

## To Have a Successful Business with Alpacas and Llamas, You Must

### Customize to Maximize... ...because one size doesn't fit all!

Whether you have two animals or 20, your llamas and alpacas can help pay their way. Camelid Community 2009 has put together this packet of proven ideas to help you recognize the potential of your animals and how you can capitalize on the qualities that make them so unique. Not all of these ideas will work for everyone, but every one of them could work for someone.

We've tried to provide you with enough ideas to get your creative juices flowing, as well as suggestions on where you can get more information about certain topics. Most of us aren't going to make a living from our llamas and alpacas, but that doesn't mean they can't help pay for their care and feeding—and in many cases a good deal more. It won't happen, though, unless you make it happen! Take a look at this packet, brainstorm with some friends and put together your own plan—not only for enjoying your animals, but also for earning some income with them.

### In a Nutshell....



### Fiber

There are many options for using your llama and alpaca fiber no matter what quality or quantity you have. If you want to earn some money with it, the one option you don't have is to leave it stacked up in your barn. Why send your fiber off for processing, why not sell it as it comes off the animal? That certainly is an option, but when you have it processed you add value to the raw fiber that brings you a bigger return when you sell the product. Each step

in the production process adds value but also increases the dollar investment you have in the product. Here are some guidelines to help you determine the best options for your own fiber and circumstances.

**Evaluation**—You need to know what type of fiber you have. There are various levels of “expert opinion”, and the methods you choose may depend upon your opportunities and budget. They include histograms, fleece show contests and on-farm evaluations by a fiber judge. You can also get a very good evaluation of your fleeces by utilizing local fiber people and guilds, shearers, other llama and alpaca breeders and your own self evaluation (especially if you take the time to educate yourself about fiber). Consider organizing an “evaluation event” with other breeders or through your local organization.

**Sorting**—Once you know the quality of each fleece, sort them into low, medium and high quality levels, and determine to what use each category will be put. For more information on various sorting systems and available classes, check the web site for the North American Alpaca Fiber Producers at [www.naafp.us](http://www.naafp.us), as well as [www.fibersorting.com](http://www.fibersorting.com).

There are uses for every level of fiber. Here are just a few of the possibilities: yarns of all types, roving and batts for spinners and felters, kits, rugs, art, quilt batts, dog beds, fine blankets, rope halters, horse blankets, fashionable garments from Main Street to high end. The possibilities are endless, but you need to determine which levels of fleeces you have and select potential uses that fit those quality levels. Contact other livestock fiber breeders who could use your fiber in blends. You could also create a unique product that no one else offers.

**Processing**—Both mini mills and fiber pools/cooperatives are processing options. You will need to determine which best fit your needs. If you are new to the world of fiber processing, use the Internet to research and explore various sites. Many provide extensive information on how to prepare your fiber for processing, and you will also learn a specific fiber art vocabulary that will be helpful when working with a mill. A simple search of “alpaca and llama fiber processors” will bring up more than 7,000 sites.

Arrange to visit at least one mill that is located fairly close to you. It will help you understand how important each step in the process is for a quality product. You don’t have to become an expert, but do learn the basics of fiber processing. You will be able to make educated decisions and create a plan for the best and most profitable use of your fiber harvest. Here are some questions to ask when visiting a mill or talking to a mill owner:

- \*If they wished their customers learned one thing about fiber processing, what would that be?

- \*What steps can fiber producers take before sending their fiber off for processing that would save them money?

- \*How important is a good shearing job when it comes to fiber processing?

- \*Will they give you feedback or contact you if they feel, based on their experience, that the quality of the fiber identified for a certain type of processing is not what it should be for that product?

- \*Do they feel there is a use for all fiber?

- \*What is included in each service they list? This may already be answered in their price list.

- \*What is their turnaround time?

- \*Are the prices based on the weight of the fiber coming in or the weight after processing? This may also be in the price list.

- \*Ask to see samples of their work.

- \*Ask for referrals; then follow up with the referrals.

## **Agri-tourism**

Llama and alpaca farms are ideal for agri-tourism opportunities. Field trips and farm tours provide you with an opportunity to educate as well as earn money. You could also contact a tour operator in your area and have your

farm included as a stop in one of the bus tours they offer. Produce a farm brochure and place it in local chamber of commerce locations or in nearby highway rest areas (check with your state tourism department for permission). Have a retail shop on your farm to provide a shopping opportunity for those who visit. (A “shop” may be anything from a separate building to a room in your house to a corner of your front porch.) Include not only your fiber and fiber related products, but also other commodities you raise on your farm—pumpkins, squash, berries, apples, herbs—manure!—and the like. Create your own tour by getting together with others and producing a joint brochure that describes each of the stops. All stops could be llama and alpaca farms—or fiber related in some way—or you might create a tour with three or four very different kinds of operations (cheese factory, apple orchard, antique store, etc.).

Bed and breakfasts are another business activity that can fit well with camelid farms, especially if you are within a reasonable driving distance of a major metropolitan area. Regulations vary from state to state but are usually much less strict than those for motels and hotels. Visit with B and B owners about the pros and cons of such a business to see if it fits with your lifestyle, and see what start-up and promotional help is available from state agencies.

Provide services for other camelid owners (or potential owners). Shearing and nail trimming can be a good business. Rent your excess pastures, or rent out your animals to trim the grass at someone else’s place and feed them at no cost at the same time. Boarding the animals you sell is another option., especially if you live near a major metropolitan area; board llamas and alpacas for those who want to own them but who don’t have the acreage to keep them. Maybe you’re one of the business oriented fiber people who could make a go of it by opening a mini mill.

Many states have special agri-tourism programs that can provide you with help—and sometimes even grants. Check with the agriculture, tourism and economic development agencies in your state. Your local county Extension office or Farm Bureau often has information on these programs and can help point the way to the agency that best fits your needs. A number of states also offer programs to promote products made in their state—“Something Special from Wisconsin” and “AgriMissouri”, for example. See if your products could be part of their promotional packages.

## **Public Relations**

There are essentially two types of public relations activities you can get involved with, community service and paid public relations. Both can be beneficial. While you don’t earn money directly from community service activities, they can get you the kind of exposure that will come back to you in farm visits and product and animal sales. They are also the types of activities we all need to be involved with just to pay our dues for living on this planet and sharing this world with others. These activities can include packing trash out of ditches on cleanup days or assisting national parks and forests in their cleanup efforts, being part of fundraising walkathons or ringing bells for the Salvation Army, collecting items for the local food shelf or visiting local schools on agriculture days. See if your library or vacation Bible school would like an alpaca or llama to visit. The opportunities are endless to get you and your animals involved in local community projects.

You can also earn money by performing public relations activities for many types of businesses and individuals. Business grand openings and anniversary celebrations generate much more excitement when llamas or alpacas are involved. Deliver “llama-grams” to celebrate special occasions. Offer “party animals”—llama/alpaca birthday parties at your farm or at homes or businesses. Use your cart driving llamas to carry local celebrities in parades.

Hold an annual farm open house (or open barn). Set up educational exhibits, displays and demonstrations, as well as hands on opportunities with your animals. Enlist the help of your friends. Spring and fall are great times for such an event, but you might also consider scheduling an open house to coincide with a local festival or other such activity. Another possibility is to work with other llama and alpaca farms in your area to jointly advertise an “open

house tour” of all your farms on the same day. Holding an open house on National Alpaca Day in the fall is a good option for alpaca farms belonging to AOBA. Offer your products and animals for sale in eye-catching displays.

## **Markets and Marketing**

You can have a product—be it fiber, animals or services—but if no one knows about it, they won’t be beating a path to your door. Tap into the current “go green” and “buy local” marketing campaigns. From their fiber to their pellets, llamas and alpacas are a perfect fit for the “green” market, and many promotional materials and programs already are available. Local markets save on transportation costs and also have that “homegrown” touch. Check out farmers markets as spots where you as a “fiber farmer” can sell your fiber and manure and advertise your services. Take your animals along. In addition, take your animals and products to local festivals and craft fairs.

Get involved with your local youth, from agriculture days at elementary schools to working with older youth in FFA and 4-H. Teach classes about both the animals and their fiber. Join local guilds, chambers of commerce and other such groups and associations. Offer to provide a program at one of their meetings. Get your fiber into a local yarn shop, and offer to teach a fiber class there. Bring the animals one day for a special promotion.

Get involved with other livestock industries, and advertise in their publications, especially those for livestock who need guardians. Provide an article on “the care and feeding of llamas as guardians” for their publications. Create a niche market with a product or service no one else is providing. Donate your products (a basket of yarn, a gift certificate for a llama/alpaca birthday party, etc.) to silent auctions and other fundraisers.

Alpaca and llama shows are also an excellent way to showcase your animals, breeding program and all that your farm offers and can be a major component of a marketing program. There are halter classes for conformation, as well as the whole array of performance classes (pack, public relations, obstacles), which highlight the versatility of camelids. Fleece and fiber classes show off your animals’ outstanding fiber and your spinning, knitting, weaving and felting talents. There are shows across the country, and schedules can be found online at show organization web sites.

Don’t be too lazy or afraid to do some self promotion. Place ads in newspapers, newsletters and magazines. Learn how to write press releases and when to use them to generate publicity for your farm or event. Submit a special article to a local paper or publication. If you don’t feel confident as a writer, submit the idea for a story and offer to work with one of their writers. The Internet can be a valuable tool as more people buy and sell online. Use web sites and e-mails blasts to expand your marketing reach. Most importantly, get out in public with your animals! Jog with your llama, take a couple of alpacas to your craft fair exhibit, hike with your animals in a state or local park. Be creative—just get your animals out there!

## **Good Business Practices**

When selling your llamas and alpacas, the first thing you need to do is find out the buyers’ goals. Why do they want them? What do they plan to do with them? Then you can help provide buyers with the information they need to make good decisions about the animals. Owning an animal that can live up to 20 years is a big commitment. Help them plan not only for proper care, handling and nutrition, but also to consider estate planning for their animals—if the new owners die or become seriously ill, what will happen to their animals? This is the time, too, to talk about retirement planning and how to start downsizing well before totally retiring from raising these animals.

Sellers need to mentor buyers and do active follow-up with them. Don’t wait for them to come back to you with questions because some of them may be hesitant. Be proactive in reaching out to them. Offer to help give shots or trim toenails a time or two so they can learn by watching and asking questions. Give buyers a membership application to your local camelid organization, or purchase a one-year membership for them. At the same time,

provide your camelid organization with the names of new buyers so they can issue a personal invitation to join the group.

Provide buyers with potential end uses for llamas and alpacas so they can determine possible income generators that fit their lifestyle and interests. Just because it doesn't interest you or fit your needs doesn't mean it might not be a perfect fit for potential buyers of your animals. Don't limit your market by focusing only on your own interests—learn as much as you can about how your animals can be used so that you can sell interested clients on those many options.

### **Camelid Community**

Camelid Community is the only national forum that offers the opportunity for dialog among representatives of national, regional and local camelid organizations as well as interested individuals and owners. Camelid Community does not have a board of directors, officers or great funds at its disposal. The gathering brings together concerned llama and alpaca enthusiasts to discuss issues, suggest solutions and work toward common goals that are critical to the existence of our community. Participants attend because they care about their animals and about the future of our industry.

**Resources from Camelid Community:** In addition to this packet of business ideas, Camelid Community has also produced a basic care brochure, "*The Basics of Alpaca & Llama Care*", and a press packet that contains a sample press release, llama and alpaca fact sheet and a poster, as well as tips on how to use all of these publicity pieces. They are available for downloading at [www.icinfo.org](http://www.icinfo.org), the web site for the International Camelid Institute, under the Camelid Community section. A report on the latest Camelid Community gathering is also available on the site.

If you or your organization is interested in participating in Camelid Community, send an e-mail to [bsfugina@pressenter.com](mailto:bsfugina@pressenter.com) or [bebaker@hughes.net](mailto:bebaker@hughes.net) for more information.