VAOBA Board of Directors Special Meeting Minutes October 22, 2021

Present: Mary Forte – President Cheri Seiler – Treasurer Susane Marsh – Vice President Heidi Dallman – Secretary

* 1. Meeting Opening:
	2. A Special Meeting was held via telephone conference call and commenced at 6:03. Mary Forte called the Special Meeting to order.
	3. The purpose of the meeting is to discuss the show Chairman’s recommendations and to review Show

Chairman prepared notification. 2.0 Business:

* 1. Cheri Seiler, treasurer, agrees that we do not have money in the accounts to continue with the show.
	2. Show chairman, Jay Fetner, said as of now the show has expended approximately $3,000 to the venue. He will meet in person with the venue in regards to the additional $13,000 payment.
	3. Cheri Seiler voiced that we can not promise anything to the venue in regards to a future show. All agree.
	4. Heidi Dallman motioned to adopt the recommendations of the Show Chairman. Cheri Seiler seconded that motion.
	5. The board voted and all present unanimously voted to accept the recommendations of the show chairman to cancel the event. Treasurer’s Report:
	6. Cheri asked for verification on two transactions of $1200 and $400. Mary Forte confirmed that the deposit transactions were for vendors.
	7. At this time, there is $14,000 in the bank but insurance is due and sponsors will need to be refunded. It is expected that after that is complete there will be $6,000 in the bank.
	8. Jay Fetner said he will work out a complete list of refunds due prior to any refunds being processed.
	9. Adjournment:
	10. Cheri Seiler made a motion to adjorn the meeting. Mary Forte seconded the motion.
	11. The meeting was adjourned at 6:18.

Please see the Show Chair submission attached.

Respectively submitted by Heidi Dallman, VAOBA Secretary

Attached Show Chair report submitted prior to the BOD meeting.

**SHOW CHAIRMAN REPORT & RECOMMENDATION**

**VAOBA NOVEMBER SHOW WEEKEND**

*INTRODUCTION*

 Back in 2018-2019, I warned the VAOBA Board that VAOBA risked bankruptcy by continuing to run its shows at a loss and soon would be unable to afford the initial deposits and avoid early cash-flow problems inherent in putting on a show in the Doswell Model (small, no public outreach, limited agenda). We face today a slightly different version of the same threat.

 Here are the facts and reasonable conclusions to be drawn from where we are on October 22, 2021, the original close of registration (I extended registration to November 1).

*Background: Business Model*

 I will not review here the losses and problems of 2019 and 2020 shows at Fredericksburg, which issues have been exhaustively discussed in prior memoranda and meetings. It is important, however, to emphasize the business model inherent in the decision to move the show to the Fredericksburg Center: a modern, efficient show weekend embracing the dual-show format, halter and walking fleece, with many and varied vendors, a significant expanded (national) herdsire auction, outstanding social events, and more importantly, a determined outreach to attract a large public attendance, numbering in the thousands – all to switch the paradigm from a narrow, self-contained owner and breeder focus to a full-scale promotion of a growing alpaca industry. Such a large (Level III, at a minimum) event not only would finally fulfill its full outreach and educational role but also earn sufficient revenues to fund VAOBA’s desired yearly program and meet its affiliate responsibilities. Finally, filling the void left by other failing regional affiliates may have been ambitious but certainly logical and a coherent strategy. 2021 was to be the first year that we moved from the Doswell model to the full promise of Fredericksburg. The paradigm shift completed.

*2021*

 On October 22, the confirmed registration numbers were shockingly low:

 Halter Entries ………………………………………….99

 Walking Fleece ………………………………………..16

 Total Registrations (both shows)

Only half of these were fully paid! Another 20-30 were “expected” but not confirmed. Some 30 farms in all.

Additionally, we have the following revenues committed or in hand:

 Vendor Fees and Ad Income …………………………………..$4,500

 Sponsorships …………………………………………………………. $4,100

 Pen Sales ………………………………………………………………. $10,000

 Ticket Sales (Total Sales (net of costs) …………………… $150

Without overwhelming you with a full financial breakdown, (the full budget for the weekend was provided the Committee in the 3rd Chairman’s Report), I will simply say that our committed financial costs of this event, were it completed, would be about $80,000, with some very careful management. To pay for such a reduced event would require:

1. At least 150 halter animals, plus 100 walking fleece entries –

400 registrations @ $50 each……………………………………………………….. $20,000

1. Minimal vendor fees and ads …………………………………………………………….. $10,000
2. Minimal sponsorships ……………………………………………………………………….. $15,000
3. 125 pens @ $200 each ……………………………………………………………………… $25,000
4. Minimum ticket sales, net of costs ……………………………………………………. $ 5,000
5. Catalogue ads/auction revenue/commercial sponsors/or

 improvement in a-e ………………………………………………………………… $ 5,000

 $80,000

We are not close. Moreover, because of the uncertainty and initial expense (cash-flow), I cannot progress further in solving outstanding issues re the expanded herdsire auction, the carpeting, the catalogue, the ribbons, and the food menus for Friday and Saturday nights. I have been bombarded with all sorts of suggestions about combining classes, judging and other scaled back ideas, none of which is feasible. Naturally, I would be hesitant about going backwards and giving up on our business model and imperiling the future (a failure in many respects – a bad show – is always worse than a cancelation), but in fact the idea exists on paper only.

 At this point, we are about $3,000 in the hole (to be paid), not counting the $13,000 payment to the Fredericksburg Center, which payment I hope to negotiate (next week) but which in reality has no chance of being made. If pushed that far, our relationship with the Center will take a beating.

 Six causes can be identified as surely contributing to the low turnout:

1. Mary and I have been struggling almost alone with the complex task of reinventing our show. Help from others on the Board or Committee has been sporadic and, while certainly appreciated, made little difference. I always intended to focus on alpaca sponsorships and commercial sponsors but found myself consumed by the nuts and bolts of the show. Mary and I both have put an enormous effort into this weekend.
2. Somewhat aligned with the first cause, I should mention the ugly personal attacks on me (mostly; some on Mary as well) initiated by a malcontent old guard who have opposed the move from Doswell and do not support or believe in the Fredericksburg venue or the new business model.
3. The Covid overhang is still with us. People are clearly apprehensive and many not ready to make the commitments in advance. The current administration in Washington has politicized this pandemic beyond reason, and we are just a little early on benefiting from a post-covid bounce.
4. We have been plagued by a perfect storm of exhibitor conflicts and personal reasons (divorces, medical issues, travel abroad, and many others). Unfortunately, assurances of participation in the future will not put food on the table today. We have lost a least 100 animals from large farms upon which we were relying.
5. We were expecting a 100-animal contribution from our Suri push. The AOA was not helpful here relative to our request for relief from the 3” staple length rule, but (so far) we had hoped anyway to arrest the Suri decline to VAOBA in recent years. This year, for whatever reason, in the worst yet.
6. A temporary postponement was prematurely announced, which event caused some uncertainty and skepticism at a critical point. Bad timing. I should emphasize, however, that our problem was not in closing the gap of the last 100 animals of our target. Our actual gap was the first 150 animals!

For a long time, VAOBA proudly took its place high up on the rungs of alpaca shows. A fixture on the East Coast circuit. Then, a steady decline. We have not been able so far to reverse that decline. I believe strongly in the revised business model, but we could not overcome the negatives. I cannot make the call – it’s a Board decision – but I must advise that the show be cancelled. Mary and I explored what limited postponement (new dates) was available. The four legs of the show schedule table – Center availability, judges schedules, show conflicts, and pen availability – could not be aligned. So, we need to cut our losses and regroup. Shows are sometimes cancelled; this outcome is not, unfortunately, exactly rare, but the result for the future may be harmful, even were the financial loss minimal. And we are still far from providing VAOBA with an engine of growth, purpose, and stability.

P. Jay Fetner

Show Chairman

540.222.9693

A recommended notice to go out to all as an email blast:

 VAOBA must unfortunately announce the cancellation of our 2021 November show weekend. We intended to bring a whole new show experience to alpaca owners, breeders, and the general public, but the disappointing and unexpected low numbers this year, with Covid problems still outstanding and many newly discovered conflicts, do not permit the huge financial risk. We apologize for inconveniences, all payments will of course be refunded, and we plan to try again in the future. Thank you.

Note: At 8pm an eblast was sent to all members and AOA members re the cancellation.

Note: All ticket sales companies were notified of cancelation.