

The \$1.75 Million Dollar Alpaca Arrives.

By Adrian Stewart

Many pundits were expecting to see great things at the Snowmass, "Making of Champions" auction particularly in terms of record prices. However, before we could even board the plane to sunny Arizona a private sale had already created a new world record value for a male alpaca.

Sharon Brown and Jim Webb of Virginia Alpaca Farm & Breeding Co. purchased a 50% interest in 4Peruvian Legacy 6016 from Crescent Moon Alpacas. This 50% Interest in Legacy sold for \$750,000 (£430,000), making Legacy worth (in theory at least) 1.5 million dollars ... and so the first Million Dollar Alpaca was born! Legacy was the 2002 AAA Futurity Herdsire of the Year, the 2005 AAA Futurity Reserve Light Herdsire of the Year and a Blue Ribbon Get of Sire winner in 2002, 2003, 2004 & 2005. You can read fibre stats and more about his record of accomplishment at www.virginiaalpacas.com

\$1.5 million. Has the world gone mad? Perhaps, but once you look at the numbers it all stacks up quite nicely for the owners at least. Firstly, all outside breedings are stopped as there is much more money to be made getting females pregnant and selling them off before they give birth. Why sell a breeding for \$10,000 when you can sell a pregnant female for \$15,000 or even \$20,000 over her value before becoming pregnant?

This approach also moves along your female stock nicely and eliminates all the hassle of females (that belong to other breeders) coming on and off the property. In addition, you can of course do select breedings with your own top flight girls and hopefully get some great progeny to improve your breeding herd while winning a few blue ribbons along the way. The relationship between Crescent Moon and Virginia Alpaca Farm works well with each farm being located at opposite sides of this vast country, so Legacy will no doubt be shuttling back and forth producing a steady stream of pregnant females on both coasts. At the moment, alpacas here still travel by trailer but now prices are into thoroughbred horse territory it can only be a matter of time before they start to fly coast to coast, its quicker, less stressful and safer.

When I eventually arrived at the Snowmass Auction, it did not disappoint. Sharon Brown and Jim Webb were in the headlines once more, this time paying \$305,000 (£175,000) for 8622 6Peruvian Hallmark. Now, this girl was born in January 1995, which makes her 11 years old! Before the auction Julie and Don Skinner, the owners of Snowmass, both expressed concern about selling this grand dam, given that embryo transfer programs are now operating worldwide. Snowmass Legacy Gold was the top selling male going for \$500,000 (£287,000). In all 67 lots went under the hammer for \$3, 958, 000. (£2,270,000) a flying start to the New Year. I would estimate there were close to 300 guests at the two-day event. There were seminars on both days and everyone was wined and dined throughout by our generous hosts Julie and Don.

Of course, all these "gee whiz" prices make for interesting conversations in the bar but are not of great relevance to the vast majority of alpaca breeders in the USA. Thankfully these mega prices for top end males (and females) have not affected the price of alpacas lower down the pecking order or even their breeding fees. At the everyday end of alpaca farming, elite males are not the issue. Just the opposite in fact, far too many males are genetically active in my opinion. A quick straw poll of the 40 farms in my own area shows that they have about 700 alpacas in total and over 100 of those are active stud males. I have every reason to believe this is a situation replicated across the US. The smaller breeders simply cannot afford outside breeding fees for all their females and even if they could, they do not like losing their adorable females and cria for 3 months at a time. This is why the most dramatic breeding

progress is taking place with the top breeders and why the majority of smaller farms are falling behind in the race to improve the North American alpaca, and probably why smaller farms tend to be actively against a breed standard, which they fear will favour the larger breeders.

North American Fibre Cooperative

A handful of people in the UK have e-mailed to ask what developments have taken place with the North American fibre co-op since I last wrote about them.

The co-op has just completed the training of fibre classers that will reduce sorting costs by up to 80% while improving accuracy. They have also contracted with a US mill to produce yarn at a significantly lower cost than the Canadians were able to do.

Sadly, the money currently being generated is financing the day-to-day operations of the co-op and reducing a debt burden that accumulated under previous management.

The co-op is currently striving to better define the allocation of profits, particularly in terms of patronage dividends to the membership. Past income was derived predominantly from the sale of Peruvian-sourced products while member-submitted clip was stored in a warehouse and not processed. Finally, it appears that some commonly held notions about the relative worth of different grades of fiber might not be reflected in actual profits that the co-op generates.

As an example, baby fine suri is generally thought to be the most valuable fibre. However, in practice, the co-op currently generates far more profit from adult grade fiber used in heavy boot socks, because income is earned throughout the whole value chain of that particular product. This will hopefully change as the fibre industry matures but you can see the dilemma it causes during the start up phase. Right now the co-op is trying very hard to persuade breeders to participate and looking at alternatives for collecting the clip.

The future is far from certain for the co-op but returning \$10 per pound to members for raw fibre within the next few years is now a possibility.

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