

Virginia Alpaca Owners and Breeders Association
Monthly Board Meeting Minutes
February 1, 2010

Attendees:

Ken Crews – President
Fred Obenchain – Treasurer
Hank Boyd – Director at Large
Les Fuller – Director at Large
Robin Watson – Secretary

The meeting was called to order at 7:33 pm.

Minutes from meeting of January 4th, 2010: The minutes from the January 4th meeting were approved and unanimously accepted.

Treasurer's Report:

Beginning Balance: \$35,598.15
Available Balance: \$35,585.47

Fred reported that there was very little activity this month, no income, a refund of membership and our AOBA Certification has been paid. Les moved and all accepted the treasurer's report.

Committee Reports:

Youth Committee: No report submitted. (Need Volunteers).

Education Committee: No report submitted (Need Volunteers).

Fiber Committee: The Fiber Committee report was respectfully submitted to the Board in writing by B-J Ellis as follows:

The VAOBA Fiber Committee held a special Fiber meeting, 23rd of Jan. 2010, for the purpose of discussing the purpose and uses of marketing programs offered by the Virginia Department of Agriculture and Customer Services, at the Rivanna Farm Studio, Ruckersville, VA, of Dee Dee Greer. Invited guests included members of former fiber committee, and individuals in our "network of experts", including Keli Harold, Pam Whiting, Ralph Muraca, and Sue Ives. Keli Harold, Susan Schmidtke, and Merian Burkett sent regrets. It was a fast-moving meeting and we discussed the Grown-in logo program, a Virginia Fiber logo that needs to be up-dated, as well as the Virginia's Finest. We reviewed what the other states are doing (3-pg. spread sheet created by B-J plus a box of state print-outs). Linda Polak shared the content of telephone interviews with Olivia Wilson of VADAC and another with Mary Scott, a weaver, who helped Olivia establish the VA Finest marketing Program and who crafted the VA wool standards. They made it clear "that it is the specific fiber, and finished fiber goods that qualify for the designation – not the farm, and not the animal or the animal's offspring etc." stated in Linda's draft of minutes from this meeting.

We still have our own concept and wording issues:

(1) Whether to be inclusive or exclusive of the full range of micron diameters; all other states that say anything about alpaca use an “inclusive” approach, as does VA for wool, an amended standard for wine and others. The VDACS Website is one source of the problem/contradiction: they refer to all commodities as “best of the best”.

(2) What to allow in alpaca fiber blends: no more than 49% added material, or no more than 30% added material

(3) How to or whether to require the “grown in” and “made in” requirement as other states have done. This combination always leads to the dilemma of is yarn made or produced or processed. Other states have ignored this dilemma.

All the other points of the current standards were covered and alternative wording was carefully crafted to include the Suri alpaca following the input of Ralph Muraca.

The committee is working hard to wrap up the Finest Standards so we can move on to other issues.

After the special meeting, we all adjourned to the Central Virginia Fiber Mill run by Mary and Mark Kearney, also in Ruckersville. They are fully operational. Mary and Dee Dee demonstrated a very important point: un-skirted fleeces slow down their turn-around time, and thus their business. Moreover, tumbled fleeces (processed to get the dirt out) can not be graded and sorted to go into their best-suited use in various mill products.

Sue Ives announced that The Alpaca Fiber Symposium, after being in Denver in Oct. is coming back to the East Coast, maybe to Richmond, VA, in June 2010. The committee wants to start a count-down of activities so our members who to attend the Symposium in June can get some needed benefits. The Countdown would include efforts to get groups of farms (there are 6 regions of the State on VDACS Website, and we could add other ones if needed) to help each other (pooled resources) at shearing time (separating Seconds and Thirds from the prime, blanket skirting, etc.) We look forward to the Education committee being able to continue with workshops for grading and sorting after the Fiber Symposium. This could actually be a 2-year plan to get all members caught up on doing SOMETHING with all their fleece.

Attempts to have a Suri person on the regular committee have failed, so keeping Ralph Muraca and Liz Valkamp, Fiber Chair for Suri Network, as available experts for Suri concerns is our best option at this time. All accepted B-J's Fiber Committee Report.

Board Discussion: Discussion surrounded around whether or not we want a micron count for the Virginia's Finest program. Les stated that the wool industry of VA has 10-12 members but there are more sheep farms out there than that, maybe they have not come to an agreement on their standards. Also that we are doing this for our members and VDACS has asked us to do this. Hank stated that we are trying to educate folks about alpaca fiber and that we need to incorporate one standard. We lost 30 farms over this issue in the past. Fred said that the standard relates to an individual shearing and products made from that animal's fiber and not on one animal or farm. Also, any farm that wants input on this issue needs to come from a member. Ken would like to see different grade standards presented to the membership. This could be done in the form of a letter, the newsletter or an email but needs to be approved by the Board first.

Industry Relations: The Chair of the Industry Relations Committee, Dr. John G. Ferrante, submitted the following written report to the Board:

January 14, 2010, Arthur Ashe Center, Richmond, Virginia

(Hosted by the Virginia Agribusiness Council)

Over 100 elected officials along with their guests were among the 850 in attendance at the Council's 39th Annual Appreciation Banquet on January 14, 2010. Dr. John Ferrante, Chairman of VAOBA's Industry Relations Committee and committee member Keli Harold, attended on behalf of VAOBA.

John and Keli spoke to several legislators and guests about VAOBA and Virginia's alpaca industry during the Virginia's Finest reception before the dinner. Some of those who we spoke to knew about alpacas but many did not, most had little idea how important alpacas could be to the Virginia agricultural sector. It is important that the VAOBA Board along with the VAOBA membership find ways of raising the awareness of alpacas in Virginia. It is a goal that John and Keli can spearhead through the Committee but it needs to be an objective of every member in VAOBA.

Delegate James M. Shuler received the annual Distinguished Friend of Agribusiness Award. In addition, Governor-elect Bob McDonnell and his wife attended the event and Bob spoke to the large crowd about the importance of agriculture in Virginia.

Agriculture is the number one industry in Virginia, and has an economic impact of \$55 billion annually and provides more than 357,000 jobs in the Commonwealth. The industries of agriculture and forestry together have a total economic impact of \$79 billion and provide more than 501,000 jobs in the Commonwealth. Every job in agriculture and forestry supports 1.5 jobs elsewhere in the Virginia economy.

The impact that agriculture has is tremendous, and it's important that VAOBA's Board of Directors find a way to communicate this message to the membership as a source of encouragement during these tough economic times.

Board Discussion: The Board moved that the Industrial Relations Committee work on a few short polished handouts that we could give to government officials as well as to the public to promote the alpaca industry

Marketing: No report submitted. (Need Volunteers).

Membership: (Additional Volunteers welcome). Fred has issued a refund to a member that was having some problems with the website.

Newsletter: Ed Kinser has volunteered to do the newsletter. Ray will contact and help Ed with the next newsletter which goes out mid-February. Ken has emailed Ed a timeline for the newsletter and will contact Ed by phone to see if he needs any help. Fred indicated that B-J would like to write an article for the newsletter.

Show Report: (Active Recruitment): The Show Report was given to the Board in writing by Judy Howe as follows:

I just heard that the meeting was likely tonight, so I am submitting this report and proposing a change in the way we do the Saturday night event.

I am happy to report that Joe Kyger has agreed to take on some additional duties for the show this year. In addition to being the barn manager, he is the driving force behind the proposal that I will share with you in this email. He will also take on the duties of farm sponsor coordinator. Brenda Breedlove expressed interest in doing the corporate sponsor coordinator along with the store and vendors, so I'm thinking that will be the way we go (hope you don't mind Fred if we get these other volunteers to do that). Joe will also have the help of Tonya Urban for his responsibilities.

We have 135 rooms reserved for the show. 115 in town and 20 more 15 minutes away at a very reasonable rate. It is also parents weekend this year.

Show is awaiting the final hiring of fleece and aux fleece coordinator before we can get certified. I sent the RFPs for those 2 positions out 2 weeks ago. Got one back for fleece show but the deadline I gave them is still about 12 days away. Working on a budget but would like to know what you think about this proposal before I can wrap it up.

I do have one comment about the education piece of the show. At one point, when we had an education coordinator, that committee organized the seminar part of the show, and the costs were absorbed by the education committee budget instead of the show. Now that we do not have an education committee, this is falling on me and I have no budget, other than the show to do it. The show can pay for these in many cases, but going 'on the cheap' is not always the best way to provide our members what they are looking for. Unless we are going to take on some additional education events, we might want to consider using the show as an opportunity to have seminars and those in which we can pay presenters. I think we want to have education events at other times of the year as well. We shouldn't be a 'show only' affiliate, like Mapaca fell into a few years ago.

Proposal in 2 parts.

Part 1: Brett Kayson is an AOBA judge trainer (he teaches them how to do oral reasons for alpacas), he is the teaching coordinator for the Dept of animal studies at Colorado State, he is a commentator for Silver Pen Sales and he has a business with judge Helen Humphries, and Debbie Harden travelling around doing alpaca herd evaluations. He's very pro EPD and all round good guy from what I have heard. Since the fleece evaluations were so popular last year with the fleece judges looking at animals (\$10 for 10 minutes), I thought we might want to do something like that again. Brett would be able to do an overall animal evaluation, not just fleece. We could charge for this and incorporate it into the registration for the show. His fee is \$500/day plus airfare and hotel (cheaper than a judge). We could probably make back most of his fee. He could also do a seminar 'Defining Selective Traits in Alpacas' which could be charged to the education side of vaoba.. He is available to attend our show.

Part II: The dinners are money losers for us. If we charged the real cost of the meal, tickets would be over \$35, maybe more if we didn't get enough sales on the cash bar and had to pay that cost. How about going in a different direction? Joe attended the Southern Select show and got an idea from there. Our slant on it would go like this. At 5:30pm, our Saturday event starts with heavy appetizers, pasta bar or some combination (free to attendees) and a cash bar. From 5:30-

6:30 it would be social hours and review the herdsire time... The event is a herdsire breeding auction starting 6:30 or 7pm.. Intent would be to get 30 or so breedings from top animals donated. The proceeds from the auction would cover the price of the food for VAOBA, and the rest would go to alpaca research, or some special alpaca project at a vet school. Even if we only averaged \$500 per breeding, that would be \$15K and the food would probably be less than \$3,000 so we would be sending \$12K to a research project. We need to do more of this to keep our status as a non profit. Joe is going to auction school this summer and would be the auctioneer, and Brett would be the commentator on the animals. We would probably need to print a booklet with the animal info, and then have displays for people to look at the animal info, fleece samples, etc. This event would be coordinated by Joe, Tonya and I. If the fleece committee wanted to do a fashion show, we could do that in the time before the auction starts...

What do you think? Its something different, it would not cost VAOBA anything, but we would need to start on it right away to make it work, and advertise it a lot. Joe thinks he can get some nice breedings, and perhaps get those farms to attend the show as well. Please someone get back to me on these issues.

Board Discussion: Fred stated that Judy is going in directions that need to come from the Board i.e., changing the forum to a herdsire auction. He would like to see us continue with the fashion show which will attract a larger audience than a herdsire auction, these auctions are going downhill at other shows. He would like to see how his pen sale goes in March, we will need full RFP's from Joe. Also is Joe getting help from Tanya Urban and Joe needs to become a VAOBA member.

Regarding donated breedings, Les thought that 25 breedings offered would be too many. Fred said that Brett Kayson and David Barboza did this at Nationals and that we would need enough people to pay for a cash bar, need someone to do catering and pay for a banquet room. We would need to get a minimum of \$500 in sales at the cash bar to get the room for free. Les thought we may break even if we offer a low ticket price, heavy hors d'œuvres, a free drink with the fashion show and auction. Also we need to assume that we might not have any sponsorships. A plan regarding this discussion needs to be emailed to Ken. A discussion on the conflict of interest with judges was discussed.

Action Items from Previous Meetings:

AlpacaStreet Marketing Proposal (Status of Dan Coulter Presentation): Robin contacted Dan Coulter and presented his proposal to the Board. It was determined that a lot of farms are already on AlpacaNation and that this current proposal was not in the best interest of VAOBA members.

Ad for the VAOBA Show: Les stated that Patty is working on the VAOBA show flyer to hand out at CABO, Fred said we need people to become eager to come to our show. Ken suggested a "save the date" theme on the flyer to go to CABO and a separate run to go to the Southern Select show.

Ballots: Sue's bio had not been requested for the ballot. Ken will send her an email. Robin will mail out ballots with the return date to be 30 days after mailing.

New Business:

Conflict of Interest Policy: Fred believes we need a conflict of interest policy, that we are engaging in practices that need to be protected by a written standard, i.e., a Board member having access to RFPs, operating to benefit a Board member, how a contractor is selected. Hank believes we do not need one referencing our Bylaws, Article 2.1 and 2.2 and the EZ Form if gross over \$200K. He also believes that it would be expensive for us to do so and wonders how our membership would feel about spending money to do so. Les thought that from an IRS perspective we don't need it if we file the EZ Form but that we need to do it properly and not rush into it. Also that any monies spent are to make our organization more professional and that this is just part of an evolving process. Ken believes we will probably need to have it in the future. Hank said that Terri Phipps husband originally looked at the Bylaws as a member, not as an attorney. Les asked Hank to speak with him and moved that we have an attorney look at our Bylaws in regards to whether or not they would be effected by a conflict of interest policy for VAOBA. All agreed.

Education and Fiber Committee Budgets and Educational Seminars Required to Maintain our IRS Status: VAOBA possibly establishing a small grant at the Vet School for students/residents for further education. For example, the upcoming conference at Ohio State, we could sponsor one or more students to attend on behalf of VAOBA. Fred suggested we give Patty the ok to see if there are two students/residents that would want to drive to Ohio State. Les will have Patty look into it.

Neonatal Clinic: Virginia State, timeframe – fall or spring? We need different vets as options other than Cheryl. Also do seminar for students.

We would like to host Dr. Anderson coming to Virginia. Patty wondered if he would speak since he has family in Rocky Mount. Ken will forward Patty's request to everyone.

Silent Auction Proceeds: Question about the percent of funds allocated to each 4-H group. Les moved that we allocate the funds based on the percentage that was agreed to in 2009 and that it would be allocated to each individual group based on membership count. The check is to be sent directly to each organization. Hank seconded and all approved.

Gmail Account: Ken has created an email account through Gmail for the VAOBA president so that all emails are kept for the next President.

The meeting was adjourned at 10:14 pm.

Respectfully submitted,
Robin Watson
Secretary 2009-2010