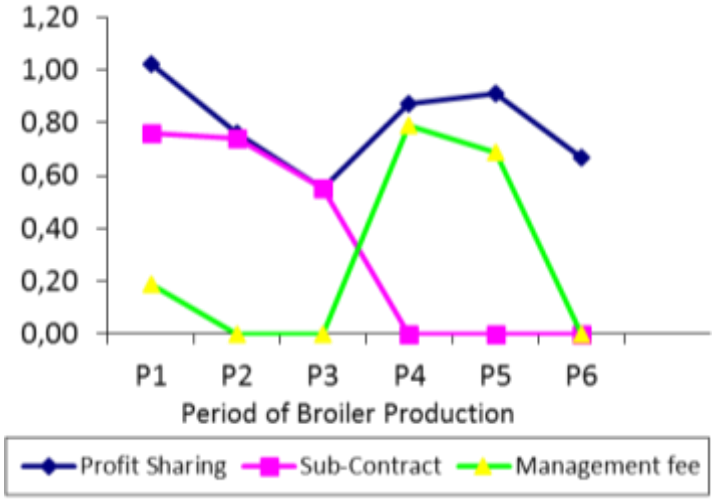

Figure 2. Revenue of FCR Bonus

The highest amount of farmer's income from FCR bonus of broiler farming with close house system in profit sharing during six period spent in period 1 that is equal to 1.02%, it is caused by high revenued by farmer in period 1 amounted to Rp 17.715 / kg. The lowest number of farmer's income from FCR bonus of broiler farming with close house system in profit sharing during six period spent in period 3 that is 0,55%, where condition is influenced by high DOC price in period 3 that reach Rp 4,224 / issued by farmers to feed slightly reduced, it affects the low FCR broiler in period.

The highest number of farmer's income from FCR bonus of broiler farming with close house system in sub-contract during six periods spent in period 1 that is 0.76%, it is caused by the high cost of farmer for livestock feed in period 1 which reached Rp 11,882. The lowest revenue of broiler farmers from broiler FCR bonuses for close periods occurred in periods 2, 4, 5, and 6, where the farmers did not receive FCR bonuses (0%).

The highest amount of farmer's income from FCR bonus of broiler farming with close house system in management fee during six period spent during period 1 that is 0.83%, it is caused by low cost of farmer for feed that is Rp 10.947 and DOC that is Rp 2,790 / tails. The lowest revenue of farmers from FCR bonuses of broiler farming with close house system in management fee during six periods occurred in period 6, where the condition is influenced by the high costs incurred by the farmers for vitamins and medicines caused by stress on broilers, so that at the time FCR harvest is the lowest point during six periods.

Revenue that received farmers in addition results of broiler sales and FCR bonuses are mortality bonuses. The deliver of mortality bonus of broiler farming with close house system that consists of profit sharing, sub-contract and management fee is not the same. The large and small bonuses received refer to the high and low mortality rates of broiler maintained.

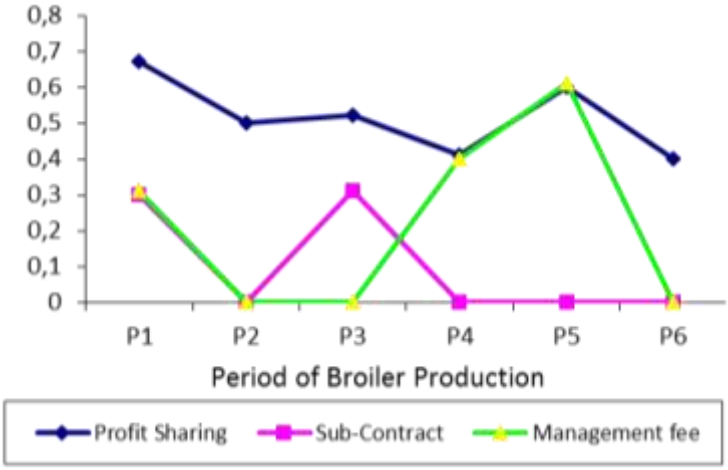

Figure 3. Revenue of Mortality Bonus

The highest number of farmer's revenue from mortality bonuses of broiler farming with close house system in profit-sharing of partnership system during the six periods occurred in period 1 of 0.67%, while the lowest number of farmer's revenue from mortality bonuses of broiler farming with close house system in profit-sharing during six periods occurred at period 6 is 0.40%.

The highest number of farmer revenue from mortality bonuses of broiler farming with close house system in sub-contract of partnership system during the six periods occurred in period 3 of 0.31%, while the lowest number of farmers received from mortality bonuses of broiler farming with close house system in sub-contract of partnership system during six periods occurs in periods 2, 4, 5, and 6.

The highest number of farmer revenue from mortality bonuses of broiler farming with close house system in management fee of partnership system over six periods occurred in the period 5 of 0.61%. The lowest total revenue of mortality from mortality bonuses of broiler farming with close house system in management fee of partnership system over six periods occurred in period 2, 3, and 6.

Income

Income or profit in broiler farming with close house system that consists of profit sharing, sub-contract and management fee are gross revenue and net income.

Table 2. Income of livestock farming

Income	Profit Sharing		Sub-Contract		Management Fee	
	Rp/1.000 tails	Rp/kg	Rp/1.000 tails	Rp/kg	Rp/1.000 tails	Rp/kg
EBT	3.083.422	1.143	3.487.178	563	4.824.646	2.093
Tax 5%	154.171	57	199.726	80	241.232	105
EAT	2.929.251	1.086	3.312.819	535	4.666.748	1.993

Source : Data Processed (2017)

Gross income called by EBT (earning before tax) and net income called by of EAT (earning after tax) .Operating income broiler farming with close house system with partnership system that consists of profit sharing, sub-contract, and management fee experienced differences .

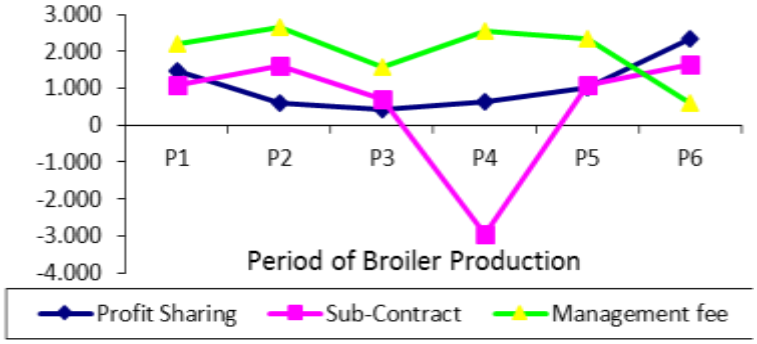

Figure 4. Net Income (Rp/kg)

The highest income of farmers from mortality bonuses of broiler farming with close house system in profit sharing of partnership system during the six periods occurred in period 6 amounted to Rp 5,195,125, due to the increase in the price of chicken meat at the end of the year in line with the number of national meat demand. The lowest income of farmers from mortality bonuses of broiler farming with close house system of profit sharing of partnership system during the six periods occurred in period 3 of Rp 1,677,278, where the condition was influenced by the low price of broiler in the consumer level.

The highest income of farmers from mortality bonuses of broiler farming with close house system in sub-contract of partnership system during six periods occurred in period 5 of Rp 5,505,641. The lowest income of farmers from mortality bonuses of broiler farming with close house system in profit sharing of partnership system during the six periods occurred in period 4 of Rp -1,445,992, meaning that broiler farming suffered losses. This is due to the high costs incurred by farmers for livestock feed reaches Rp 13,582.

The highest income of farmers from mortality bonuses of broiler farming with close house system in management fee of partnership system over six periods occurred in period 5 of Rp 6,278,575. The lowest income of farmers from mortality bonuses of broiler farming with close house system in management fee over six periods occurred in period 4 of Rp 3,369,384.

GPM (Gross Profit Margin)

GPM or gross profit is affected by revenue earned and production costs incurred. GPM can also be used as a determinant of HPP or Cost of Main Sell . GPM value calculation data on broiler farming with close house system with partnership system that consists of profit sharing, sub-contract, and fee management can be different.

Table 3. GMP value of Livestock Farming

Component	Profit Sharing	Sub-Contract	Management Fee
EBT (Rp) x 1.000	33.359	23.949	50.895
Revenue (Rp) x 1.000	421.628	391.467	485.065
GPM (%)	7	3	11
UMKM Standard (%)	11,81	11,81	11,81
Result of Evaluation	Not Good Enough	Not Good Enough	Good Enough

Source : Data Processed (2017)

Value GMP of broiler farming business with close house system with partnership system that consists of profit sharing, sub-contract, and management fee different. Value GMP is highest in management fee of partnership system as much as 11 % , while standard UMKM is 11,81. The high value GPM caused gross profit (EBT) received by a partnership system management fee high.

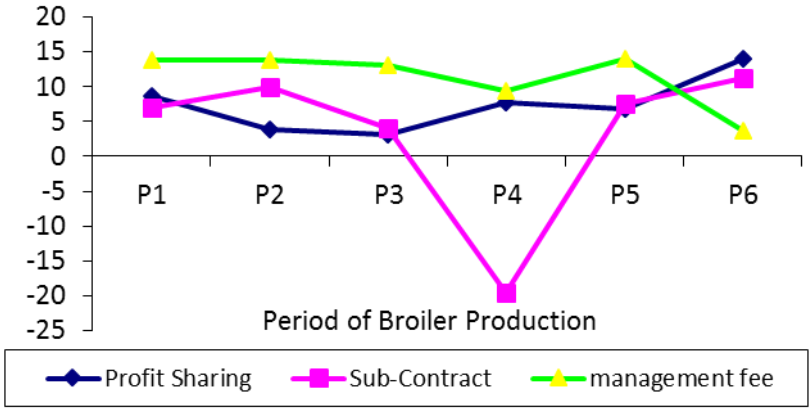

Figure 5. GMP Value of livestock farming

The sub-contract of partnership system gets the lowest GPM value of -19.57%, if GPM is negative then the livestock farming in the fourth period suffers a loss. Losses are caused by the revenue generated lower than the production costs incurred. Reception is slightly influenced by the number of dead chickens (high mortality rate).

The highest GPM value in broiler farming system close house of profit sharing partnership system occurred in period six, that is equal to 14,08%. That is, each issued capital of Rp 1,000,000 it will get a gross profit of Rp 140,800.

NPM (Net Profit Margin)

The value of NPM in the broiler farming with close house system in sharing partnership, sub-contract and management fee is still below the standard of UMKM. The UMKM standard for NPM is 15%, while the NPM in the profit sharing partnership is 7.01%, sub-contract of partnership system is 3.20%, and management fee of partnership system is 10.74%.

The value of NPM in the broiler farming with close house system with the partnership system that consists of profit sharing, sub-contract, and management fee are:

Table 4. NPM Value of Livestock Farming

Component	Profit Sharing	Sub-Contract	Management Fee
EBT (Rp) x 1.000	33.051	22.752	48.350
Revenue (Rp) x 1.000	421.648	391.467	485.065
NPM (%)	7,01	3,20	10,74
UMKM Standard (%)	15	15	15
Result of Evaluation	Not Good Enough	Not Good Enough	Good Enough

Source : Data Processed (2017)

The value of NPM of broiler farming business with close house system with partnership system that consists of profit sharing, sub-contract, and management fee for each stretch out:

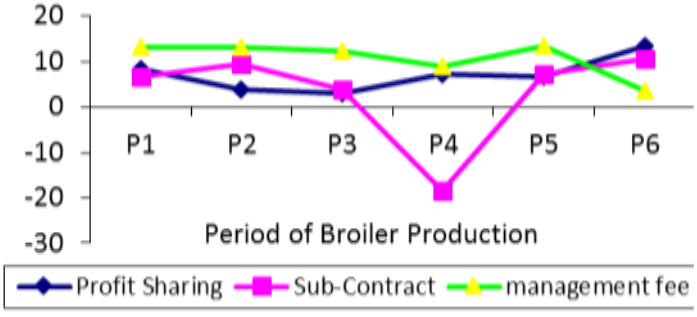

Figure 6. NPM value of livestock farming

The highest NPM of broiler farming with close house system in profit sharing of partnership system during six period occurred in period 6 that was 13.37%. This was due to the high income received by farmers in the period 6 amounted to Rp 5,195,125. The lowest NPM value of broiler farming with close house system in profit sharing of partnership system during six period occurs in period 3 of 2.95%, which is influenced by the low income earned by the farmers in period 3 of Rp 1,677,128.

The highest NPM value of broiler farming with close house system in sub-contract of partnership system during six periods occurred in period 6 which was 10.61%, whereas the lowest NPM value of broiler farming with close house system in sub-contract of partnership system during six periods occurred in period 4 that is -18.59%, where the condition explains that farmers experience financial loss.

The highest NPM value of broiler farming with close house system in management fee of partnership system during six period occurred in period 5 of 13.29 %, while the lowest NPM value of broiler farming with close house system in sub-contract of partnership system during six periods occurred in period 4 is 8.99%.

ROA (Return of Assets)

ROA is used to measure the capability of the broiler farming with close house system with partnership system that consists of profit sharing, sub-contract, and management fee with the overall fund invested in modal used for the operation (broiler farm management with enclosure) in obtaining profit.

Table 5. ROA Value of Livestock Farming

Component	Profit Sharing	Sub-Contract	Management Fee
EBT (Rp) x 1.000	33.059	23.949	50.895
Modal Total (Rp) x 1.000	505.878	404.168	261.835
ROA (%)	6,59	5,93	19,42
UMKM Standard (%)	10	10	10
Result of Evaluation	Not Good Enough	Not Good Enough	Good Enough

Source : Data Processed (2017)

The highest ROA value of broiler farming with close house system in profit sharing of partnership system during six period occurs in period 6 that is 15.90%, whereas the lowest ROA of broiler farming with close house system in profit sharing of partnership system during six periods occurred in period 3 is 2,36%.

The highest ROA value of broiler farming with close house system in sub-contract of partnership system during six periods occurred in period 6 of 17.32%, while the lowest ROA of broiler farming with close house system in sub-contract of partnership system during six periods occurred in period 4 is -9.12%.

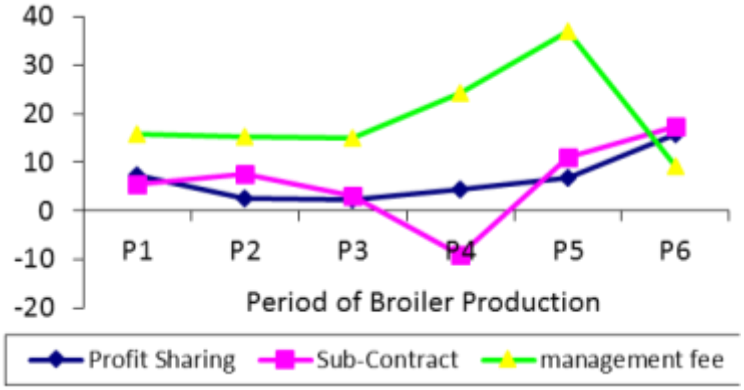

Figure 7. ROA Value of Livestock Farming

The highest ROA value of broiler farming with close house system in management fee of partnership system during six periods occurred in period 5 that is equal to 36.93%, while the lowest ROA of broiler farming with close house system in management fee of partnership system during six period occurred in period 6 that is 9,15%.

ROE (Return of Equity)

The value of ROE in broiler farming with close house system with partnership system that consists of profit sharing, sub-contract, and management fee are:

Table 6. ROE Value of Livestock Farming

Component	Profit Sharing	Sub-Contract	Management Fee
EAT (Rp) x 1.000	33.051	22.752	48.350
Modal Total (Rp) x 1.000	505.878	404.168	261.835
ROE (%)	14,15	-5,63	18,47
UMKM Standard (%)	21	21	21
Result of Evaluation	Not Good Enough	Not Good Enough	Good Enough

Source: Data Processed (2017)

The highest ROE value of broiler farming with close house system in profit sharing of partnership system during the six periods occurred in the second period of 27.19%, while the lowest ROE of broiler farming with close house system in profit sharing of partnership system during six periods occurred in period 4 that is 4,45%.

The highest ROE value of broiler farming with close house system in sub-contract of partnership system during six periods occurred in period 6 of 16.45%, while the lowest ROE of broiler farming with close house system in sub-contract of partnership system during six periods occurred in period 4 that is -8.67%.

The highest ROE value of broiler farming with close house system in management fee of partnership system during six periods occurred in period 5 of 35.08%, while the lowest ROE of broiler farming with close house system in management fee of partnership system during six periods occurred in period 6 that is 8,69%.

CONCLUSION

1. The cost structure of broiler farming with close house system of profit sharing, sub-contract and management fee of partnership system consists of fixed cost, variable cost, income, and income.
2. Average cost of production in broiler farming with close house system of profit sharing of Rp 13,996 / kg, sub-contract of Rp 15,818 / kg, and management fee of Rp 16,306 / kg.
3. GPM value in profit sharing of 7%, sub-contract of 3%, and management fee of 11%; NPM value in profit sharing of 7.01%, sub-contract of 3.20%, and management fee of 10.74%; ROA value in profit sharing of 6.59%, sub-contract of 5.93%, and management fee of 19.42%; The value of ROE in profit sharing of 14.15%, sub-contract of -5.63%, and management fee of 18.47%.

Mathematically, based on the analysis of profitability value obtained a statement that the greater the modal issued, the profits generated will be greater, so that partner farmers need to increase farming modal to increase the profitability of their farming.

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