



## A Brief History of Alpacas

Alpacas have coexisted with humankind for thousands of years. The Incan civilization of the Andes Mountains in Peru elevated the alpaca to a central place in their society. The imperial Incas clothed themselves in garments made from alpaca and many of their religious ceremonies involved the animal.

The Spanish conquistadors failed to see the value of alpaca fiber, preferring the merino sheep of their native Spain. For a time, alpaca fiber was a well-kept secret. In the middle 1800's, Sir Titus Salt of London, England rediscovered alpaca. The newly industrialized English textile industry was at its zenith when Sir Titus began studying the unique properties of alpaca fleece. He discovered, for instance, that alpaca fiber was stronger than sheep's wool and that its strength did not diminish with fineness of staple. The alpaca textiles he fashioned from the raw fleece were soft, lustrous, and they soon began making their mark across Europe. Today, the center of the alpaca textile industry is in Arequipa, Peru; yarn and other products made from alpaca are sold primarily in Japan and Europe.

Outside of their native South America, the number of alpacas found in other countries is extremely limited. In fact, 99 percent of the world's approximately three million alpacas are found in Peru, Bolivia, and Chile.

## Alpacas Facts

Alpacas were first imported to the United States in 1984. Alpacas are now being successfully raised and enjoyed throughout North America and abroad. There are two types of alpacas — the Huacaya and the Suri.

Alpacas produce one of the world's finest and most luxurious natural fibers. It is clipped from the animal without causing it injury. Soft as cashmere and warmer, lighter and stronger than wool, it comes in more colors than any other fiber producing animal (approximately 22 basic colors with many variations and blends). This cashmere-like fleece, once reserved for Incan royalty, is now enjoyed by spinners and weavers around the world.

The lifespan of the alpaca is about 20 years and gestation is 11.5 months. Alpacas eat grasses and chew a cud. They are about 36" tall at the withers and weigh about 150 pounds. They are gentle and easy to handle. Alpacas are safe; they don't bite or butt. Even if they did, without incisors, horns, hoofs or claws, little harm can be done. Clean-up is easy since alpacas deposit droppings in only a few places in the paddock. They require minimal fencing and can be pastured at 5 to 10 per acre.

## **ALPACAS The Earth-Friendly Farm Animal**

Alpacas have been domesticated for more than 5,000 years. They are one of Mother Nature's favorite farm animals. They are sensitive to their environment in every respect. The following physical attributes allow alpacas to maintain their harmony with our Mother Earth.

- The alpaca's feet are padded and they leave even the most delicate terrain undamaged as it browses on native grasses.
- The alpaca is a modified ruminant with a three-compartment stomach. It converts grass and hay to energy very efficiently, eating less than other farm animals.
- Its camelid ancestry allows the alpaca to thrive without consuming very much water, although an abundant, fresh water supply is necessary.
- The alpaca does not usually eat or destroy trees, preferring tender grasses, which it does not pull up by the roots.
- South American Indians use alpaca dung for fuel and gardeners find the alpaca's rich fertilizer perfect for growing fruits and vegetables.
- A herd of alpacas consolidates its feces in one or two spots in the pasture, thereby controlling the spread of parasites, and making it easy to collect and compost for fertilizer.
- An alpaca produces enough fleece each year to create several soft, warm sweaters for its owners comfort. This is the alpaca's way of contributing to community energy conservation efforts.

## **The Alpaca Advantage**

- Alpacas are safe, they don't bite or butt. Even if they did, without incisors, horns hoofs or claws, little harm can be done.
- Alpacas are small and easy to handle.
- Alpacas are useful: they produce fine and valuable fleece as well as make wonderful pets.
- Alpacas are intelligent, which makes them pleasant to be around and easy to train.
- Alpacas are beautiful; they come in over 22 colors, and are clean and pleasant to be near.
- Alpacas do not require butchering in order to be profitable.
- Alpacas do not require special shelter or care.
- Alpacas are considered disease-resistant animals, which lowers insurance and veterinarian costs.
- Alpacas are adaptable to varied habitat, successfully being raised from Australia to Alaska and from 15,000 feet to sea level.
- Alpacas are rare outside of South America and cannot be mass-produced.
- Alpacas require minimal fencing.
- Alpacas can be pastured at 5-10 per acre.
- Alpacas are easy to transport, which allows them to be traded across the country or around the world.

- Alpacas have a relatively long and trouble-free reproductive life span.
- Alpacas can be insured against loss.

### **Who Buys Alpacas?**

Alpaca breeders come from many walks of life. For some, alpacas are a source of income, for others a source of pleasure. Young couples with children might own three or four alpacas and enjoy caring for them. Retired couples, who have raised their kids, sold their business, and retired to the country, are often owners. The family whose members include a handspinner might own two or three animals for fiber production. Several large breeders are veterinarians who have found the ownership of alpacas to be more rewarding than practicing veterinary medicine. Many herds are owned by families where one spouse has a city job, and the alpaca business is managed by the other on their small acreage in the country. A large number of breeders are working couples who tend to their herd in the evening after work. All of these alpaca breeders, big and small, enjoy their animals and feel good about owning an investment they can hug.

Some owners don't actually raise their animals on a day-to-day basis. They live in the city, and are building their herd toward the day they might change careers or retire to the country life. For all owners, alpacas offer a great way to diversify their financial portfolio with a commodity that is both rare and in demand worldwide.

There are large ranches with over 500 alpacas, and small farms of only two or three alpacas. The average alpaca herd is made up of about eight to ten alpacas. Most herds start out small

and evolve to the size that fits the breeder's farm and financial goals.

Almost all breeders are in business for the long haul; they believe in the future of the animal. With the small number of alpacas currently available, there will be an extended and steady demand for breeding stock to continue meeting the needs of our growing industry for many years.

It is important to recognize that alpaca ownership has inherent risks as do all livestock and financial investments. It is recommended that you talk to breeders to familiarize yourself with the risks as well as the rewards of alpaca ownership.

### **Alpaca Supply and Demand**

The developing market for alpacas has been restricted by lack of supply. There are approximately 30,000 alpacas in America and about 35,000 in Australia. Until recently, there has been little aggressive marketing of the animal, very few auctions, and very little national media attention for the alpaca. Yet both North America and Australia have experienced exceptional demand for alpacas at very high prices. Canada has an active alpaca market, and many Canadians have recently purchased animals in the United States. Supply will continue to be restricted in the near future for a number of reasons:

- Alpacas reproduce slowly.
- Many breeders retain their offspring, building their herds.
- Mass production of "cria," or babies, via embryo transplant is not feasible, since there is no available supply of suitable host females.

- The limited size of the national herds in each country outside of South America will restrain growth for some time to come.
- The U.S. alpaca registry is closed to further importation to protect our national herd, which will further limit U.S. herd growth.

Demand for alpacas has increased dramatically every year since their introduction outside of South America. The American and Australian breed associations each have over two thousand members, while only a few short years ago there were none. Each association publishes a full color Alpacas magazine which is available to its members.

Not only are there more breeders entering the alpaca market each year in established countries such as Canada, New Zealand, Australia, and the U.S., but there are more countries competing worldwide to establish alpaca herds. Japan, Britain, Israel and France now have alpacas. This growth is sure to continue as the alpaca gains international recognition.

The demand for alpacas is part of a larger appetite for investment in rare breeds. Whole industries have sprung up around ostriches, miniature donkeys and even Tibetan yaks. Investment in rare livestock coincides with people's desire to live in the country, raise their children on a farm, or retire to a rural lifestyle.

Alpacas offer an outstanding choice as a livestock investment. They have long been known as the aristocrat of all farm animals. But most of all, alpacas are easy keepers, they have a charismatic manner, they do very well on small acreage, and they produce a

luxury product which is in high demand.

Consumers are drawn to alpaca sweaters with just one touch. Alpaca is several times stronger and much warmer than sheep's wool. The fiber itself is semi-hollow and makes very light, thermal garments. Alpaca fleece is easy to process and readily spins into both woolen and worsted yarn. Fabrics made from alpaca are sewn into the finest European suits and jackets.

Historically, alpaca production has been concentrated in the high Andes Mountains where pasture is limited. The world-wide population of alpaca is barely three million animals. As a result, alpaca is considered a specialty fiber with limited available supply. Alpaca fleece is comparable to cashmere in softness and is often mixed with other fibers, such as mohair, to vary the texture of the yarn produced. A strong domestic commercial market for large volumes of alpaca fleece is easily envisioned and a national fiber co-op is working with breeders large and small to see this vision become reality.

The potential market for an animal with the characteristics of the alpaca is vast. Alpacas are loved by their owners and respected by those who process or wear products made from their fleece. They are truly the world's finest livestock investment.

### **The Alpaca Registry**

The alpaca industry is new to the U.S., but it has had the foresight to create a basic condition for maintaining the value of its bloodstock, namely, a breed registry. The alpaca registry is a state of the art and highly sophisticat-

ed system to document bloodlines. Each animal is blood-typed prior to registration. Alpaca crias (babies) cannot be registered unless their dam and sire are also registered and their parentage is proven by the blood test. The owner of each registered alpaca receives a certificate that documents its bloodlines and serves as evidence of ownership for the animal.

The value of this registry cannot be overstated. Almost every alpaca in the U.S. is registered. Alpacas without registration papers are difficult to sell. As a result of the registry, bloodlines have been kept pure, and cross breeding with other camelids has been virtually eliminated. Every alpaca breeder's investment benefits from this bloodstock registry.

### **Investment Potential**

Why do people in so many countries call alpacas, "The worlds finest livestock investment?" For any investment to be valuable, it must possess certain qualities which make it desirable. Gold is scarce, real estate provides shelter, oil produces energy, bonds earn interest, stocks are supposed to increase in value, and diamonds symbolize love. Alpacas share many of these investment attributes.

Around the world, alpacas are in strong demand, and people pay high prices for them. They are scarce, unique, and the textiles produced from their fiber are known in the fashion centers of Paris, Milan and Tokyo. There are excellent profit opportunities and tax advantages available to alpaca breeders.

Historically, the alpaca's value has sustained ancient cultures, such as the Incas of Peru, and today alpacas

are the sustaining economic force for millions of South Americans. History has validated the value of the alpaca.

Livestock, or animals raised for profit, was an investment long before financial stocks were sold on the New York Stock Exchange. The richest families of ancient times counted their wealth by the size of their flocks of sheep or herds of cattle. Today, wealth as a result of livestock ownership is not as common, but tending to a graceful herd of alpacas can also be an exciting way to earn a substantial cash flow and live a rewarding lifestyle.

Since 1984, alpacas have appeared, almost simultaneously, in several countries where they had never been seen before. The U.S., Canada, New Zealand, France, Australia and England have all acquired the foundation animals for national herds. What makes this animal so desirable? Bottom line: alpacas are both profitable and enjoyable.

### **Investment Qualities**

An alpaca rancher with a small herd on a small acreage can expect to harvest his animals' fleece and sell their offspring profitably. The value of alpaca fleece is the economic underpinning of the future market for alpacas. Breeders outside of South America are beginning to organize wool co-ops for the commercial processing of the fleece. Domestic fiber is often sold to cottage industries that revolve around handspinning and weaving. Most alpaca ranchers readily sell their fleece for \$2 to \$6 an ounce to local artisans. Each animal will produce five to eight pounds of fleece a year. A North American fiber co-op, endorsed by the Alpaca Owners and Breeders Association (AOBA),

provides a commercial outlet for all breeders.

The current alpaca industry is based on the sale of quality breeding stock, which demands premium prices. Female alpacas begin breeding at between 14 and 18 months of age, while males begin breeding at about three years. The females produce approximately one baby per year during a reproductive life of 15-20 years.

The factors which influence individual alpaca prices include color, conformation, fleece quality and quantity, age, and sex. Females sell for more money on average than males, but herdsire quality males demand the highest individual prices. Breeders often prefer one alpaca color to another; however, the parents color does not necessarily guarantee a cria of the same color. Correct, well-conformed alpacas sell for higher prices. Fleece density, uniformity and fineness also affect the animal's price.

The range of value for females is currently between \$12,500 and \$40,000. Females with unique attributes have sold for more than \$40,000. Young, unproven high quality stud prospects routinely sell for between \$7,500 and \$25,000, and the highest quality males with unique characteristics or exceptional offspring on the ground have sold in excess of \$100,000. Many breeders start with several breeding age females and perhaps one male. Other new breeders may elect to start with several young animals or a breeding pair. There is an approach suitable for your level of interest and financial position. The financial analysis found in this brochure incorporates animal prices that a buyer can expect to pay for good quality, sound breeding stock. Alpacas are much like diamonds. The market pays a premium for flawless examples of the breed.

## **Alpaca Purchase Contracts**

Every purchaser should require a purchase contract when acquiring an alpaca. A typical contract will call for a veterinarian exam certifying the alpaca's health at the time of purchase. Other clauses might warrant that a breeding male will, in fact, settle females and that he is not sterile as a condition of birth. A contract for purchase of an alpaca female will often warrant that she is anatomically complete and capable of producing live offspring.

Contracts will specify the financial terms involved and include small details such as who delivers the animals. It is important to know what happens if there is a future problem with the alpaca that you purchase. For instance, a young male could grow up to be sterile. This condition may not be known for one or two years after purchase. Most breeders will agree to replace the animal if this happens.

Contracts are important so that all the elements of a purchase can be accounted for. It is also very important to deal with a breeder of good reputation. Ask for references if you feel the need. You are making a large investment when you buy alpacas and it's important that you feel good about it.

## **Alpaca owners enjoy a strong and active national organization.**

The Alpaca Owners and Breeders Association (AOBA) with a growing number of Regional Affiliates and AOBA sanctioned national committees addressing every aspect of the industry.

We recommend that you join our Alpaca Owners and Breeders Association, or AOBA as it is generally known. Farm memberships which include voting privileges and affiliate memberships (without voting privileges) are available. Each member receives a subscription to Alpacas magazine, a bi-monthly newsletter, a membership directory, access to the AOBA library, and many other breeder support services.

Each year AOBA holds a national convention, which includes halter and performance class shows. There are many educational opportunities provided at these events, and best of all, you'll make new friends who share your enthusiasm for alpacas. Breeder enthusiasm for the shows creates additional show venues each year. There will be a regional show near you sometime this year; plan to attend.

Finally, AOBA has produced several informative offerings. These include an alpaca video, a color brochure and a fiber brochure.

#### **About NEAOBA**

*New England Alpaca Owners and Breeders Association*

Our members include active breeders, owners of pet-quality alpacas, and prospective alpaca owners. We are mostly from the six New England States, but we welcome members from anywhere. Many of our alpacas are U.S.-born animals, and some have been imported from Peru, Chile, Bolivia, and Australia. Our numbers are growing, and we always welcome new members. We enjoy talking to interested individuals about the benefits of alpaca ownership, so we welcome your inquiries.

#### **NEAOBA's Goals:**

- Promote public awareness of alpacas in New England and bring national focus to New England as a wonderful place to raise alpacas.
- Provide information to the public, including possible new owners, about the animals themselves, their investment potential, and the fiber they produce.
- Promote and market alpaca fiber in New England.
- Provide a network of internal communication among New England alpaca owners and breeders.

#### **In Closing...**

We're confident this information will be helpful in your quest for alpacas. We want to thank you for the opportunity to share our alpaca experiences with you. Burgis Brook Alpacas is always available to answer any questions you may have related to the breed, the husbandry, the organization and the philosophy of being an alpaca owner.