

Feel the Fibre

By Adrian Stewart

The focus of the alpaca market in North America remains the sale of alpacas. However, there is a growing call particularly from smaller breeders to start putting more emphasis onto the fibre side of the industry.

Even though the Alpaca Registry (ARI) has just registered the 100,000th alpaca, we are still a long way from having sufficient numbers of animals to get the attention of the mainstream textile industry. Many alpaca owners never bother to register their fibre boys so while the alpaca registry has reached 100,000 registered animals the real number of alpacas on the ground is probably closer to 115,000. Which means that in 2007 we will probably be shearing well over half a million pounds of fibre.

Where does all the fibre go?

Well the sad truth is that currently of the fibre sent for processing at the coop, quite a bit is thrown away. The latest figures from AFCNA show that of the most recently sorted fibre 36% was unusable.

Breakdown of fibre received at the AFCN sorting facility in New Mexico.

Grade	Percentage
Baby/Royal Baby	7%
Superfine	35%
Adult/Strong	16%
Shorts (less than 2.5")	5%
TRASH (unusable fiber)	36%

Somewhere between 25% and 30% of alpaca breeders are members of the Alpaca Fibre Cooperative of North America (AFCNA). The AFCNA goal is to get that number to 50% within 12 months.

Those breeders are now being urged by the AFCNA to help reduce operating costs (and their own freight expenses) by sending only good blankets and clean usable seconds to the cooperative sorting facility.

Surprisingly, the micron count is not the issue but rather excessively hairy, dirty or contaminated fleeces which simply cannot be processed into quality alpaca goods.

To address this problem an education initiative is underway and detailed instructions with pictures will soon be available on the AFCNA member website showing how to skirt and sort fleeces. There is however no reason to believe that this situation is unique to the cooperative.

In addition to the coop there are many mini mills now operating that will process alpaca fiber on behalf of breeders, for a fee. Here is an example of typical charges for the various mini mill processes involved.

Typical Mini Mill Processing Prices.

Process	Price £
Washing	1.69 lb
Picking	1.27 lb
Fiber Separating	2.96 lb
Blending	1.69 lb
Hand cutting fiber over 6 inches	2.12 lb
Washing./ Picking / Carding / Batts or Rovings	5.50lb
Yarn Processing - Includes washing, picking, carding, spinning, drafting, steaming and cone or skein winding. £1 = \$1.89	11.85 lb

You can see how for a farm with 40 alpacas and 200lbs of fleece can soon run up a bill in excess of £2,000 to produce a product they may not be capable of retailing, even over the internet.

Therefore, despite the growing popularity of mini mills many alpaca breeders remain convinced that the only viable method of generating income for farmers from their alpaca fiber is by using the cooperative business model to bring alpaca products to market. The belief is that the AFCNA, as a cooperative will enable alpaca farmers to gain more leverage in the U.S. textile market. This will be no mean feat because the world textile market is in a state of dramatic change. Many North American textile mills have already closed or moved production offshore and others will follow.

By contrast, the expressed desire of the AFCNA membership has always been to produce 100% alpaca products using North American mills. However in the future AFCNA members will have to entertain the thought of offshore manufacturing to ensure that American alpaca products are competitive with products produced by other alpaca fiber producers.

With this in mind the AFCNA have adopted a strategy based on quality throughout the whole value chain. Not just from the point of clip collection, but quality in breeding, husbandry and shearing must be undertaken by individual alpaca breeders.

Products produced from AFCNA member fiber will carry the North American Alpaca quality Certification Mark that the AFCNA has registered. This mark can be licensed for use on labeling by any North American alpaca fiber product manufacturer that meets qualifying criteria for North American alpaca content.

Initiatives with a more immediate benefit include the all-new store website at www.americasalpaca.com and the new Affiliate Program, which have been operating successfully since early August of this year. The Affiliate Program was developed to enable members without farm stores to nevertheless participate in the profit opportunity of selling alpaca products. It works in a similar way to the affiliate programme that companies such as Amazon.com operate.

Members can have a virtual store on their farm website that links to AFCNA's online store. When a retail order is placed through a farm website store, AFCNA will do the order filling, payment collection and shipping. The order-generating farm will then receive a 20% sales commission on the retail sale. This Affiliate Program benefits AFCNA and its members with not only another sale but also a large sales force.

If you retail the products from a real farm store (bricks and mortar), at list price, then you retain 50% of the sales price.

For the cooperative to achieve its lofty goals, members are going to have to forego any return on their fleece for the foreseeable future. The current management of the cooperative are living with large debts inherited from the previous management team. As most agricultural economists would agree, the cooperative model offers the highest chance of success for North American alpaca breeders to develop a viable fibre market. However, the path ahead will be far from smooth and members will need to place not only their well-sorted fibre but also their trust and support in the cooperative if it is to succeed. Perhaps we could learn something from the 28 weavers who formed the Rochdale Pioneers back in 1844.

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