

Pacific Alpacas Newsletter 02-17

February 26, 2017

Dear Grower

FIBRE COLLECTION PROGRESS – NORTH ISLAND COMPLETED

We are pretty much on schedule; we finished our main North Island collection on Friday 24th as planned. We have added 42 new growers and have collected over 10,000kgs, up 1900kgs from last year.



Our schedule remains ROUGHLY:

- Saturday 25 Feb and Sunday 26 Feb 2017 Nelson and Marlborough.
- Monday 27 Feb and Wednesday 1 March 2017- Canterbury.
- From 2 March until 6 March 2017 Otago and Southland – finishing at our facility in Cromwell where the hard work of sorting and grading starts.

Please, please.... Take the time NOW, to email or phone us if you want a pickup!

SHEARING DELAYS – NEED A LATER PICKUP?

We have heard from a number of you that you have been unable to get shearers and have still not shorn.

Depending on interest – we are considering doing a second, one off final run down the full length of the country in July 2017. Obviously, we will only do this if there is enough fibre still out there to justify another trip.

If we have missed you this time around, or you would like us to pick up in July, please either call Michelle on 021-762 051 or email info@pacificalpacos.com – once we know how much is likely to be out there we will firm up our plans.

Alternatively, if you want to drop-off to either our Albany or Cromwell warehouses, we have decided to leave that option open all year round; we just need at least 48 hours' notice please.

- Michelle on 021-762 051 for Albany drop offs.
- Jason on 021- 484 936 for Cromwell (Cornish Point) drop offs.

CONFUSED?

There seems to be some confusion for some about what we will, will not take, some of our procedures etc. Here is clarification of the more common issues we are encountering.

- PA are too fussy with their skirting requirements etc., they want the fibre to be perfect before they will collect it:

No, this is not the case. We will take fibre that has not been skirted but please don't send us your rubbish. We can't use fibre that has excess VM or hardheads twigs, or tree branches in it. Leaves, dust and soft VM is fine, scouring removes this in most cases.

(Note: VM = vegetable matter such as leaves and grass that can be removed by scouring; hardheads are hard items such as nail clippings, sticks, stones, bailclips, tree trunks – we don't want hardheads, it ruins carding equipment and is not removed by scouring)

Typically, scouring will not remove sticks, thistle heads, stones (yes really), seed heads; nail clippings etc. and our sorters must manually remove these from the fibre before we send it for scouring. This is extremely time consuming and costly as you can probably imagine.

1 Pigeon Rock Road, RD2, Cromwell 9384, New Zealand pacificalpacas.com

A nail clipping got through our sorting and scouring processes and caused thousands of dollars of damage to a customer's carding machine last week.

Please, if you want to optimize the return for your fibre try and help us by doing simple things like keeping your shearing floor as clean as possible and/or do a little bit of sorting/cleaning to make your fibre ready for collection.

Fortunately, most growers supply us with fibre that is good and clean but there are a few that let the side down sadly and that affects all of us.

- PA does not take Suri: Yes, we do. Sadly, however we can only get white Suri scoured in NZ so at this point everything else can be lumped in to our PS30 grade, including Suri NLB. We continue to look for other options for coloured Suri.
- PA do not take shorts: Yes, we do. What's more, as far as we know we pay more for them than anyone else does.
- You have to complete both sides of PA's grower bags: No! Please don't. We hope to get two years use out of the bags, so please only use one side.
- PA only take fibre that is in their collection bags: No, this is not the case. We do prefer growers to use our bags (we supply them free so why not use them) since it makes it a lot easier for us to sort and process the fibre, but we will accept fibre in pretty much any bags. This may change in 2018 as we are very keen to see the end of plastic rubbish bags being used; they are hard to label, hard to open, the fibre sweats in them and they are a nightmare for landfills/disposal.
- PA don't accept fadges: This is also not true. If you want to supply your fibre in fadges we have no problem with that; please just make sure you clearly mark them with your PAG number at the very least. We will even replace fadges we collect from you.
- I hope that the above may clear up some of the confusion out there. Our procedures etc. are intended to make things easier for growers, not harder so please, contact us if you have a query.

CONSIGNMENT PLAN – NO RISK WAY TO MAKE MORE OFF YOUR FIBRE

Don't forget. A positive, non-cash outlay to maximize your returns is to participate in our consignment plan. We will give you credit for your fibre against duvets and blankets. If you sell the item at our RRP you will likely double, triple or more the price per kilo on your fibre.

Example:

There is 1.8kg of fibre in a 350gsm 100% alpaca duvet. At say \$10/kg you payout would be \$18 for that fibre under normal circumstances

Assume you contribute 25kg of fibre to the pool. We issue you a fibre credit of \$8.00 x 25 = \$200 for that fibre.

Now Grower's Price for a King size duvet is \$189; use you fibre credit to get one King Size duvet on consignment, sell it at our RRP of \$375 and you have nearly doubled your money, at no risk. Your profit is \$375 - \$189 = \$186

On the 1.8 kg of your fibre, you effectively made \$100 per kilo. Not a bad return!

Pay us the \$189 and get another duvet and repeat the process if you want.

If you don't sell the duvet by the time we close off fibre credits before the season's payout, send it back to us unopened and in merchantable condition and we will credit back the \$189 and pay it out with your payout – NO RISK, HIGH RETURN!

We have refined our systems and processes so that we can track which growers go into the 120 kg fadge that goes to the scourer and comes out in 260 kgs pressed bales. We can then follow that bale to spinners, blankets or duvets and say within a certain batch whose fibre was used to make what products (for fibre we use "in house" only of course).

Best regards,



Steve Crow