

Llama Marketing Group Formed to Stimulate Interest, Sales

\$100,000 Sought for Promotion of Industry

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by Andy Tillman

Reno, Nevada - An ad hoc group of 11 llama producers met in Reno, Nevada, on November 28-29 to discuss ways they could energize the llama industry. By the second day, the group had raised \$17,000 toward a professional quality video of the llama industry, a four-color brochure, and other sales aids to increase public awareness of llamas as an investment and a lifestyle. Based on a six-month budget prepared by Tim Vincent, minimum start-up costs are expected to be \$47,250.

The Reno meeting resulted from conversations between Andy Tillman, Gregg Velasquez, and Steve Roling at Yakarama in Poulson, Montana, where Andy judged the first Montana llama futurity. Present also at the meeting in Reno, were Mak and Carol Kronn, Tim Vincent, Tom Simmons, Mike and Janet Wilkins, Susan Telez, and Dr. Cheryl Tillman.

The group hopes once an effective marketing organization has been established that its activities will be taken over by a unified national llama association (ILA, ALSA, LANA, RMLA, and ILR). However, believing an urgent need exists now for such a marketing effort to create a demand, the group decided to create the video and brochure immediately, rather than wait for a llama association to budget for and produce these powerful sales tools.

ILA Marketing Funds

Gregg Velasquez of Storm King Ranch told the group that ILA had spent \$268,000 on research projects since 1987. The ILA-sponsored fund raiser organized by Taylor Phelps in 1991 generated \$250,000 in donations for government relations, a marketing task force, and medical research. ILA President Donald Christ told *Llama Life* that \$135,000 of this was spent to support marketing efforts in 1991, 1992, and 1993. Most of the money was spent on human resources and support including the hiring of a marketing manager, a position which was eliminated in July 1993. The ILA also organized a national marketing Captains Network, which was very successful in some parts of the country. Additional marketing activities included a Publicity Handbook, motivational video, traveling displays, billboards, 1-800-WHY-LAMA toll free number, and the popular pamphlet, "Enrich Your Life Discover Llamas."

"These efforts helped steady the llama business during the 1991-1993 recession," Christ said. President Christ invited The Llama Marketing Group to the Llama Assembly '95, January 8-9, in Denver Colorado.

ILA is under severe restraints as a 501-C3 charitable organization as to what it can do in the way of marketing and presenting llamas as a lifestyle and investment opportunity, Andy Tillman told *Llama Life*. "Demand has not kept up with production, as reflected in our modest sale prices." The Llama Marketing Group probably will have to be incorporated as a 501-C6 "live-stock organization," to successfully market llamas through the mass and electronic media. This makes The Llama Marketing Group a

natural complement to existing charitable organizations, which are legally limited to spending money on education and research.

Dick Christensen, representing the ALSA board of directors, informed the Llama Marketing Group of ALSA's extensive activities, including 56 sanctioned shows in 1994 in 29 states and Canada, offer many marketing opportunities for llama producers. The state of Ohio held 20 local and ALSA shows alone.

Discussion turned to Celebrity Sale's 1995 World Futurity and Whether to expand the futurity into three regional qualifiers leading up to a national futurity. The difference between an ALSA-sanctioned show, which provides premiums or awards for a variety of classes and a Futurity, which provides prize money for a specific age group of llamas was discussed. Both events were seen as essential to the future of the llama industry. The group decided to support the World Futurity, setting a goal of 100 stud nominations, which would raise \$20,000 in additional prize money for futurity participants over the 60 stud nominations which are already promised or anticipated.

Long Term Goal - Unification

The group also discussed ways to reduce supply and increase demand, maintain value, and find corporate sponsorship for the llama industry. Janet Wilkins and Susan Telez, both with extensive experience with other types of livestock, stated their belief that until all of our various organizations and services were united under one roof, the industry would not be able to interest a corporate sponsor. A long term goal of the group is to encourage the unification of ILA, ALSA, LANA, RMLA, and ILR, and designate an official llama publication whose subscription would be part of an annual membership fee as there is with most other breed associations.

"Dairy farmers donate 15 cents per hundred-weight of raw milk sales to their marketing committee. One dollar per head of cattle sold is contributed to the National Cattlemans Association (NCA) marketing division for promotional programs. Most organizations ear-mark a portion of membership and registration fees for promotional purposes," Tillman said. "We don't have a comparable marketing effort in any of our current llama associations. The closest parallel would be to donate 15% of ILR registration fees to a marketing committee, since registration fees are directly related to production. This is not likely to happen any time soon, certainly not until Jack Thomas' contract expires in 1996. This makes the existence of The Llama Marketing Group of tremendous short-term importance."

Over \$30,000 has been donated to the Llama Marketing Group to date by the first 30 contributors at \$1,000 each, but smaller denominations contributions are equally appreciated and may be sent to: The Llama Marketing Group, c/o Gregg Velasquez, 77 Storm King Road, Hamilton, MT 59840. One-hundred percent of donations will be spent on efforts to increase the demand for llamas. The brochure and video will be available to all individuals and all organizations.